



LONG RANGE PLANNING COMMISSION
November 24, 2014
6:00 p.m.

1. Call to Order
2. Approval of Minutes of October 27, 2014
3. Public Hearing Continued – Baxter Comprehensive Plan
 - a. Brainerd Homes Letter – White Sand Lake Property
 - b. Johnson and Griffin Letters – Sewer & Water of Mississippi River Neighborhood
 - c. Quincer Letter – Public Input/Conservation Design/Sprawl/Parks/CIP
 - d. Kirchner & Fundingsland Letters – Bicycle Pathways
 - e. Doucette Letter – Dog Park
 - f. Lord of Life Letter – Knollwood Dr./Mississippi River Overlook Park Area
 - g. Heittola Letter & Articles – Motorized Trails
 - h. Hoisington Koegler Letter – Potlatch Properties
 - i. Briggs & Morgan/Close Converse & Sell Letters - Jeff Sell Property
4. Review of Next Commission Meeting Date: December 22, 2014, 6:00 p.m.
5. Adjourn

LONG RANGE PLANNING COMMISSION MEETING
October 27, 2014

The Long Range Planning Commission meeting was called to order at 6:00 p.m. by Chair Donnay.

MEMBERS PRESENT: Chair Kevin Donnay, Commissioners Mark Cross, Rock Ylimeini, Lori Rubin, Bob Ryan and Cathy Clark

MEMBERS ABSENT: Council Liaison Todd Holman and Jim Kalkofen

STAFF PRESENT: Community Development (CD) Director Josh Doty, City Administrator Gordon Heitke, and Mayor Darrel Olson

OTHERS: Rod Osterloh, Tom Rutske, Kevin Kiehlauch, Kerry Baker, Jerry & Alicia Heggerston, Jack Perry, Bill Bend, Shawn Sunnarborg, Larry Moses, Roger Williams, Russell Heittola, Ed Schulze, Howard Imsand, Jeff Sell, Ray & Deb Griffin, Rich Sergot, Paul Paige and Jennifer Skorich

Approval of Minutes

Motion by Commissioner Cross, second by Commissioner Rubin to approve the minutes of the July 28, 2014 and September 22, 2014 meetings. Motion carried unanimously.

Public Hearing Continued-Baxter Comprehensive Plan

Chair Donnay opened the public hearing portion of the meeting for any comments or questions. He thanked the public for the letters that were received prior to the meeting.

Mr. Jack Perry, Briggs & Morgan representing Baxter Mainstreet Limited Partnership, has met with staff regarding the property owned by Mr. Jack Sell. This property is being guided the Business Campus District. Minnesota State Law in 2005 made changes that required the zoning to match the land. He has asked consultants if there are buyers and a market for the uses listed in the Business Campus District and has been told there is not. There is going to be expensive infrastructure costs to develop that property. Mr. Perry stated that they feel that property would be undevelopable, which if this is the case would be a "regulatory taking". The second issue is regarding PUDs. He said that the normal solution would be to allow a PUD for a development approval process. He said that the problem is that he feels that the PUD process could not apply to this district. The third item is that the owner has no issue with screening and landscaping. However, they will never get there because of the zoning. Mr. Perry stated in a meeting with CD Director Doty and Administrator Heitke he asked to give the developers 60 days to show that the screening, as he did in another city in the metro. Staff gave the developers 30 days to prove that it is not developable with the Business Campus and can be screened to satisfy the vision the City has.

Mr. Paul Paige, of Hoisington Koegler Group Inc., land consultant for Potlatch, has worked with Baxter for 11 years. He supplied a map to the Commission showing the different Potlatch properties. Mr. Paige stated that Parcels I and J (parcels that run parallel with Hwy. 371) are guided for R-1 use. They do not feel that it is a good location for R-1. They would rather see R-2 or a mixed use. He stated infrastructure is imminent, the area is evolving and R-1 does not fit. There are currently 600 plus R-1 lots with water and sewer already. The reality is that with R-1 being next to the highway, it will be more than 15 years before there is anything placed on those parcels, which would be years of dormancy for the property owner. Mr. Paige talked about how R-2 would provide more tax generation than R-1. Mr. Paige agreed with Mr. Perry and asked for the same timeline to be given to them as well.

Mr. Russell Heittola, coordinator for the Cayunna Iron Range ATV Club, would like to comment on the need for motorized ATV trails for Baxter, as there is currently a lack of motorized trails. He heard rumor of a trail along the power line going towards the Mississippi River and he would really like to see that take place. Mr. Heittola explained that people do not want to trailer into Baxter, they want trail access to businesses, especially hotels and gas stations. He asked that this be considered with the plan moving forward.

Larry Moses, past president of Crow Wing County Snowmobile Club and a member of the Central Lakes and Cayunna Iron Range ATV Club stated that trails are very important in this area. Recreational trails bring a lot of income into the area. The Camp Ripley Veterans Trail (he noted that he is on this board) will go through Baxter near the bridge on Hwy. 371. Legislators approved a multi-use trail that may be two trails instead of one. One would be motorized and one would be for bikes and walkers. He added that figures from the last year show that 5,400 snowmobiles were registered in Crow Wing County and 7,500 ATV's were registered in Crow Wing County. Clubs are working on trails every year. He asked that the Commission keep motorized trails in the comprehensive plan.

Chair Donnay closed the public hearing at 6:27 pm.

CD Director Doty indicated that the power line that was noted is currently shown on the Parks and Trails Plan as a bike and pedestrian trail and not a motorized trail. He did however note that the plan does state that it is a goal to identify motorized trails in Baxter.

Chair Donnay asked if the comprehensive plan should be tabled to allow more time as requested. CD Director Doty stated that staff would be agreeable with the delay but that the commission could go either way. Commissioner Yliniemi said he would like to see what the representatives present, Commissioner Rubin agreed. Commissioner Rubin asked if there could be an overlay such as the conservation overlay that was done in the past, only that this would be a business district overlay. Commissioner Ryan stated that the timing is terrible and most of these people have been to several of these meetings and wished that they would have brought this information forward sooner instead of at the 11th hour. This may have kept the Commission from spending time on the Business Campus District and he agreed with the other Commissioners that he does not want to push a district forward and have it fail. Commissioner Ryan stated that he has sat on the Planning and Zoning Commission for years and has seen representatives say that a project cannot be done, and then several years later it does happen and is very profitable. He did not agree with giving more time as then the Commission maybe sitting here another six months, while City Council is looking to complete this plan soon. Chair Donnay agreed however, he wanted to get it right the first time. Commissioner Cross would also like to see what the representatives present, with the understanding that it will not get the highest classification of C-2, as that is not the current zoning of the property. Commissioner Clark stated that with hesitation, she too was not comfortable with the 11th hour pitch and it is a "hail Mary pass". She added that the commission has heard them previously, and that this is about use, not screening. She is a previous economic development commission member and heard in the past that a project could not be done and then it was done. She reluctantly will give them 30 days.

Motion by Commissioner Yliniemi, seconded by Commissioner Cross to table the comprehensive plan until the next regular meeting of November 24, 2014. Motion carried unanimously.

Commissioner Ryan asked for clarification of what the Commission is looking for. Commissioner Yliniemi stated that if pipe goes in the ground there has to be a business or residents that need to be hooked up to it. Chair Donnay stated that Mr. Perry is going to give an example of the goals that have been set as closely as it can to C-1 or OS. Commissioner Cross stated that the planning and zoning decisions are not made based on what the city is going to get back in taxes. Commissioner Ryan is still not comfortable, if Mr. Perry can put a car

dealership in there and it has vistas and screening, is that what we want, when previously the dealership was not allowed. Chair Donnay explained that is why they are going to bring an example for the Commission to review.

Next Meeting

The next meeting is scheduled for November 24, 2014 at 6:00 p.m.

Adjournment

Motion by Commissioner Clark, second by Commissioner Cross to adjourn the meeting at 6:42 p.m.

Approved By:

Submitted By:

Chair Kevin Donnay

Shanna Newman
CD Technical Clerk

Josh Doty

From: brdhomes@brainerd.net
Sent: Tuesday, October 21, 2014 3:32 PM
To: Josh Doty
Subject: Parks board and long range planing com

Josh Doty,

Lot 28 Memory Drive, Baxter, MN. is for sale! Please make offer or take off long range plan because listing it for a park is scaring away potential buyers.

Sincerely, Brainerd Homes Inc. Gerald and Rock Yliniemi

Josh Doty

From: Tina Johnson <tina.lange.johnson@gmail.com>
Sent: Monday, October 13, 2014 9:49 PM
To: complan
Subject: Sewer and Water Project

Long Range Planning Commission:

We are writing to express our concerns regarding the proposed municipal water and sewer project in the Camwood, Scenic River Drive, Forestview Drive and River Vista Drive area.

We live at 11895 River Vista Drive and live on a large lot of 39,500 square feet, so just under an acre. Our neighborhood is comprised of large lots such as ours. Our homes are established and there are few, if any lots left for more building. To put in water and sewer into a neighborhood with such large lots, and for homes which already have both working and functioning wells and septic systems, seems extremely wasteful.

We see no benefit to us or to my neighborhood with this project, but instead see this as a real hardship on our neighbors, at a time when our economy is still struggling. We see this as the trigger for our neighbors in upside down mortgages to walk out on their homes. Our neighborhood is established and is not densely populated. We do not need municipal water and sewer. Please do not go forward with this project.

Sincerely,

Craig and Tina Johnson
218-316-4467

Josh Doty

From: ray griffin <rgriffin98_98@mac.com>
Sent: Tuesday, October 14, 2014 3:34 PM
To: compplan
Subject: Comp Plan

10-14-14

to: Long Range Planning Commission
Baxter MN

from: Ray Griffin 11766 River Vista Dr Baxter Mn

The italicized message below was written by me and distributed in our neighborhood (approximately 150 dwellings).

"Most of us know that water treatment has long been discussed for us, with construction of a system originally planned for implementation more than a decade ago. At the time, central sewer and water made sense from a planning perspective, but now the available building lots are more than 80% built. Those homes are built with individual septic and wells on large lots with mandated space for continued maintenance. The city has permitted and continues to permit construction of new systems in this area, with no public health concerns. As sewer systems age, they are being updated to meet current standards. Our recent upgrade cost about \$8000 and should last about 20 years (our first one lasted 22 years)."

The zoning classification suggested for our area in the comprehensive plan is "Low Density Residential" and defined as "Single-family detached and two-family unit residential development at a maximum density of 3 units/acre."

The lot sizes in our area are considerably larger than that description and are unlikely to change to smaller lots now that homes are built on them. The average cost project per home for city sewer and water is currently about \$20,000 with hookup to your home along with an added monthly bill for sewer and water that replaces functioning systems already in place. The justification for a multi-million dollar project paid for with assessments with little if any current public health benefit is not made evident in the comprehensive plan."

The feedback that I received varied from concern about the cost of sewer and water, affirmation that the current system is not broken, and perhaps most concerning, the negative effect on real estate value in the area. Response from concerned people indicated that real estate sales are tough because of both the uncertainty of the timing of the project and the potential cost. Several related that they have removed their property from listings because the concern of potential buyers related to the sewer and water project made the asking price uncompetitive.

One home owner suggested that the city is counting on this project to help pay for the construction of a sewer and water connection along highway 48. If so, that would seem unfair. I don't think anyone would question sewerage if there were a demonstrated public health issue that could not be alleviated within the currently permitted use. I would think that resistance would be met if the primary purpose of the timing was to provide more users to pay for a system to benefit others.

Perhaps the city should consider adding a zoning classification that more accurately describes the existing land use in this area. The new classification would seem to fit between the suggested classifications of "Rural Residential (five acres unsewerd)", and "Low Density Residential (1/3 acre and central sewer)", and would allow presently un-sewered 1 acre or larger lots in previously developed plats. Such a delineation would not preclude future sewer and water, just remove it from the current uncertainty and allow the timing of the decision to be made for the purposes of health rather than fiscal concerns.

Ray Griffin

The Baxter Comprehensive Plan and sewerage the neighborhood.

Hello, I'm Ray Griffin. I live at 11766 River Vista Dr. and would like to alert you to an important upcoming issue.

Sewer and Water project- est. cost: \$20,000 with hook-up and additional monthly utility bills. New septic system when needed: \$5-8000 with 20 year life and no monthly bill.

The residents of the Camwood- Scenic River Drive- Forestview Drive- River Vista Drive area have an opportunity to express their feelings about the future of municipal sewer and water in this region of the city of Baxter.

Most of us know that water treatment has long been discussed for us, with construction of a system originally planned for implementation more than a decade ago. At the time, central sewer and water made sense from a planning perspective, but now the available building lots are more than 80% built. Those homes are built with individual septic and wells on large lots with mandated space for continued maintenance. The city has permitted and continues to permit construction of new systems in this area, with no public health concerns. As sewer systems age, they are being updated to meet current standards. Our recent upgrade cost about \$8000 and should last about 20 years (our first one lasted 22 years).

The zoning classification suggested for our area in the comprehensive plan is "Low Density Residential" and defined as "Single-family detached and two-family unit residential development at a maximum density of 3 units/acre." The lot sizes in our area are considerably larger than that description and are unlikely to change to smaller lots now that homes are built on them. The average cost project per home for city sewer and water is currently about \$20,000 with hookup to your home along with an added monthly bill for sewer and water that replaces functioning systems already in place. The justification for a multi-million dollar project paid for with assessments with little if any current public health benefit is not made evident in the comprehensive plan. Perhaps the city should consider adding a zoning classification that more accurately describes the existing land use in this area.

Feel free to call me at 218-829-6141 with any questions.

If you have thoughts either way on this issue, the Baxter long term planning commission is taking written input until October 14th, and there will be a public meeting on October 27th. Check the website or call Baxter city hall for the meeting time.

From the Baxter City website (<http://www.baxtermn.gov/category/comp-plan/>):

"The City of Baxter is nearing the end of the public process to update the Comprehensive Plan, which will likely be completed this fall of 2014. However, there is still time to get your thoughts, and comments submitted. You may submit comments to the City anytime (contact information on the right). There are also opportunities to participate in the update process at Long Range Planning Commission (LRPC) and other special meetings. The LRPC meets the last Monday of every month (except the May 2014 meeting, which is on May 19th) at 6:00 p.m. at Baxter City Hall. The LRPC Serves at the pleasure of the Mayor and City Council and is the primary commission responsible for the comprehensive plan update process. The LRPC holds public meetings and people are encouraged to attend. Agendas and minutes of the LRPC meetings are available on the right of this page. A comprehensive plan is a long-range vision and guide for the City's future. The comprehensive plan is used by elected officials when making decisions. The comprehensive plan also sets forth the legal foundation for regulations adopted by the City, including the City's zoning ordinance, subdivision regulations, etc."

Long Range Planning Commission Members:

Bob Ryan, Cathy Clark, Jim Kalkofen, Kevin Donnay, Lori Rubin, Mark Cross, Rock Yliniemi, Todd Holman (liaison).

Baxter City Hall 218-454-5100

13190 Memorywood Dr

Baxter, MN 56425

2014 Comp Plan Comments

I will start by apologizing about the format/structure and likely typos in my comments—I had no idea the comment period was extended until a neighbor told me of the extension and new deadline for comments of tomorrow. I will be leaving town for work for several days early in the morning so had little time to pull this together.

I was not able to make the first public meeting in September were the extension was granted as I just found out about that meeting that same day as well. If my schedule permits I will try to make the next meeting, although it is unclear if the commission will be considering any additional comments or clarification at that time.

Comments:

- 1) I will start with this, which is an ongoing comment from me. Please consider improving your methods of public input for city plans. I note the general topic of public engagement was identified as both a weakness and a threat in the early SWOT process. However--unless I missed it in my quick review--specific strategies to improve on that are lacking in this comp plan draft.

Many Baxter citizens are very busy but do have an interest in the cities work—and not just when it affects them directly. The website design is not very user friendly; meeting minutes aren't always posted in timely fashion (i.e. nearly right away as Brainerd does) making it nearly impossible to follow progress on topics and comment or attend meetings before it is deemed too late by city staff; and fewer people take the dispatch at home—or read it online and don't see the printed public notices.

As a specific example related to comp planning, a fairly standard approach in government planning these days is to collect interested citizen contact information at plan kick-off time and continue developing a contact list throughout the course of plan development. Then as the final draft is prepared, contact each person indicating interest earlier with notice of how to obtain the draft, how to comment, information on any public meetings, etc. With modern technology (e.g. e-mails, texts directing people to a web link) this can be handled at minimal expense while still reaching busy people. Younger people in particular are highly plugged in to the internet and smart phones—if information is not readily available in that format they aren't likely to be aware or involved, even if they have a strong interest. I am very confident that some simple changes can generate much more input, better inform citizens, and ultimately lead to more support of planning efforts.

- 2) I am concerned with what appears to me to be a rolling back of development/design intent when compared with the last two Baxter comprehensive plans. Two plans ago the city comp

plan stressed development designs that retained an “up north” character. The most recent comp plan frequently mentioned the use of conservation design in development planning.

This plan continues with mention of conservation design but only (at least that’s what I see) in the context of “environmentally sensitive” areas or to protect “unique land and water features” .

While I certainly support that intent, it is a simplification in application of the concept. I also believe it represents a simplification of the intent from the last plan, where I felt use of the term implied much broader utility for new residential and commercial development regardless of whether or not there are environmentally sensitive areas involved. Certainly that was the vision that Randall Arends brought to the city when he was invited by the city to speak about the concept during a prior comp plan development effort.

The Brainerd/Baxter area has a reputation for sprawling development which alters the original character of the land dramatically from the original naturally vegetated state to one lacking any local or regional character. Some of that reputation is unfair in my view, but I find it hard to dispute when traveling the commercial 371 corridor. I think the city has done a very good job in many areas but opportunities to shape the corridor to more closely reflect the cities comp. plan vision were not exercised.

We had another embarrassing critical article on the matter in the Mpls Star Tribune recently. We can do better, and a good start would be to more fully embrace the concept of conservation design in a broader range of new commercial/mixed/residential development designs.

- 3) Park designation. I would like to see more definition of intent under each designation type, including specific intent for management of each current city park. Past plans had more specific direction in that regard than this one does. I have witnessed management of one city park that has frequently run counter to the parks original designation. Following public input gathering by the parks commission prior to some active development, things improved greatly, but in some respects recent actions appear to continue to conflict with the current plan’s intent. More specific definition of management intent under each designation could have helped avoid much past conflict and moving forward can provide clearer direction for city officials, staff, and citizens.
- 4) Capital Improvement Plan. The new draft (and each of the previous two plans) all have said similar things with regards to the capital improvement plan. It should continue on schedule in orderly fashion they all have said, so that residents can plan for the arrival of city services under an expected timeline in the future.

Nothing wrong with this—except it has not come close to being met in multiple plans now, and the original situation those words were written to apply to has changed dramatically.

Many neighborhoods have seen expected arrival of city sewer and water postponed for well more than a decade now. Any original expectation that such services would arrive in a timely fashion before private services began to fail or experience trouble has long been passed.

I am not yet aware of any well failures, but septic systems—with a typical 20 year design lifetime—have failed and will continue to fail in neighborhoods first promised city services a decade or more ago.

Far from being "orderly" as stated in past plans, the delay has led to a situation which I believe the plan should consider and address but makes no mention of that I can see. Residents who have paid significant sums to replace personal services that failed towards the end of their natural lifetimes are treated exactly the same as residents with aging systems that have yet to fail. This has some residents looking to sell—but the high expense of arriving city services has put a damper on the ability to sell homes in such neighborhoods.

Roads in these neighborhoods were also originally built with an expectation they would be replaced long ago when city sewer and water services were originally planned for installation. Today they are in such disrepair that there are no repairs that can be made to last long in many sections. The road base and sides are shot or gone. City staff have been excellent in response to complaints of damage and repair needs but I'm sure they get tired of repairs every few months to the same locations!

I know these points were brought to the planners by multiple citizens, but again the plan treats Capital improvements no differently than any past plan.

I'd like the plan to acknowledge the issues that the long delays in prior planned arrival of city services have created for residents, acknowledge the new and significant conflict this will create as the city eventually moves forward with plans for implementation, and either suggest some ways of dealing with that conflict in a manner residents consider more fair, or identify it as a major unresolved need that will require further discussion and planning.

Thanks for the chance to comment!

Tim Quincer

11586 River Vista Drive

Josh Doty

From: Steven and Tessa Kirchner <kirchnerinvail@me.com>
Sent: Thursday, September 18, 2014 3:27 PM
To: Josh Doty
Subject: Transportation and Parks & Trails Commission

To Whom it May Concern:

I have been riding my bicycle in Baxter for many years, and I think you should focus on the bicycle traffic and bicycle pathways. Thank you for carefully considering the needs of bicycles!

Tessa Kirchner
kirchnerinvail@mac.com
970-390-0966

"The school is the last expenditure upon which America should be willing to economize"
Franklin D. Roosevelt

Josh Doty

From: Dan Fundingsland <danfundingsland@ceteraadvisors.com>
Sent: Thursday, September 18, 2014 2:46 PM
To: Josh Doty
Subject: Thank you!

Hi Mr. Doty,

I am the Treasurer of the local Paul Bunyan Cyclist's Club and would like to show my support for what you and the city are trying to do for bicycling in the area. We meet weekly, quite often at the Northland Arboretum in Baxter to begin our rides.

The club has over 100 members – in addition to many friends, family and associates who have not officially joined the club – in the area that can benefit from better, more friendly cycling in the area. I encourage yourself and others involved to continue considering bicycling in all future plans as a legitimate form of transportation and recreation for many in the area. Not only is bicycling fun, but a very healthy, low cost way of getting around versus automotive transportation.

The benefits of biking as a legitimate, safe form of transportation far outweigh the cost of implementing such a system. Please continue to integrate these types of meeting, like the one coming up on the 22nd of Sept., as a way of getting feedback from the community.

Thank you again,
Dan

Dan Fundingsland, Investment Advisor Representative
Summit Point Financial
14084 Baxter Drive, Suite #2
Baxter, MN 56425
Office: (218) 454-9200
Cell: (218) 820-9000

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From: campfire218 [<mailto:campfire218@live.com>]

Sent: Monday, October 13, 2014 11:00 AM

To: City Hall General Email

Subject: Parks and Trails Commission

Dear Parks and Trails Commission Members;

I've recently had the opportunity to spend some time at Buster Dog Park in Brainerd. At first I thought it was a foolish idea for a small community. All of the typical negatives seem to come to mind right away like barking dogs and irresponsible owners, but our experiences there have been quite the opposite! People have really embraced the park and gotten behind it. There are bags and garbage cans for people to clean up after themselves and their pets and they get used. Dogs play, but aren't obnoxiously noisy and sometimes a tennis ball is left behind, but nobody really seems to mind.

Yesterday while I was there exercising, socializing and training our new puppy, I was talking with a fellow Baxter resident that I met while there and we agreed that it would be a blessing to have a safe place in our city where dogs could run and play. We take our dog on frequent walks and I've noticed the recently cleared area south of the hockey rink at Loren Thompson Park and wondered what will be done with the space. It's almost the perfect size for dogs and close to the parking lot. I'm sure there are other great spots in the city as well, it's just that Loren Thompson is just close to home for us and sparked the idea. If this is a possibility for Baxter and fundraising is a concern I am willing to do what I can to help.

Thank you,
Sincerely,

Dan Doucette
13040 Kingwood Dr.
Baxter, Mn 54625
218-851-4559
Campfire218@live.com



Pastor Steven J. Rye
Pastor Erika Nilsen
Pastor Lilja Behr

Phone: 218-828-9374
Fax: 218-825-7922
Email: office@lolbaxter.org

LORD OF LIFE LUTHERAN CHURCH (ELCA)
Junction of Hwy 210 & Knollwood Dr.
PO Box 2749
Baxter, MN 56425-2749

OCT 6 2014

October 5, 2014

Baxter Long Range Planning Commission
13190 Memorywood Dr
Baxter, MN 56425

Re: *Comprehensive Plan Comments of Lord of Life Lutheran Church*

Dear Commissioners:

Thank you for your hard work on the updated Comprehensive Plan for the City of Baxter, and we know it has involved many hours of your time.

Below are comments on two areas of the Plan as they affect Lord of Life Lutheran Church or its properties. Those areas involve the anticipated moving of the signalized intersection at Knollwood Drive, and the long range road and infrastructure plans near Mississippi River Overlook Park where the church owns land. We will briefly discuss each below:

Knollwood Drive Intersection

The Plan anticipates moving the controlled stoplights at Knollwood to the Inglewood intersection (Long Range Transportation and Functional Classification Street Map, Chapter 3, page 7). Lord of Life would prefer that the stoplights stay at the Knollwood intersection. The current location provides easy access to those attending our church, both by auto and on foot (many of whom live in the Knollwood neighborhood). The stoplight allows safe entrance and exit to Highway 210.

If the City requests moving the signal and MnDOT concurs, motorized access from Highway 210 will be more difficult for users of our facility. Pedestrian access is of particular concern to us because pedestrians and bicyclists traveling from the south will then be cut off from safe access to the church unless they cross at a signaled intersection some distance away, making it impractical.

The Plan also envisions that the current Highway 210 signal at County 48 (near Baxter Elementary School) will be moved to Memorywood Drive. If both the Knollwood and County 48 signals are moved to the east and west respectively, the distance between these two lights will go from a little over a half mile to well over a mile. This will create a long stretch of limited access along this stretch of Highway 210. For Lord of Life, it will make vehicle access more difficult and make all but

impossible safe and convenient pedestrian access from the south. Further, it will hinder the intended connection between the current trail along south Knollwood and the future planned trails north of 210 (see "Future Parks and Trails System" drawing at page 9, Chapter 4).

Lord of Life has several suggestions. Foremost, of course, is not to move the signal from Knollwood. If this is not feasible, then we would request the following suggestions be reflected in the Comprehensive Plan:

- Maintain a three-way intersection at Knollwood with appropriate signage (as is currently at Inglewood), which would not require additional construction and would enable eastbound and westbound traffic access to north Knollwood Drive. Or, if this is not permitted by MnDOT, then create a right turn for north Knollwood from westbound Highway 210; and
- To address pedestrian issues, construct a grade separated crossing, such as pedestrian/bike bridge, over the highway and railroad at Knollwood to allow safe foot and bike traffic between south and north Knollwood Drive.

These suggestions are consistent with, and we believe necessary to achieve, the policies set forth in the Comprehensive Plan, Chapter 3, page 2, particularly #3 ("Integrate pedestrian and bicycle trails..."), #7 ("Use traffic management technology to improve the operations and pedestrian safety of the roadway system"), along with the many other policies seeking less roadway congestion and safe trails and paths. In addition, a pedestrian bridge would allow connecting the Knollwood trail to future trails north of Highway 210 as planned by the City (see "Future Parks and Trails System" Chapter 4, page 9).

Specifically, we suggest the Plan be revised to recognize a need for a grade-separated crossing at Knollwood if the signal is moved. At Chapter 3, page 2, we would suggest adding to Policy # 4 "and a grade-separated crossing of Hwy. 210 that provides pedestrian and trail connections at Knollwood Drive."

Infrastructure Plans Near Mississippi River Overlook Park

Several years ago, a bequest to Lord of Life gave it ownership of some of the land that became Mississippi River Overlook Park. Lord of Life retained some land, intending to promptly sell it to raise funds for construction on its facility, but the recession affected the market. This land is approximately 36 acres, and is southwest of the cul-de-sac at the end of Oakdale Road. The land is immediately north of the wood chip trail to Mississippi Overlook Park, and is highlighted in the attached exhibit.

Lord of Life believes the Plan should show a potential roadway and sanitary sewer, which is not shown on the current maps, but if shown, would be consistent with future plans for water and trails.

Lord of Life's land currently has water and sewer stubbed in at its northeast corner, at the end of Oakdale Road. According to the City, only a small portion of this can be served without a sewer lift station. South of our land is more developable land owned by others, which the City intends to eventually zone as low density residential (see "Draft Future Land Use," Chapter 2, page 19). The Oakdale sewer and water stub do not easily serve this land, which is at a higher elevation.

The "Water Map" drawing in the Plan (Chapter 2 page 34) shows water service along the southern border of Lord of Life's land, looping from the end of Paris Road and continuing to the west along the north side of Mississippi River Overlook Park until heading north to connect with Mountain Ash Drive. The City currently has easements along the entire east-west length of this loop.

In addition to showing water along this loop, the "Future Parks and Trails System" drawing (Chapter 4, page 9) shows a bike/pedestrian trail along this same corridor. Curiously, however, the "Sanitary Sewer Map" (Chapter 2 page, 33) does not show sanitary sewer along this corridor, nor does the "Transportation Functional Street Map" (Chapter 3, page 7) show a future local road along this corridor, even though this area is all within the "Sewered Growth Area" in the Plan (Chapter 2, page 35).

We recommend that the Commission revise the Plan to show future sanitary sewer and roadway along this loop, allowing for a road, trail, water and sewer corridor from the west end of Paris Road to the south end of Mountain Ash. The specific Plan revisions would be to the Street Map (Chapter 3, page 7) and to the Sanitary Sewer Map (Chapter 2 page, 33). This has several long-term advantages:

- Sanitary sewer and water are provided to property anticipated to be developed as low density residential to the north, south, east and west of the looped corridor;
- A roadway provides better vehicle access to residents without dead ends on Paris Road and Mountain Ash;
- A roadway provides much better access to Mississippi River Overlook Park; and
- Sewer and water would be provided in the future to Mississippi River Overlook Park.

Please let us know if you have any questions about any of our suggestions. Again, we thank you for your time devoted to the updated Comprehensive Plan.

Sincerely,



Jeff Mattson, President
Lord of Life Lutheran Church

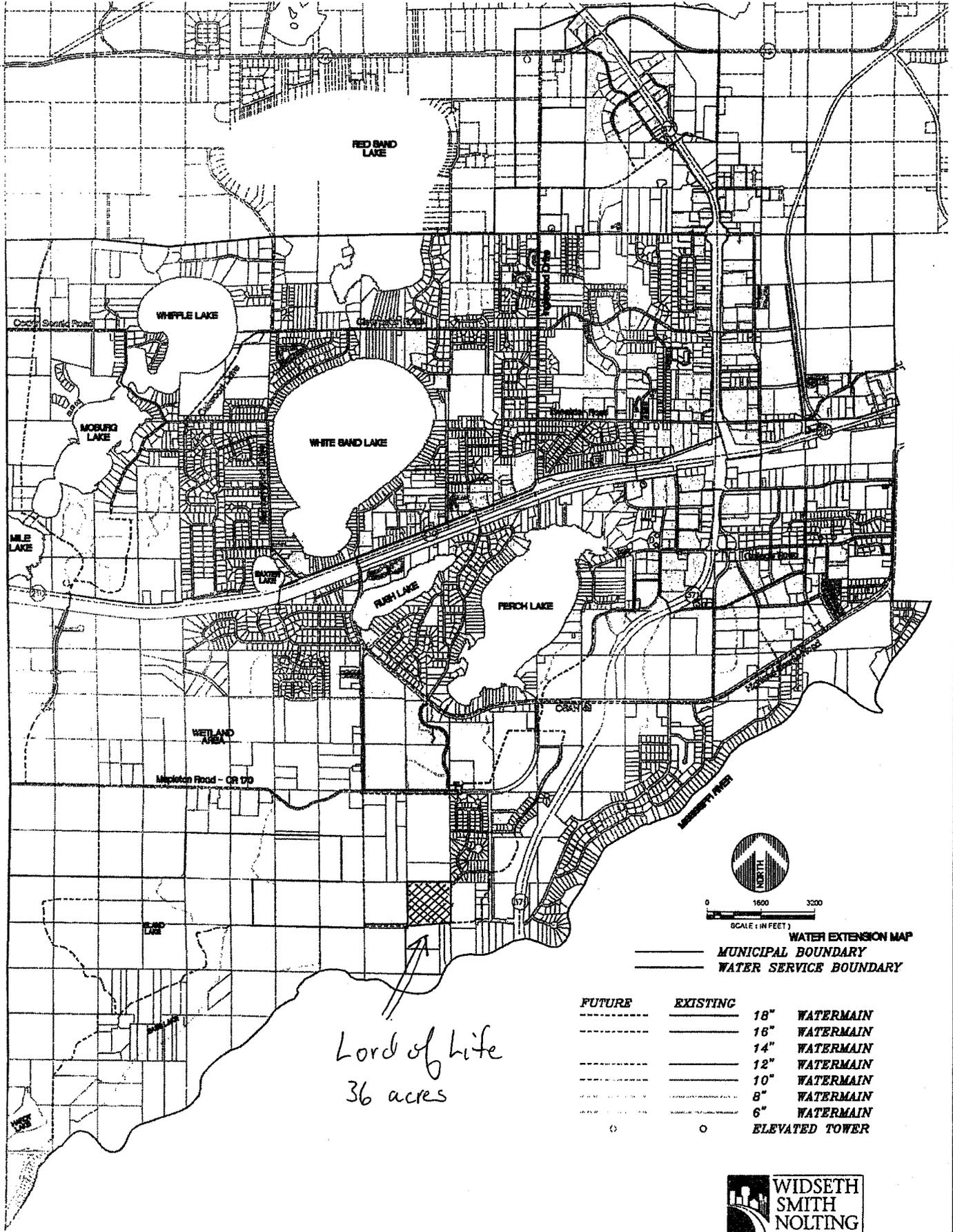


Pastor Steven J. Rye, Senior Pastor

encl.

cc: Jack Christofferson
Paul Jacobsen
Todd Holman

CITY OF BAXTER WATER MAP



Lord of life
36 acres

WATER EXTENSION MAP
 ——— MUNICIPAL BOUNDARY
 - - - - - WATER SERVICE BOUNDARY

FUTURE	EXISTING	SIZE	TYPE
---	—	18"	WATERMAIN
---	—	16"	WATERMAIN
---	—	14"	WATERMAIN
---	—	12"	WATERMAIN
---	—	10"	WATERMAIN
---	—	8"	WATERMAIN
---	—	6"	WATERMAIN
○	○		ELEVATED TOWER



Josh Doty

From: HEITTOLA, RUSSELL <rh637c@att.com>
Sent: Tuesday, October 28, 2014 8:59 AM
To: Josh Doty
Subject: True Multi Use Trail
Attachments: SooLine_MooseLake_001.jpg; SooLine_MooseLake_004.jpg; SooLine_Onamia_002.jpg; SooLine_Onamia_003.jpg; SooLine_Onamia_004.jpg; SooLine_Onamia_006.jpg

Josh
Thanks for listening to us last night. There is a real need for motorized trails in the Baxter area. A lot of people that live in town are looking for a way to ride out from there house. At this time there is no designated trail in Baxter. With the Camp Ripley Veterans Trail in the process, now would be a great time to make sure there is a plan put in place for it and others. Some people would argue that running motorized and non-motorized users together would not work. Although there are trails in the state that are running dual trails in the same area. I have added some pictures to show what they look like and that they do work.

Thanks for your time.

Russell Heittola
ATT Mobility
MSC/RNOC Technician
Office: 218-839-9990
Cell: 218-839-0011
E-mail: rh637c@att.com

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Josh Doty

From: HEITTOLA, RUSSELL <rh637c@att.com>
Sent: Tuesday, October 28, 2014 9:15 AM
To: Josh Doty
Subject: Brainerd Dispatch article on multiuse trail
Attachments: Brainerd Despatch ariticle on multiuse trail 8 10.docx

Josh

I found a good article from the Dispatch on the Soo Line Multi use trail.

If you need any other info I can help with please ask.

Thanks for your time.

Josh Doty

From: HEITTOLA, RUSSELL <rh637c@att.com>
Sent: Tuesday, October 28, 2014 8:59 AM
To: Josh Doty
Subject: True Multi Use Trail
Attachments: SooLine_MooseLake_001.jpg; SooLine_MooseLake_004.jpg; SooLine_Onamia_002.jpg; SooLine_Onamia_003.jpg; SooLine_Onamia_004.jpg; SooLine_Onamia_006.jpg

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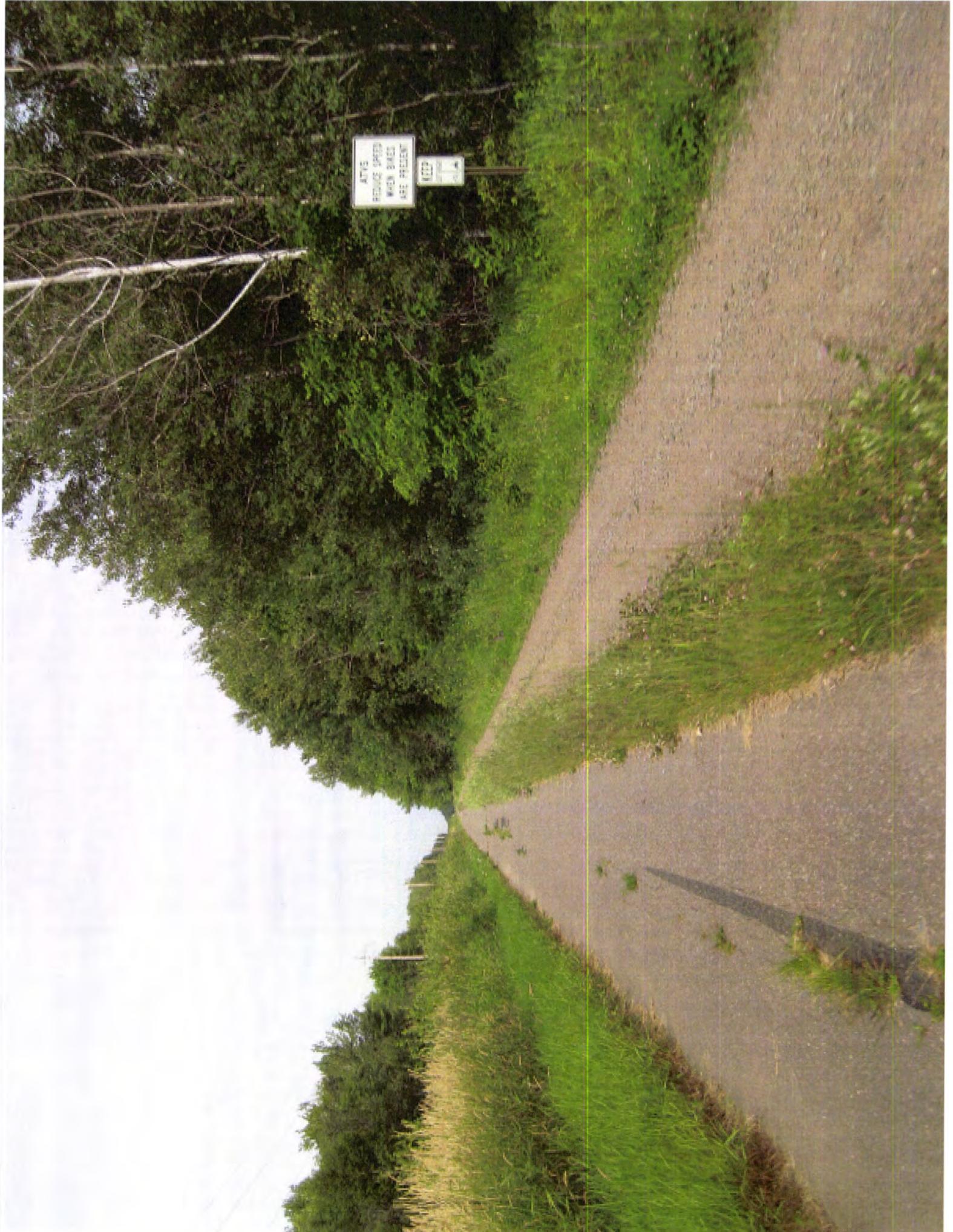


CITY OF
MOOSE LAKE



CITY OF
MOOSE LAKE





ACTIVE
REDUCE SPEED
WHEN BIKES
ARE PRESENT

15 MPH







ATV trail season ends in a burst of color

Posted: Sunday, October 26, 2014 5:00 am

County's extensive system will be open only on roads and signed trails and for use by big game hunters until May 15

October 31 marks the end of another recreational ATV season; as recreational use (like trail riding) ends until May 15, 2015, on the Northwoods ATV trail system. Under the "limited" rule ATV travel is

open only on roads and trails that are signed open to ATV use; however most of the trail miles will be open to ATV use for big-game hunting under the "hunter exemption rule" to facilitate access to

remote hunting areas or retrieving harvested big game animals.

Twenty-eight machines showed up for the White Pine Riders Fall Color Ride held at the end of September.



"Although there were challenges related to wet weather and beaver activity in 2014, overall it has been a successful year for the ATV trail system in Aitkin County," said Aitkin County Land Commissioner Mark Jacobs. "Local ATV clubs have made great strides in trail maintenance over the past few years and coordination between clubs and the county and state trail authorities is very good. Reports of off-trail travel and the associated problems have declined since establishment of the interconnected trail system in 2012."

Trail usage continues to increase and, Jacobs said, inquiries from riders across the U.S. have been increasing. County operated campgrounds that have direct access to the trail system have experienced an 83 percent increase in use since 2011; most of that due to ATV trail users. Dovetail Partners of Minneapolis recently released a report on the history of the Northwoods ATV trail system including a 2013 local business survey that indicated increased economic benefits associated with the trail system (see link at

http://www.dovetailinc.org/report_pdfs/2014/dovetailresprec1014.pdf)

"We look forward to next May 15 and, hopefully, another great 'ATV-ing' season," Jacobs concluded.

SOO LINE TRAIL | ONAMIA TO ISLE

Segment appeals to all trail users, from bicyclists to ATV enthusiasts

By [BRIAN S. PETERSON](#)

Outdoors Editor

ONAMIA - As if on cue, the ATV driver slowed to a near idle as he met the bicyclist. Not that he was exceeding the speed limit - there didn't appear to be one in place.

But here, somewhere between Onamia and Isle, it appeared to be common courtesy. Signs along this stretch of the trail tell ATV users to "reduce speed when bikes are present." On Tuesday, the handful or so of ATV users that met this bicyclist heeded that request.

So how is it that, in the middle of the countryside, you would find bicyclists together with ATV enthusiasts?

The Soo Line Trail. Or trails. It zig-zags across central and northern Minnesota. But here, for an 11-mile stretch from Onamia to Isle, it offers separate access for ATVs and bicyclists, joggers, walkers and

rollerbladers and the like. A paved, five-foot-wide trail for the latter group of trail users runs parallel to a gravel ATV trail - slightly wider as it has spread out with use - with a small "median" of weeds, gravel and dirt between the two.

A fine line? It didn't appear so. Two dozen or so bicyclists came and went on this afternoon, along with a half-dozen or so ATVs, each trail user almost oblivious to the other.

An overpass across U.S. Highway 169 at Onamia sends trail users on their way toward Isle - and beyond.



It's an unusual concept - rec users ultimately sharing a stretch of trail with ATV users. The state - and greater Brainerd lakes area - boasts miles and miles of paved rec trails, but there are fewer options for ATV enthusiasts. Adding a gravel ATV trail along, say, the Paul Bunyan Trail wouldn't be feasible. But building the two trails together, like at the Onamia-Isle stretch of the Soo Line Trail, especially in an ultra-rural setting, seems to work.

The only hint of a town on this stretch of the Soo Line is Wahkon, a quaint, tiny community on the shores of Lake Mille Lacs. This stretch of the trail feels more suited for ATVs than bikes. And the paved trail reflects that. While it's a fairly smooth ride, the path itself is mostly unkempt, with rocks and gravel patches here and there, no doubt from the ATV trail. But a nice ride. While ATV enthusiasts are probably appreciative of the trail, it's likely a monotonous ride. It's mostly a straight shot from Onamia to Isle, not a nice winding route ATV drivers might prefer. And while it does shoot through woodlands, wetlands and grasslands - prime territory for ATVs - drivers must stay on the gravel trail. No off-road driving here.

For rec users, a big boost came in the last year or so, when an overpass was completed across U.S. Highway 169 in Onamia. Before that, rec users had to navigate often heavy - and fast-moving - automobile traffic on 169 to get to the paved segment (the ATV trail starts just on the other side of the overpass). Now, the paved trail runs, uninterrupted, from the trailhead near an old railroad depot in Onamia to the heart of Isle.

The trail also boasts state parks near each trailhead - Mille Lacs Kathio near Onamia and Father Hennepin in Isle. From Mille Lacs Kathio, the Onamia trailhead is accessible via about a five-mile ride through the backroads. From Isle, Father Hennepin is much more accessible - it's just a couple of blocks off the trail.

While the trail runs along Lake Mille Lacs, the ride doesn't offer many views of the lake - about eight miles in from Onamia you'll get a glimpse at Wahkon and then, at the end of the paved stretch, at Isle.

BRIAN S. PETERSON may be reached at brian.peterson@brainerddispatch.com or 855-5864. To follow him on Twitter, go to www.twitter.com/brian_speterson.

Josh Doty

From: HEITOLA, RUSSELL <rh637c@att.com>
Sent: Tuesday, October 28, 2014 11:13 AM
To: Josh Doty
Subject: Don't Stop At Saying You're "ATV Friendly"

Josh

Good article I came across. Maybe this could help with trail plans.

NOHVCC Newsletter - December 2013 edition

Read the other NOHVCC [newsletter](#) issues

In this Issue:

- [Creating A Trail Town? Don't Stop At Saying You're "ATV Friendly"](#)
- [Maryland's OHV Trails May Be Gone...But Not For Long Thanks To New OHV Alliance](#)
- [Golden Rule Of Trail Building: Don't Badmouth Your Partners](#)
- [Maine 4x4 Thanks Wounded Veterans With "Warrior Salute" Ride](#)
- [ASA's "Safety Bug" Puts A Fun Spin On Duning Safety Education](#)
- [Mixed Gear Bag](#)

Creating A Trail Town? Don't Stop At Saying You're "ATV Friendly"

by Dave Halsey, NOHVCC Contributing Writer

Chuck Riedhammer, executive director of Virginia's Spearhead Trails, was talking to an ATV rider about his new, 75-mile Mountain View Trail and its trailhead, located just blocks from historic, downtown St. Paul. The rider looked at him and asked:

“Is your town ATV tolerant or ATV friendly?”



The question struck a chord with Riedhammer. “It’s profound, and came off-the-cuff from one of our riders,” he said. It made him take a closer look at signing and other issues prior to the trail’s ribbon-cutting ceremony. “It occurred to me that the town wasn’t signed well enough to direct ATV traffic. I started talking to people in town, and they said, ‘We’re ATV friendly, we want them to go anywhere.’ And I said ‘no, you don’t understand.’ ”

Riedhammer saw the potential for negative reactions by downtown businesses if ATVs weren’t properly directed while visiting their small town. So he created a toolkit to help his town and others co-exist with both motorized and non-motorized recreationists. It features a proactive list titled, “Ten Steps For Your Town & Downtown Businesses To Welcome Outdoor Enthusiasts.” It’s designed to help trail towns address issues such as parking, traffic flow and safety. For St. Paul, that meant not only for visiting ATV riders, but hikers and bicyclists, as well those trailering in boats, canoes and kayaks, heading for the scenic Clinch River.



“I personally think that trail towns are the hot thing,” Riedhammer explains. “The concept, for me, is that the trailhead is a commerce center. That’s the reason you make the town ATV friendly. We have people coming here with trucks and trailers, and it’s not just ATV riders. Once I wrapped that into the conversation with businesses, it sanitized and diversified it enough to get more people onboard.” Today, ATV riders are directed from the trailhead to areas behind downtown buildings, where they find parking and wash stations.

Plans call for Spearhead Trails to be a 500-mile OHV trail system. As more towns get involved in trail planning to connect to the system, Riedhammer will use his 10 Steps list to build consensus first, then trails. “The 10 Steps stands strong as the core for what we’re doing,” he said. “We’re the trail developers, the regional authority, working with the Department of Housing and Community Development. We’ll work with local city officials, chambers and businesses, and have public meetings. We’ll be able to say this trail is coming in a year, and here’s what you need to do to get ready. We’re not going to be ‘ATV tolerant’, we’re going to be ‘ATV friendly’. It’s almost a great tag line.”

Riedhammer plans to expand the 10 Steps list. Number 11 will be to encourage towns to relax ordinances, such as transient lodging policies. That will allow more bed-and-breakfasts in trail towns, providing additional lodging and increased revenue streams. "The number one question I get from riders is 'where can I stay?'" said Riedhammer. Locally, he adds, the new Mountain View Trail is already considered an economic success story. "The town has seen five new businesses open and \$600,000 in private investment since June."

Here is Riedhammer's list as it stands today:

10 Steps For Your Town & Downtown Businesses To Welcome Outdoor Enthusiasts

1. **Connect to the town:** Create a safe and clearly defined path from trailheads or access points to the heart of your community.
2. **Direct traffic:** Create signage, clear right-of-way rules, and well-marked designated "best routes" for alternative vehicles and off-highway vehicle (OHV) uses on shared roads.
3. **Provide parking:** Set aside safe, ample and functional parking for vehicles with trailers within walking distance of the town center.
4. **Emphasize safety:** Offer safety tips and periodic courses; consider the potential for issues. Promptly address any issues.
5. **Be a good host:** Provide and advertise a key point person or business as an information point and post contact numbers. If there is a visitor center, make sure the person working it is knowledgeable of the town and the trail system. Offer hospitality programs for front-line people.
6. **Prepare businesses:** Help identify sales and entrepreneurial opportunities driven by visitors. Consider voluntary signage for trail friendly merchants.
7. **Be a good business:** Have your business hours reflect the customers' needs. Greet your customers warmly, make them feel welcomed to be there. Make your windows, if available, appealing and inviting. Keep your store clean and well-kept and stocked. Offer public use restrooms. Light your stores at night.
8. **Be a good town:** Offer a town map with local businesses and phone numbers. Have signs noting the direction of emergency facilities. Keep sidewalks neat and free of debris. Offer trash cans around town. Make the town feel safe. Reasonably maintain vacant stores, consider putting in attractive window displays to attract attention and potential buyers.
9. **Share Information:** Create maps, itineraries, signage and brochures. Cross-promote businesses.
10. **Program the space:** Consider hosting special events, surrounding and involving the trail system.

MEMORANDUM

Hoisington Koegler Group Inc.



To: Baxter Long Range Planning Commission and City Staff
From: Hoisington Koegler Group Inc. on behalf of Potlatch Corporation
Subject: Comprehensive Plan supplemental analysis
Date: 13 October 2014

This memorandum serves as a cover to a series of attachments. These attachments attempt to put into one report all of the prior comments and inputs that Potlatch Corporation has made in regards to the ongoing comprehensive planning amendment process. The information that goes into these reports reflects yet another step in more than a decade of planning and analysis of Potlatch land holdings in Baxter. More recent efforts communicating the intent relative to Potlatch holdings, and commenting on draft elements of the comprehensive plan include meeting and phone conversations with City Staff and attendance at LRPC meetings over the course of the last year. Potlatch consultants have presented the information contained in the attached reports at prior LRPC meetings throughout 2014. The following items are attached for the record:

1. Supplemental Economic Analysis dated 10/13/14
2. Draft report dated 8/24/2014 submitted to City staff and providing detailed review and requests for all Potlatch Holdings.
3. Gateway District text suggestions provided for June, subsequently 7/28/2014 LRPC Meeting.
4. LRPC Slide Presentation given at 5/19/2014 LRPC meeting.
5. Official Record report for the public hearing dated 9/19/2014; submitted on 9/22/2014 for the record. Note: this report carries forward the similar messages that were expressed in prior communications.

Recently, an analysis of potential economic impacts has been conducted for parcels I and J and a report is attached summarizing the findings. These impacts pertain to market forces, development constraints, and property valuation and tax capacity variations between the proposed comprehensive plan land use designations and the desired land use designations expressed for the Potlatch land holdings. The emphasis is focused on parcels I with findings that also apply to parcel J, with both having frontage along the west and east sides Highway 371 south of County Road 48.

A similar economic analysis has not yet been conducted for west Baxter AUAR area (parcels A and B). This area has been extensively studied, and recently amended into the current comprehensive plan reflecting commercial and residential uses. Changing the land use of the commercial portion north of Highway 210 from commercial to Business Gateway land use clearly alters the character of this area from a neighborhood commercial services node to an office and industrial character with limited neighborhood retail. The uses expressed within current Business Gateway land use are not likely to be supported by the market in this location. Office and industrial type uses are more likely to locate south of 210 in the industrial park, or more proximate to existing commercial services along the Highway 371 corridor. Changing the designation from commercial to Business Gateway will likely delay market absorption in this area, or require a future comprehensive plan amendment.

123 North Third Street, Suite 100, Minneapolis, MN 55401-1659

Ph (612) 338-0800 Fx (612) 338-6838 www.hkgi.com

Potlatch Holdings - Baxter Comprehensive Plan

Supplemental Economic Analysis

13 October 2014

Key points of discussion:

(Parcels I and J) are proposed in the August 2014 draft comprehensive plan as low density residential adjacent to and immediately east and west of 371: Limited low density residential marketability due to proximity to Highway 371 is a real and significant issue with this projected land use. Likely timing to market may realistically be 15-20 years away due to the inventory of 600 existing unbuilt lots combined with the abundance of other better situated low density residential land within the City urban service area. This 15-20 year delay means that it will remain in Ag/Forest production use, likely for the duration of the comprehensive planning horizon of 2035. This delay has a significant impact on the parcel's capacity to contribute substantively to the community tax base, while during this same time period there will be significant infrastructure improvements in the area. Timely development would help support the financing of the area infrastructure.

Parcel I Analysis and Comparative Assessment

The lands estimated market value as Ag/Forest land is currently approximately \$150,000. Applying Ag/Forest land tax rates to this value generates \$1,725 in annual property taxes.

Comprehensive Plan Scenario

- Parcel I has a net developable area (net remaining minus future street right-of-way, park and open space, and stormwater ponding areas) of roughly 24 acres. These 24 remaining acres, developed in a low density scenario of 3 units per acre, will yield roughly 70 lots.
- Using existing comparable market values, the per-lot value of developed single family housing is approximately \$172,000 per unit.
- Because we do not anticipate market demand as a low density residential use for parcel I until at least 2025, Potlatch would not be seeking any rezoning until such time as a developer proposes to plat the property and develop lots. Assuming absorption does not begin until 2025 and full build-out of the development takes 5-10 years, we can assume that the current valuation will remain similar for the next 10 years as the parcel remains in an Agricultural use. Current tax generation for the parcel is \$1,725/year.

Alternative Land Use Scenario 1-- Medium Density

- Using the same developable area of 24 acres, but applying a density of 7 units per acre for townhome/rowhouse type medium density multifamily units, the site would yield approximately 165 new units.
- Using comparable market values from within Baxter, the per unit value of these units is approximately \$156,000 per unit.

- Because there is currently limited supply of multi-family residential land, and the reality of the site adjacencies, the demand for such homes could be more readily met by Parcel I. We assume that approximately 25% (40 units) of the multi-family development could be absorbed in the next 5 years, with the remaining (125 units) amount absorbed by 2025. 100% absorption of Parcel I would add approximately \$25.8 million in estimated market value by 2025. 165 units of townhome/rowhouse housing types would fill an anticipated future need in the housing market.
- Using current tax rates for comparable residential uses, \$25.8 million in estimated market value for multi-family attached townhome/rowhouse type housing would generate approximately \$356,000 in annual property tax revenues in 2025 and beyond.
- The better alignment of the proposed use with both the site characteristics and the market means that the site may more quickly transition out of the current Ag use. This timing, combined with the more marketable and site suitable use, means that the parcel's 20 year cumulative tax generation increases from \$880,000 in the low density scenario to \$5,175,000 in the medium density scenario.

Alternative Land Use Scenario 2 -- Mixed Use

- Given the proximity to a potential future civic campus, adjacency to major street corridors, proximity to a future interchange, and proximity to a concentration of medical/health facilities to the north, a mix of office, retail, and high density uses on Parcel I is a strong prospect.
- Assuming a mix of 30% housing, 40% office, and 30% retail the site could yield approximately 85 housing units, 125,000 square feet of office (professional or service), and 75,000 square feet of retail. This mix of use has the potential to generate \$21.7 million in estimated market value by 2035.
- Using current tax rates for comparable residential, office, and commercial uses, \$21.7 million in estimated market value would generate approximately \$578,000 in annual property tax revenues by 2035.
- The better alignment of the proposed use with both the site characteristics and the market means that the site may more quickly transition out of the current Ag use. This timing, combined with the more marketable and site suitable use, means that the parcel's 20 year cumulative tax generation increases from \$880,000 in the low density scenario to \$7,310,000 in the mixed use scenario.

The following provides a comparative summary of potential market value and tax capacity for each scenario.

Summary Comparison Table of Estimated Market Value

PARCEL I	2015	2020	2025	2035
Estimated Market Value				
Proposed Comp Plan	\$ 150,500	\$ 150,500	\$ 150,500	\$ 12,223,000
Alt - Medium Density	\$ 150,500	\$ 6,466,800	\$ 25,867,300	\$ 25,867,300
Alt - Mixed Use	\$ 150,500	\$ 8,412,900	\$ 16,825,800	\$ 21,721,100

Cumulative 20 Year Property Tax Generation (2015-2035)

- Proposed Comprehensive Plan – Low Density Residential \$880,000
- Alternative – Medium Density Residential..... \$5,075,000
- Alternative – Mixed Use (High Density Residential/Office/Retail)..... \$7,310,000

Parcel J Analysis and Summary

A similar logic can be applied from the Parcel I analysis to Parcel J relative to this site's ability to better support a medium or high density land use. The lands estimated market value as Ag/Forest land is currently approximately \$105,300 and \$1,210 in annual property taxes.

A more context appropriate and marketable future land use for the parcel is for a medium to high density residential land use pattern consisting of rowhouse, townhome, or stacked multi-family buildings. These medium and high density housing uses would allow more flexibility in building configuration, thus more realistically being able cluster the development in the interest of preserving larger stands of trees within a future development. We feel that a well done clustered higher density residential development would be marketable on this site, better buffer new housing from the highway, provide a better image/view from the highway (as opposed to back yards), and could become feasible as soon as sewer is available. Market data and demographic trends suggest a stronger demand in Baxter for higher density housing product and their currently exists a more limited supply of lands for such uses.

Potlatch Holdings for West and Southwest Baxter

Report related to the review of the pending Comprehensive Plan Update

DRAFT Report dated 24 August 2014 prepared by Hoisington Koegler Group Inc.

Introductory Comments

Potlatch has been a participant in a number of meetings held by the Long Range Planning Commission in discussing the evolving draft of the comprehensive Plan update. Comments and correspondence have been offered to the City along the way regarding preferences for how Potlatch's roughly 1,400 acres of land holdings in west and southwest Baxter be guided in the new comprehensive plan.

The intent of this report is to clearly communicate to staff, appointed officials, and elected officials the desired land use guidance of Potlatch's land holdings in west/southwest Baxter relative to the pending draft of the Comprehensive Plan updated posted on the city Website on or about August 22nd. The comments contained in this report are supported by the following exhibits:

- **Exhibit 1** represents the various land holdings of Potlatch Industries within west and southwest Baxter as of 2014. Parcels are coded via letters for reference and are highlighted on a diagram that illustrates the various natural resource features that define the landscape of west and southwest Baxter.
- **Exhibit 2** includes suggested language for description of a "gateway district." This language was proposed following listening to three LRPC meeting discussions where the focus of each discussion revolved around enhanced corridor image, identity, and development quality rather than a specific land use along the Highway 371 corridor, and specifically the areas south of Highway 210.

The comprehensive plan can be amended any time. Amendments must be weighed against the comprehensive plan and other city policies. Zoning Ordinances can be amended and property can be rezoned through a similar process.

Amendments to the Comprehensive Plan and Zoning Ordinances/Map take time to process requiring a public hearing at the Planning Commission and action by the City Council. Such actions, while necessary, take time and financial resources from both the land owner/developer and the City.

The Comprehensive Plan is intended to be broad and visionary. A statement in the Comprehensive Plan is not "law" or "rule". It is more open to interpretation and meant to be a "guiding" document. For example a policy statement may say to ensure a wide mix of housing types and styles. Ambiguity is not

uncommon in a comprehensive plan in order that some flexibility can be had in making a case for consistency with the comprehensive plan.

The Zoning Ordinance in contrast, is meant to be specific and explicit. It is a “law” or “rule” such as “the front yard building setback shall be a maximum of 30 feet from the right-of-way line”. Ambiguity in a zoning ordinance is less common and leads to a greater likelihood of legal challenges.

The comments contained in this report are focused on the Comprehensive Plan and not zoning ordinance level language or mapping. It is understood that the Comprehensive Plan ultimately leads to implementation measures that include zoning. The suggested directions contained in this report are meant to provide flexibility in uses so that development can respond to market demand and to simplify the entitlement process for when development is actually proposed.

Guidance for Potlatch Land Holdings

1. Parcels A and B

Current Plan Guidance – This area was subject to the West Baxter Small Area Plan, which was subsequently amended to the current Comprehensive Plan. The land use guidance established through extensive study (West Baxter AUAR) provides clear guidance for a mix of residential uses and a node of commercial uses with a neighborhood orientation nearest highway 210.

Draft Plan Guidance – The draft plan currently guides parcel A as low density (a maximum density of 3 units per acre). Parcel B is guided as medium density residential (at densities of 7 units per acre (note that this is not referenced as a maximum density)) for the northern portion and a portion as Business Gateway (office, industrial, and limited retail) nearest highway 210.

Requested Plan Guidance – The preferred designation for Parcels A and B is for what the current comprehensive plan guides the property (see page 39). Given the regulatory constraints of parcel A (shoreland), plans for a major collector and intersection improvements with Highway 210, and the desire to support a neighborhood commercial node, a mixed residential land use pattern would best enable a creative design to achieve the development and infrastructure investments in support of community and developer goals. The commercial node is envisioned as a retail or commercial service type use, rather than office and light industry as depicted by the Business Gateway designation).

Based on what is currently understood of the Business Gateway designation, Potlatch holdings in this area would be better served by the Commercial Land Use Designation .

2. Parcel C

Draft Plan Guidance – the draft plan currently establishes a small band of Business Gateway designation along the northern edge of the property with the remaining lands being guided for General Industrial.

Requested Plan Guidance – Given the buffer established by the rail corridor and significant highway ROW, a natural buffer will likely be retained. The preferred designation for all lands in Parcel C is General Industrial.

Should opportunity occur to provide a small node of service oriented commercial uses to serve the employment base in this area, it would likely occur on a node nearest the intersection with Highway 210 and the north south collector street. It would not occur in a linear fashion as shown. Such a commercial node might include 5 to 10 acres at most.

Given the Comprehensive Plan's stated goal to grow head of householder jobs in Baxter with a high quality of design and aesthetics, a coordinated economic development initiative between Potlatch (or prospective developer) and the City is supported. Efforts to provide a high quality public realm (collector street, stormwater management, trail corridor connections) and head of household jobs, will require a public private collaboration relative to the design of infrastructure systems that have broader community benefit and economic development initiatives that seek to attract development that might be different than what the market place might demand.

3. Parcels D and E

Draft Plan Guidance – The Draft plan uses the ACUB boundary as a determining lined between a residential development pattern with urban services (low density residential) and one at densities much lower (rural residential). Parcel D is guided low density residential. Parcel E is predominantly rural residential, the key characteristic of which is that municipal sewer and water is not provided.

Requested Plan Guidance – Parcel E is preferred to have low density residential land use guidance and that the definition between rural residential and low density be driven by the natural resource pattern in the area ability to be served by existing infrastructure capacity that was designed for the area as part of recent infrastructure planning.

Significant natural resource systems define the pattern of land uses in southwest Baxter. While the ACUB boundary is an important guiding policy, the ability to fund infrastructure investments that serve the community is of equal importance. The areas natural resources are also highly sought after a community open space or recreational amenity. A unique development approach that uses natural resource patterns to transfer density in a way that adheres to the ACUB objectives while enabling a development density that supports infrastructure investments and public land uses is preferred. Designating parcel E to low or in some cases medium density residential will result in greater likelihood of achieving community goals.

4. Parcel H

Draft Plan Guidance – The Draft Plan currently indicates a major collector street bisecting the parcel. The west portion is guided medium density residential. The east portion guided business gateway.

Requested Plan Guidance – the unique impacts on this parcel driven by the collector street ROW shoreland regulations pose incredible challenges for development of Parcel H. A greater degree of flexibility with the uses and density would enable a more creative approach to development that would enable a density supportive of the infrastructure investment and the ability to *transfer* density (within similar uses) to areas more suitable for development. Potlatch provided language suggestions for a gateway district land use pattern that would be inclusive of higher density residential within the gateway areas and thus inclusive of a full complement of uses (See Exhibit 2). The recommended language was more focused on design and form of development and less focused on controlling the uses. The preferred approach to Parcel H would be to have it entirely guided to a Gateway District as modified consistent with Exhibit 2.

5. **Parcels I and J**

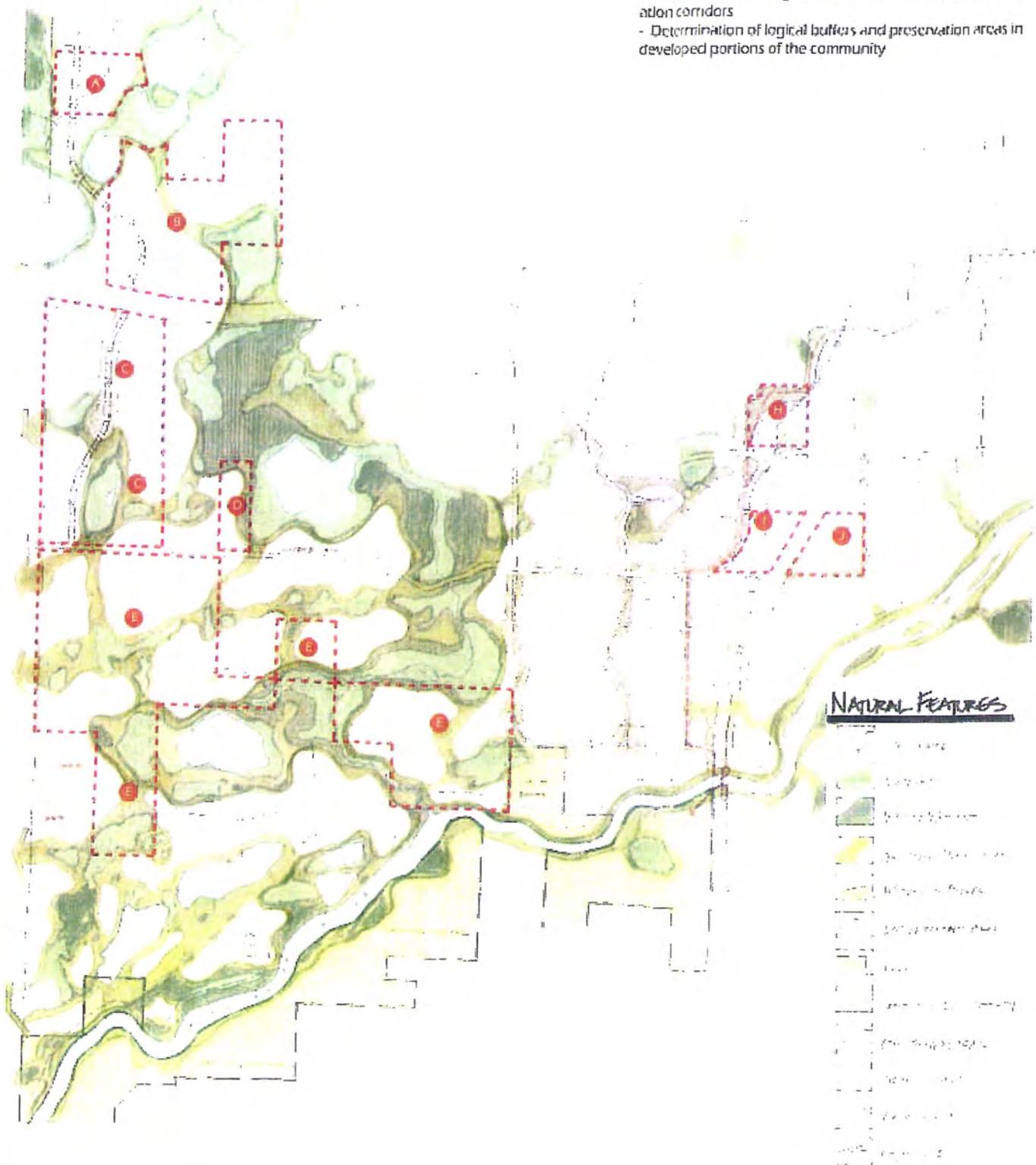
Draft Plan Guidance – The Draft Plan currently shows parcels I and J as low density residential.

Requested Plan Guidance – given identified land use categories in the current plan draft, Potlatch would request Parcels I and J be guided medium density residential. A medium density residential land use pattern would enable a greater degree of flexibility in designing a site to preserve the gateway image expressed in the planning process (protection of natural resources and the “northwoods” feel). A low density development pattern limits the ability to do much other than have individual back yards fronting onto the highway. This is lesser desirable housing location and provides a front door to the community that is a typical homeowner’s backdoor.

For Parcel I, an alternative would be to include it in a modified definition of the Gateway district per Exhibit 2. This would enable a more creative approach to site design that could better support internal street connections and thus limit drive cuts onto Ironwood Drive as the major collector street. The land use designation would also allow greater flexibility in the uses while providing direction to blend proposed uses into the single family uses platted to the south.

Approach / Basis for Analysis:

- Utilize natural features to help establish land use patterns
- Existing water, wetlands & drainage courses
- Additional areas of steep slopes / topography
- Existing City, County and State parkland / preservation land
- Determination on logical connections for habitat and recreation corridors
- Determination of logical buffers and preservation areas in developed portions of the community



Gateway District

Gateway districts are oriented around prominent intersections/interchanges along the primary travel corridors into and out of Baxter: Highways 371 and 210. The intent of the Gateway District is to provide for development that:

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- promotes a positive identity and image;
- supports development projects that announce arrival to the City of Baxter;
- supports a higher enduring quality of design and development;
- accommodates a more compact and efficient form of development; and
- provides for a mix of uses that help meet the community's projected needs.

Design Directions

There are two key gateway district designations in the City.

The **West Gateway District** provides a strong community commercial orientation that will serve the retail goods and services needs of west Baxter residential and industrial neighborhoods. This district also can provide basic retail goods and services to rural areas west of Baxter along Highway 210 and could accommodate limited higher density residential uses. The district scale is generally around 50 acres. Buildings would generally be of a smaller footprint and four or fewer stories in height. Parking should be organized and designed such that opportunities to share parking within the district are maximized and thus hard surface areas can be minimized. Urban design should provide for strong pedestrian connections to adjacent neighborhoods, while less compatible elements of commercial development (light, noise, traffic) are screened from adjacent residential neighborhoods. Natural features should be protected and preserved where feasible by integrating them into the overall urban design pattern within the district as aesthetic elements of the district.

The **South Gateway District** provides a strong commercial orientation that will serve retail goods and services of south Baxter residential, employment, and institutional neighborhoods. The district scale is much larger than the West Gateway district, and will serve a broader market area including traffic from Highway 371. The district scale is over 300 acres centered on a future interchange at Highland Scenic Road and Highway 371. Each quadrant of the interchange might serve differing purposes or predominant use patterns, but all would follow a similar urban design character and identity reflective of a gateway to Baxter. Parking should be organized and designed such that opportunities to share parking within the district (or within each quadrant) are maximized and thus hard surface areas can be minimized. Urban design should provide for strong pedestrian connections to adjacent neighborhoods and within commercial developments. Less compatible elements of commercial development (light, noise, traffic) will be screened from adjacent residential neighborhoods. Natural features should be protected and preserved where feasible by integrating them into the urban design pattern within the district as aesthetic elements of the district.

Implementation Strategies

Two key implementation strategies are associated with the gateway district.

Strategy 1 – establish gateway district master plans: A master plan would outline more specific building footprint patterns, circulation systems, storm water management strategies, and signage. Urban design themes could be explored to establish a unique identity for each gateway district. The master plan can then be used to inform future environmental reviews (where warranted), future rezoning , and future capital improvement investments.

Strategy 2 – establish or align proper zoning mechanism: In the short term, the Chapter 6 - Planned Unit Development would be the proper zoning mechanism to entitle development in the gateway district. Individual developments could also be entitled through the C1, C2, R2, R3, or OS district. On a more longer term basis as funding is available, the City could establish a new zoning district or districts for the Gateway District land use classification.

Baxter LRPC Meeting

May 2014
Potlatch Holdings

What we have today

- Transportation Infrastructure
 - Interchange
 - 371 Frontage
 - Roundabout/Isle Drive Extension
- Shoreland Impacts
- Civic Campus
- Medical Facilities
- Role as Gateway



What is proposed

- Business Campus
 - Office, limited commercial uses, business park and light industrial
 - Emphasis on aesthetics, form, design
- Medium Density Residential
 - 7 units/acre - MF
 - Emphasis on aesthetics, form, design
- Low Density Residential
 - 3 units/acre - SF



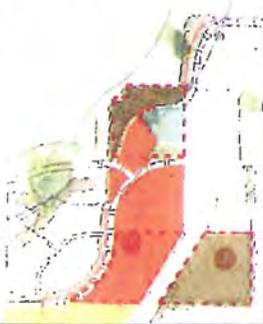
What we would like

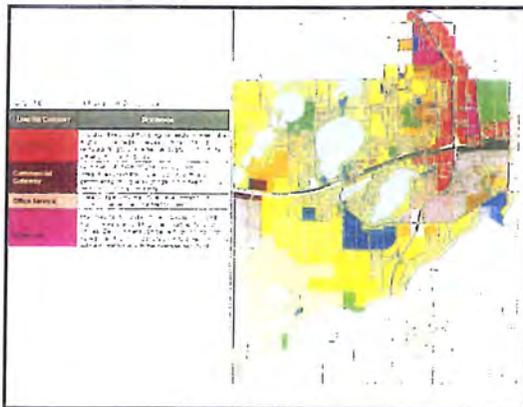
- Uses appropriate to the place and consistent with infrastructure investment
- Flexibility
 - Transportation impacts
 - Shoreland impacts
 - Access/lot depth
 - Marketable uses
- Quality consistent with market place
- Less ambiguity - more certainty

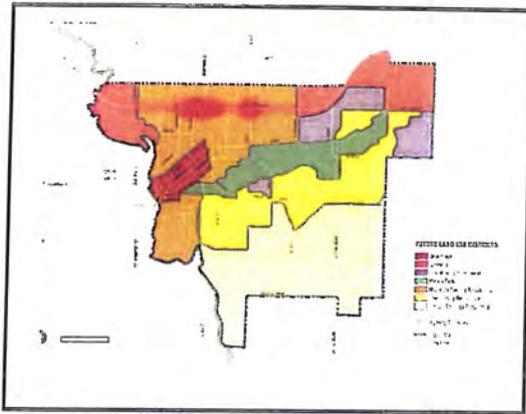


What we propose.

- Gateway District Land Use Designation (instead of business campus - modified "commercial gateway")
 - Emphasis is on site design, form, aesthetics
 - Building orientation
 - Parking lot design/orientation
 - Site circulation (ped/autio)
 - Signage and lighting
 - Refuse and storage
 - Building mass/scale
 - Flexibility for a mix of land uses
 - com (service retail/office)
 - res (med/high density)
 - civic
 - Implementation options
 - Base districts - C1, C2, O5, R2, R3 with design guidelines
 - Use PDR and mixed use zoning (existing already)







SYSTEMS APPROACH

... (text) ...



Land Use Form and Structure

... (text) ...



PLANNING STRATEGIES FOR LAND USE

... (text) ...



Land Use Form and Structure

... (text) ...

Talking Points

- Comprehensive Plan is a guide and public policy – directive, more open to interpretation
- Zoning is the rule – law
 - More exact – less interpretation needed
 - Ultimate zoning on the property needs to be consistent with the comprehensive plan
 - Zoning should follow comprehensive plan
- Both have procedures for change – neither is static



To: *City of Baxter, Long Range Planning Commission and City Council*

From: *Submitted by Hoisington Koegler Group Inc. on behalf of Potlatch Corporation*

Re: *Report for Public Hearing on 2014 Comprehensive Plan Update*

Date: *22 September 2014*

Potlatch Holdings - West and Southwest Baxter

Introductory Comments

Potlatch has attended a number of meetings held by the Long Range Planning Commission in discussing the evolving draft of the comprehensive Plan update. Comments and correspondence have been offered to the City along the way regarding preferences for how Potlatch's roughly 1,400 acres of land holdings in west and southwest Baxter be guided in the new comprehensive plan.

The intent of this report is to clearly communicate to staff, appointed officials, and elected officials the desired land use guidance of Potlatch's land holdings in west/southwest Baxter relative to the pending draft of the Comprehensive Plan updated posted on the city Website on or about August 20th. The comments contained in this report are supported by the following exhibits:

- **Exhibit 1** represents the various land holdings of Potlatch Industries within west and southwest Baxter as of 2014. Parcels are coded via letters for reference and are highlighted on a diagram that illustrates the various natural resource features that define the landscape of west and southwest Baxter.
- **Exhibit 2** includes suggested language for description of a "gateway district." This language was proposed following listening to three LRPC meeting discussions where the focus of each discussion revolved around enhanced corridor image, identity, and development quality rather than a specific land use along the Highway 371 corridor, and specifically the areas south of Highway 210.

The comprehensive plan can be amended any time either by request from a property owner/developer or at the direction of the City. Amendments must be weighed against the broader comprehensive plan and other city policies. Zoning Ordinances can be amended and property can be re-zoned through a similar process; however, the zoning amendment process follows the comprehensive plan.

Amendments to the Comprehensive Plan and Zoning Ordinances/Map take time to process requiring a public hearing at the Planning Commission and action by the City Council. Such actions, while necessary, take time and financial resources from both the land owner/developer and the City.

The Comprehensive Plan is intended to be broad and visionary. A statement in the Comprehensive Plan is not “law” or “rule”. It is more open to interpretation and meant to be a “guiding” document. For example a policy statement may say to ensure a wide mix of housing types and styles. Ambiguity is not uncommon in a comprehensive plan in order that some flexibility can be had in making a case for consistency with the comprehensive plan.

The Zoning Ordinance in contrast, is meant to be specific and explicit. It is a “law” or “rule” such as “the front yard building setback shall be a maximum of 30 feet from the right-of-way line”. Ambiguity in a zoning ordinance is less common and leads to a greater likelihood of legal challenges.

The comments contained in this report are focused on the Comprehensive Plan and not zoning ordinance level language or mapping. It is understood that the Comprehensive Plan ultimately leads to implementation measures that include zoning. The suggested directions contained in this report are meant to provide flexibility in uses so that development can respond to market demand and to simplify the entitlement process for when development is actually proposed.

Guidance for Potlatch Land Holdings

1. Parcels A and B

Current Plan Guidance – This area was subject to the West Baxter Small Area Plan, which was subsequently amended to the current Comprehensive Plan. The land use guidance established through extensive study (West Baxter AUAR) provides clear guidance for a mix of residential uses and a node of commercial uses with a neighborhood orientation nearest highway 210. The AUAR study illustrated a land use pattern that intensifies uses near Highway 210 and allows for a transitioning of uses and densities to blend into existing neighborhood development on the north.

Draft Plan Guidance – The draft plan currently guides parcel A as low density (a maximum density of 3 units per acre). Parcel B is guided as medium density residential (at densities of 7 units per acre) for the northern portion and a portion as Business Gateway (office, industrial, and limited retail) nearest highway 210.

Requested Plan Guidance – The preferred designation for Parcels A and B is for what the current comprehensive plan guides the property as mixed residential. (see page 39 of the current comprehensive plan). Given the regulatory constraints of parcel A (shoreland), plans for a major collector and intersection improvements with Highway 210, and the desire to support a neighborhood commercial node, a mixed residential land use pattern would best enable a creative design to achieve the development and infrastructure investments in support of community and developer goals. The commercial node is envisioned as a retail or commercial service type use, rather than office and light industry as depicted by the Business Gateway designation.

Based on what is currently understood of the Business Gateway designation, Potlatch holdings in this area would be better served by the Commercial Land Use designation which is similar to its current land use designation. Commercial Land Use better supports a retail oriented node at this location. As an alternative, a mixed use designation as currently provided in the draft plan would be acceptable for the portion of Parcel B adjacent Highway 210.

2. Parcel C

Draft Plan Guidance – the draft plan currently establishes a small band of Business Gateway designation along the northern edge of the property with the remaining lands being guided for General Industrial.

Requested Plan Guidance – Given the buffer established by the rail corridor and significant highway ROW, a natural buffer will likely be retained. The preferred designation for all lands in Parcel C is General Industrial.

Should opportunity occur to provide a small node of service oriented commercial uses to serve the employment base in this area, it would likely occur on a node nearest the intersection with Highway 210 and the north south collector street. It would not occur in a linear fashion as shown. Such a commercial node might include 5 to 10 acres.

Given the Comprehensive Plan's stated goal to grow head of householder jobs in Baxter with a high quality of design and aesthetics, a coordinated economic development initiative between Potlatch (or prospective developer) and the City is supported. Efforts to provide a high quality public realm (collector street, stormwater management, trail corridor connections) and head of household jobs, will require a public private collaboration relative to the design of infrastructure systems that have broader community benefit and economic development initiatives that seek to attract development that might be different than what the market place might demand.

3. Parcels D and E

Draft Plan Guidance – The Draft plan uses the ACUB boundary as a determining line between a residential development pattern with urban services (low density residential) and one at densities much lower (rural residential). Parcel D is guided low density residential. Parcel E is predominantly rural residential, the key characteristic of which is that municipal sewer and water is not provided.

Requested Plan Guidance – Parcel E is preferred to have low density residential land use guidance. The geographic divide between rural residential and low density should be driven by the natural resource pattern in the area and the ability for parcels to be served by existing infrastructure capacity that was designed for the area as part of recent infrastructure planning.

Significant natural resource systems define the pattern of land uses in southwest Baxter. While the ACUB boundary is an important guiding policy, the ability to fund infrastructure investments that serve the community is of equal importance. The areas natural resources are also highly

sought after as community open space or recreational amenity. A unique development approach that uses natural resource patterns to transfer density in a way that adheres to the ACUB objectives while enabling a development density that supports infrastructure investments and public land uses is preferred. Designating parcel E to low or in some cases medium density residential will result in greater likelihood of achieving community goals. ACUB boundary goals and objectives can still be achieved through creative subdivision design achieved through Baxter's existing ordinance by use of a Planned Unit Development.

4. Parcels I and J

Draft Plan Guidance – The Draft Plan currently shows parcels I and J as low density residential. Parcel I residential would be able to accommodate roughly 40 to 50 units of traditional detached single family homes as proposed. Parcel J, east of Highway 371 and a bit larger, would account for 80 to 100 units of traditional single family homes. Both sites face similar challenges being adjacent Highway 371. A low density development pattern limits the ability to do much other than have individual back yards fronting onto the highway. This is a less desirable housing location and provides a front door to the community that is a typical homeowner's backdoor.

Requested Plan Guidance – given identified land use categories in the current plan draft, Potlatch would request Parcels J be guided medium density residential. A medium density residential land use pattern would enable a greater degree of flexibility in designing a site to preserve the gateway image expressed in the planning process (protection of natural resources and the "northwoods" feel). For Parcel I, the preferred designation would be to split the parcel with Business Gateway designation on the northern portion and Medium Density Residential on the southern portion. This would allow for greater development density proximate to major streets, jobs, and a future civic campus. It would also allow for a transitioning of development density from a more intense node on the north to existing single family homes on the south.

For Parcel I, an alternative would be to include it entirely in a modified definition of the Gateway district per Exhibit 2. This would enable a more creative approach to site design that could better support internal street connections and thus limit drive cuts onto Ironwood Drive as the major collector street. The land use designation would also allow greater flexibility in the uses (commercial and residential) while providing direction to blend proposed uses into the single family uses platted to the south. Such a designation could produce a greater development value (tax base and infrastructure funding), contribute to additional job growth, and provide housing in close proximity to jobs.

A final acceptable alternative would be to guide Parcel I, Parcel H, and a larger node around the future interchange as "Mixed Use" which would allow greater flexibility in land use. To meet the objectives expressed through the Comprehensive Plan discussions, design guidelines or principles would need to be established to ensure the proper form of development meets the City's intent.

Gateway District

Gateway districts are oriented around prominent intersections/interchanges along the primary travel corridors into and out of Baxter: Highways 371 and 210. The intent of the Gateway District is to provide for development that:

- maintains visible, vibrant, and welcoming entries into the city;
- promotes a positive identity and image;
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Design Directions

There are two key gateway district designations in the City.

The **West Gateway District** provides a strong community commercial orientation that will serve the retail goods and services needs of west Baxter residential and industrial neighborhoods. This district also can provide basic retail goods and services to rural areas west of Baxter along Highway 210 and could accommodate limited higher density residential uses. The district scale is generally around 50 acres. Buildings would generally be of a smaller footprint and four or fewer stories in height. Parking should be organized and designed such that opportunities to share parking within the district are maximized and thus hard surface areas can be minimized. Urban design should provide for strong pedestrian connections to adjacent neighborhoods, while less compatible elements of commercial development (light, noise, traffic) are screened from adjacent residential neighborhoods. Natural features should be protected and preserved where feasible by integrating them into the overall urban design pattern within the district as aesthetic elements of the district.

The **South Gateway District** provides a strong commercial orientation that will serve retail goods and services of south Baxter residential, employment, and institutional neighborhoods. The district scale is much larger than the West Gateway district, and will serve a broader market area including traffic from Highway 371. The district scale is over 300 acres centered on a future interchange at Highland Scenic Road and Highway 371. Each quadrant of the interchange might serve differing purposes or predominant use patterns, but all would follow a similar urban design character and identity reflective of a gateway to Baxter. Parking should be organized and designed such that opportunities to share parking within the district (or within each quadrant) are maximized and thus hard surface areas can be minimized. Urban design should provide for strong pedestrian connections to adjacent neighborhoods and within commercial developments. Less compatible elements of commercial development (light, noise, traffic) will be screened from adjacent residential neighborhoods. Natural features should be protected and preserved where feasible by integrating them into the urban design pattern within the district as aesthetic elements of the district.

Implementation Strategies

Two key implementation strategies are associated with the gateway district.

Strategy 1 – establish gateway district master plans: A master plan would outline more specific building footprint patterns, circulation systems, storm water management strategies, and signage. Urban design themes could be explored to establish a unique identity for each gateway district. The master plan can then be used to inform future environmental reviews (where warranted), future rezoning , and future capital improvement investments.

Strategy 2 – establish or align proper zoning mechanism: In the short term, the Chapter 6 - Planned Unit Development would be the proper zoning mechanism to entitle development in the gateway district. Individual developments could also be entitled through the C1, C2, R2, R3, or OS district. On a more longer term basis as funding is available, the City could establish a new zoning district or districts for the Gateway District land use classification.

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October 13, 2014

Jack Y. Perry
(612) 977-8497
jperry@briggs.com

VIA E-MAIL AND U.S. MAIL

Long-Range Planning Commission
City of Baxter
13190 Memorywood Drive
Baxter, MN 56425
compplan@baxtermn.gov

Re: Comments on the Commission's proposed update to Baxter's Comprehensive Plan — *i.e.*, Opposition to the proposed *Business Campus* classification

Dear Members of the Long-Range Planning Commission:

Baxter Mainstreet Limited Partnership (Baxter Mainstreet) and its owner Jeff Sell (Sell) submit the following comments on the City of Baxter's (City) long-range planning commission's (Commission) proposed update to City's comprehensive plan (Plan Update). Specifically, Baxter Mainstreet respectfully requests that Commission **not** recommend to the City Council the adoption of the Plan Update insofar as it creates the "Business Campus" land use guidance classification. Instead Commission should recommend to City staff that it **first** try to work directly with Baxter Mainstreet to cooperatively achieve Commission's goal of creating and maintaining an attractive Gateway to City along Highway 371.

BACKGROUND

More than a year ago, Baxter Mainstreet sought to rezone its approximately 75 acres located at the northeast quadrant of the intersection of Highway 371 and County Road 48 (Property). But City staff asked that Baxter Mainstreet not formally apply for a rezoning and instead work with City staff during its Comprehensive Plan update process. And Baxter Mainstreet honored City staff's request.

As its reward for abiding by City staff's request, Commission's ensuing plan update process has led to its **unilateral** proposed Business Campus classification — *i.e.*, planning guidance that would, if adopted, effectively downzone Baxter Mainstreet's property and thus dramatically diminish the value of the Property by precluding most, if not all, of its development opportunities. But Commission's proposed Business Campus classification is (1) not supported by cogent rationale, (2) would severely limit City's flexibility to achieve its desired Gateway, and (3) needlessly expose City to both market and legal risks. Baxter Mainstreet thus proposes that Commission, consistent with City staff's initial pledge, require that City staff **first** exhaust its

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cooperative efforts with Baxter Mainstreet to come to a mutually-agreed upon development plan for the Property. Baxter Mainstreet looks forward to working with City staff to this end.

DISCUSSION

A. PROBLEM NO. 1: CITY STAFF ASKED FOR, BUT THEN ESCHEWED, A COOPERATIVE EFFORT WITH BAXTER MAINSTREET

The Property is the largest undeveloped parcel of land along City's Highway 371 corridor. Baxter Mainstreet approached City staff during the summer of 2013 about its intent to apply for a rezoning of about a 50-acre portion of the Property from C-1 Neighborhood Commercial to C-2 Community Commercial. Knowing Baxter Mainstreet's intent, City staff asked Baxter Mainstreet to not apply for its desired rezoning, and instead wait to work with City staff during the comprehensive plan update process. Baxter Mainstreet agreed to do as City staff asked.

Notwithstanding City staff's request of Baxter Mainstreet, Commission's comprehensive plan update process did not lead to cooperation with Baxter Mainstreet to effect the desired rezoning of the Property while achieving City's future development planning goals. Instead, other than its right as with all property owners and citizens to submit written and oral comments, Baxter Mainstreet was not a participant in such planning for the Property. Consistent with its exclusion from the discussions, Commission has unilaterally proposed to (1) create a new, ill-defined Business Campus classification and (2) designate the Property as limited to Business Campus.

B. PROBLEM NO. 2: COMMISSION'S PLAN UPDATE DOES NOT SPECIFY AN ADEQUATE RATIONALE FOR A BUSINESS CAMPUS

Commission's proposed Plan Update describes, as follows, the Business Campus as a less intensive use for the Property than the existing C1 zoning district:

This category is intended to accommodate office, commercial, business park and light industrial development on the Highway 371 corridor in SE Baxter consistent with a business campus setting. Higher level of design standards.

Plan Update Chapter 2 at 18 (emphasis added). Indeed Commission's proposed Plan Update acknowledges, as follows, that (1) Baxter Mainstreet sought to rezone the Property to C2, and (2) the Business Campus classification for the Property thwarts such rezoning:

A request was made to zone it C-2, which would allow the largest and most intense auto-oriented commercial uses in the City, similar to what is developed on the north segment of Highway 371. The LRPC recommended that the character

Long-Range Planning Commission

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of this area be different from north 371 and the Land Use Plan proposes a new land use here – Business Gateway – which would allow office, light industrial and some commercial in keeping with a business campus setting.

(Emphasis added).¹

In other words, Commission's stated reason for the proposed Business Campus classification is to cause the Property to be developed differently than Baxter's Highway 371 corridor has been allowed to develop by now prohibiting "auto-oriented" commercial uses. But Sell, the sole owner of Baxter Mainstreet, testified in front of the Commission and then confirmed, as follows, in writing on June 24, 2014 that Baxter Mainstreet would not develop the Property as an auto dealership:

Please know that I have no intention of developing the property as an auto dealership nor would I oppose eliminating "auto dealers" as an approved use for the property.

(Emphasis added).

Elsewhere, Commission has suggested that the proposed Business Campus classification would lead to higher skilled and higher paying jobs. *See* Plan Update Chapter 5 at 1. But Baxter Mainstreet is unaware of any market study or analysis indicating any actual near term opportunity (*i.e.*, market demand) that would show that Commission's suggestion is based on anything more than mere speculation. Indeed Baxter Mainstreet puts Commission to the proof thereof by simultaneously submitting its Minn. Stat. Ch. 13 Government Data Practices Act (DPA) request to City. To the extent that Baxter Mainstreet is proven by City's responses to its DPA requests to be correct, such a speculative rationale is not an adequate or sufficient reason to support a land use decision.²

Commission's lack of market study and analysis of present and/or near term demand is especially concerning given the high cost of extending City's infrastructure to the Property. Baxter Mainstreet understands that extending the infrastructure necessary to support development of its Property is about \$1.25/sq. ft.³ Such cost operates as a significant barrier to Commission's proposed Business Campus, especially based on comparable office or industrial

¹ The Plan Update uses the terms "Business Campus" and "Business Gateway" interchangeably.

² *See, e.g., Veit USA, Inc. v. Sherburne County*, No. A08-0581, 2009 WL 605722, at *5 (Minn. App. March 10, 2009), *review denied* (May 27, 2009).

³ 9/18/14 Baxter Mainstreet Letter to LRPC at 2, fully incorporated herein by reference.

Long-Range Planning Commission

October 13, 2014

Page 4

land sales of about \$1.25 to \$2.00/sq. ft. Commission's proposed Business Campus classification thus both (1) eliminates potential near-term opportunities and (2) undermines understood long-term opportunities, all without an adequate, specified rationale for such a deviation from actual development trends. Again, Baxter Mainstreet is putting these concerns to the test with its DPA requests to City.

C. **PROBLEM NO. 3: CITY'S ADOPTION OF A BUSINESS CAMPUS CLASSIFICATION WOULD REDUCE CITY'S FLEXIBILITY TO ACHIEVE ITS DEVELOPMENT GOALS**

Commission's proposed Business Campus classification will have very real consequences. Under Minnesota law, once such a plan update is adopted by the city council, it would be the effective zoning control. Minn. Stat. § 473.865; Minn. Stat. § 473.858; *Mendota Golf v. City of Mendota Heights*, 708 N.W.2d 162, 175 (Minn. 2006) (a comprehensive plan constitutes the primary land use control for cities and supersedes all other municipal regulations when these regulations are in conflict with the plan). Indeed, per Commission's proposed initial draft zoning districts, the Business Campus classification in the Plan Update will lead to a Business Campus Zone in the Zoning Ordinance.

Yet even Commission recognizes that, as it relates to individual properties, there is a better way for City to achieve its development goals:

One of the tools for innovative development is the Planned Unit Development (PUD) process. In Baxter's code PUDs are noted are both a conditional use permit and a rezoning, which can be confusing. It is more typical to have a separate PUD zoning district only and to process PUDs as a rezoning, which **gives the City greater discretion in negotiating and approving PUDs to benefit the City and future residents or patrons of the PUD project.** The PUD zoning language should be reviewed and revised as part of the implementation of the Comprehensive Plan.

Plan Update Ch. 5 at 17 (emphasis added.) Indeed, consistent with virtually all major development projects in Minnesota, Commission's proposed Plan Update recognizes that the PUD process needs to be improved and used generally to achieve City's goals.

Baxter Mainstreet agrees that City needs to maintain its "flexibility" through the use of PUDs. As Sell explained in his September 18, 2014 letter,

[M]y intent with this land is to sell it in its entirety for a larger-scale, integrated development. This can only be done with proper guiding and zoning that will attract developers of means who will want to do the right thing **because the**

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market demands it. Baxter will benefit, as will the entire region, because the project will be economically feasible and attractive. What's needed is flexibility in order to adjust to market demand.

(Emphasis added).

In other words, all credible planners in Minnesota, including those at Stantec, recognize that, when focused on a single area such as the Property, PUDs are the tool of first resort and such wholesale rezoning is the tool of last resort.

D. PROBLEM NO. 4: CITY'S ADOPTION OF A BUSINESS CAMPUS CLASSIFICATION WOULD CREATE UNNECESSARY RISK AND INVITE LITIGATION

By singling out the Property for City's Gateway, Baxter Mainstreet and City may well be unable to appropriately respond to actual market demand due to inefficiencies and unnecessary limitations created by the proposed Business Campus classification and potential conflicts or disputes arising from that classification. As previously detailed, the need to extend infrastructure to the Property and its un-rebutted estimated cost means that a use other than the Property's highest-and-best use is not economically feasible. Furthermore, the creation of the Commission's proposed Business Campus classification would add significant uncertainty as to whether development of the Property may ever proceed and, if so, on what terms. Currently, it appears as though Commission expects Baxter Mainstreet to bear the entire financial burden of achieving Commission's desired southern Gateway. Such allocation of financial burden itself creates the risk that Baxter Mainstreet may be unable due to market realities to develop the Property and deliver City its Gateway.

1. Spot zoning

As noted above, Commission's proposed Business Campus plainly singles out the Property to be different than the surrounding area and City's preceding development trends along the Highway 371 corridor. When the government selects certain property for special treatment that selection may be impermissible spot zoning. Spot zoning refers to zoning amendments which "establish a use classification inconsistent with surrounding uses and create an island of nonconforming use within a larger zoned district, and which dramatically reduce the value for uses specified in the zoning ordinance of either the rezoned plot or abutting property." *State, by Rochester Ass'n of Neighborhoods v. City of Rochester*, 268 N.W.2d 885, 891 (Minn. 1978). Spot zoning "result[s] in total destruction or substantial diminution of value of property affected thereby." *Id.* (quotation omitted).

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2. **A compensable taking**

Commission's proposed Business Campus classification is, in part, required of the Property for City's improper goal of achieving a certain public aspect. Specifically, Commission's proposed Plan Update reveals that the Property would be guided for a public use trail. The Plan Update's Future Parks and Trails System map⁴ identifies the anticipated setback area for Property to be used as a public use trail. But, of course, City cannot lawfully use its regulatory powers for the purpose of diminishing property values along Highway 371 in anticipation of a future acquisition of property for public use by condemnation. *Sanderson v. City of Willmar*, 282 Minn. 1, 5, 162 N.W.2d 494, 497 (1968) ("power to regulate by zoning may not be applied to appease the city's desire to restrain the natural operation of the laws of economics"). This includes acquisition justified on economic terms because years ago, the Minnesota Legislature redefined the concepts "public use or public purpose" to prevent such abuse by expressly excluding "the public benefits of economic development, including an increase in tax base, tax revenues, employment, or general economic health" as acceptable justifications to condemn private property. Minn. Stat. § 117.025, subd. 11.

Commission's proposed Plan Update's Future Parks and Trails System map would be a part of the comprehensive plan and operates as an official control on the Property. Minn. Stat. § 462.352, subd. 5 defines a comprehensive plan to include "a compilation of . . . maps for guiding the physical, social and economic development, both private and public, of the municipality and its environs." Section 462.352, subd. 5 provides in full as follows:

Subd. 5. Comprehensive municipal plan. "Comprehensive municipal plan" means a compilation of policy statements, goals, standards, and maps for guiding the physical, social and economic development, both private and public, of the municipality and its environs, and may include, but is not limited to, the following: statements of policies, goals, standards, a land use plan, including proposed densities for development, a community facilities plan, a transportation plan, and recommendations for plan execution. A comprehensive plan represents the planning agency's recommendations for the future development of the community.

(Bold in original; underlining added).

A comprehensive plan is implemented by official controls. Minn. Stat. § 462.352, subd. 10 defines an "official map" to include a "map . . . show[ing] the location of existing and future public land and facilities within the municipality." Minn. Stat. § 462.352, subd. 15 confirms, as follows, that an "official map" is an "official control":

⁴ Comp. Plan Update Chapter 4 at 9.

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Subd. 15. Official controls. "Official controls" or "controls" means ordinances and regulations which control the physical development of a city, county or town or any part thereof or any detail thereof and implement the general objectives of the comprehensive plan. Official controls may include ordinances establishing zoning, subdivision controls, site plan regulations, sanitary codes, building codes and official maps.

(Emphasis added); *accord* Minn. Stat. § 473.852, subd. 9.

If an official control conflicts with a comprehensive plan as the result of an amendment to the plan, the official control shall be amended by the unit within nine months following the amendment to the plan so as to not conflict with the amended comprehensive plan.

Minn. Stat. § 473.865, subd. 3 (emphasis added); *see also* Minn. Stat. § 473.858, subd. 1 ("local government unit shall not adopt any fiscal device or official control which is in conflict with its comprehensive plan"); *Mendota Golf v. City of Mendota Heights*, 708 N.W.2d 162 (Minn. 2006) (a conflict between a city's comprehensive plan and the city's zoning ordinance must be reconciled as required by Minn. Stat. § 473.858, subd. 1). In other words, if the Plan Update is adopted, then City must quickly modify the existing zoning of the Property to conform to City's Comprehensive Plan, including the Plan Update's designation of the Property for a public use trail.

The creation of such an official control on the Property would not only immediately diminish the value of the Property but also, to the extent the Property is designated for future public use, the official control may be a compensable taking. *See generally, Wensmann Reality, Inc., et al. v. City of Eagan*, 734 N.W.2d 623 (Minn. 2007). These risks, both market and legal, can and should be avoided by City.

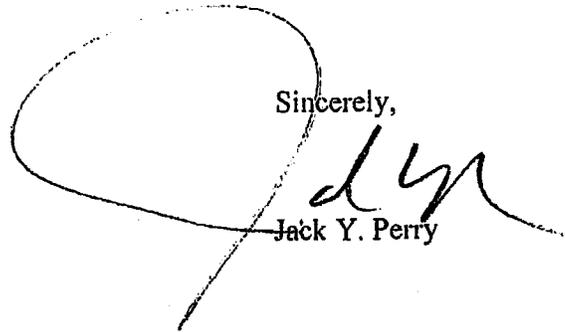
CONCLUSION

Unless and until City staff has not only (1) done what City staff promised Baxter Mainstreet it would do — *i.e.*, cooperatively work with Baxter Mainstreet on the mutually-agreed upon development of the Property — and (2) come to an impasse on the mutually-agreed upon development of the Property, Commission is acting inconsistent with all notions of effective and legal land use planning. Indeed, as its own outside land use consultants have advised elsewhere, Commission's unilateral, heavy-handed and substantively unsupported approach is a textbook example of how not to plan — *a/k/a* how to unnecessarily invite litigation. Lest Baxter Mainstreet and Sell themselves be falsely branded as seeking a legal fight, Baxter Mainstreet and Sell ask for a 60-90 day "cooling off" period in which meaningful development discussions for the Property can finally begin.

BRIGGS AND MORGAN

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Sincerely,

A large, stylized handwritten signature in black ink, appearing to be 'JYP', is written over the word 'Sincerely,' and the name 'Jack Y. Perry'.

Jack Y. Perry

JYP/npw

cc: J. Sell
B. Beard
D. White

6617982v4



2200 IDS Center
80 South 8th Street
Minneapolis MN 55402-2157
tel 612.977.8400
fax 612.977.8650

October 13, 2014

Jack Y. Perry
(612) 977-8497
jperry@briggs.com

VIA FAX AND U.S. MAIL

Kelly Steele
Data Practices Compliance Coordinator
City of Baxter
13190 Memorywood Drive
Baxter, MN 56425

**Re: Minnesota Government Data Practice Act Requests
Baxter Mainstreet Limited Partnership**

Dear Ms. Steele:

Pursuant to the Minnesota Government Data Practices Act, Baxter Mainstreet Limited Partnership (Baxter Mainstreet) requests the production for review and copying of all data (whether in paper or electronic form) in the possession of the City of Baxter, including its officials, members, employees, agents (e.g., Stantec), attorneys and representatives (City), that was created or modified on January 1, 2013 until the present regarding the following:

1. City's communications or decisions about the designation of "gateways" to, from and/or within City;
2. City's communications or decisions about the proposed land use guidance classification of "Business Campus";
3. City's market studies or analyses concerning the designation of "gateways" or the proposed land use guidance classification of "Business Campus";
4. City's communications or decisions about Baxter Mainstreet's property located in the NE quadrant of the intersection of Highway 371 and County Rd. 48;
5. City's communications or decisions about the public use of any of Baxter Mainstreet's property; and
6. City's communications or decisions about rerouting the Paul Bunyan Trail in and/or around City.

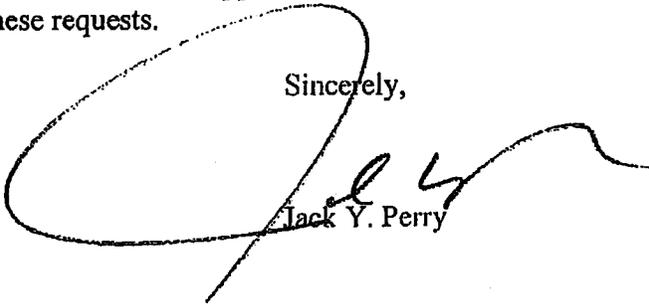
Kelly Steele
October 13, 2014
Page 2

Baxter Mainstreet requests that City produce responsive data in its native electronic format. Baxter Mainstreet also requests that the responsive data be produced in its entirety, including all attachments, enclosures, exhibits and duplicates. If City intends to produce the requested data in a manner in which the data is not kept by its custodian, then Baxter Mainstreet further requests that City produce the responsive data separated and organized by its corresponding request number. And, if City determines that data contains material or information which falls within a statutory exemption to mandatory disclosure, then Baxter Mainstreet requests that such material or information be reviewed for discretionary disclosure.

If any portion of these requests is deemed denied, then Baxter Mainstreet requests that City provide a detailed statement of the reasons for the withholding and an index or similar statement of the nature of the documents withheld. And, if City chooses to make redactions or deletions in the responsive data, then Baxter Mainstreet also requests that City provide a reason for each redaction or deletion. To expedite this matter, Baxter Mainstreet is willing to discuss specific instances of redactions, deletions or other exemption claims in advance of a final decision by City.

Please distribute this request to all City programs, divisions and outside agents (e.g., Stantec) to ensure that all requested documents are made available. Baxter Mainstreet requests that the responsive documents be made available for its review and copying within ten (10) days of City's receipt of this letter. Baxter Mainstreet is willing to pay reasonable costs for this request up to a maximum of \$400. If City estimates that the costs will exceed this limit, then please inform me first. Baxter Mainstreet appreciates your prompt consideration of, processing for and compliance with these requests.

Sincerely,



Jack Y. Perry

JYP

cc: J. Sell
B. Beard
D. White

Josh Doty

From: Rod Osterloh <osterloh@closeconverse.com>
Sent: Monday, October 13, 2014 2:57 PM
To: Josh Doty; compplan
Subject: Comments for LRPC re: Comp Plan
Attachments: Map-zoning-sales data.pdf

To: Long-Range Planning Commission and Staff
Re: Comprehensive Plan update.

After the Septmeber LRPC meeting, I was told that it would be helpful for the Commission to have more insight on the relative values of properties with different zoning classifications. Attached is a portion of Baxter's current zoning map on which I have indicated recent R2, C1, C2 and OS transactions and the price per square foot paid for each transaction. Note that not every sale in Baxter is included in this data – the sales represent bank-owned and non-bank-owned sales.

The sales value range for each zoning classification can vary greatly. Generally, Industrial, R1, R2, and OS yields values in the lower range of prices. C2 zoning districts can yield prices that are multiples of 3 to 5 times.

For any given property, there's a "highest and best use" and where that highest and best use is for commercial development, suppressing the use of the property through the Comprehensive Plan and zoning is a disservice to the property and to the City as a whole. Business Gateway will suppress values, deter development and cause the City to lose tax revenue over a long time horizon.

Further, the Business Gateways are in areas where significant infrastructure must be extended. In order to financially justify the expense and risk of the infrastructure investment, it's critical that properties can be developed to their highest and best use.

We encourage the LRPC to discard the Business Gateway as proposed and use existing tools to encourage good development.

Rod

Rod Osterloh
Close~Converse, Inc
521 Charles St. Suite 201, Brainerd MN 56401
Osterloh@CloseConverse.com
Ofc: 218-828-3334 : Direct: 218-454-4052
www.CloseConverse.com : www.LandRadar.com

Baxter Comparable Property Sales

SOLD R2 : \$.97/SF

SOLD OS : \$.72/SF

SOLD C2 : \$13.77/SF

SOLD R1 : \$.72/SF

SOLD C2 : \$3.35/SF
For use as R3

SOLD C2 : \$8.96/SF

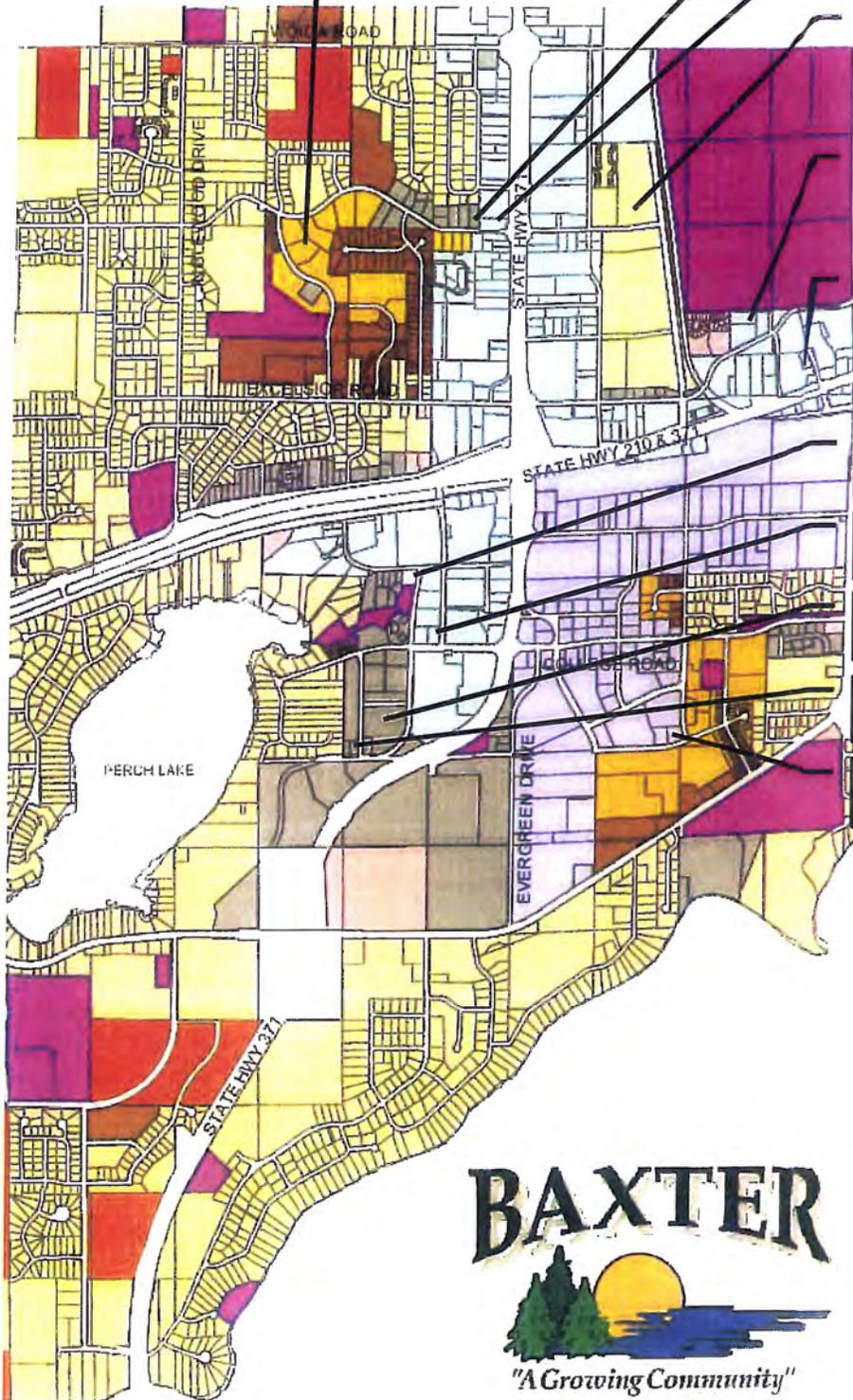
SOLD C2 : \$3.40/SF

SOLD C2 : \$15.53/SF

SOLD OS : \$2.62/SF

SOLD OS : \$5.93/SF

SOLD Ind : \$.94/SF



Zoning Map
10/13/14





BUICK, GMC, Inc.
MONTICELLO, MN



Baxter Mainstreet Limited Partnership

Jeff Sell

1001 HIGHWAY 25 S
Monticello, MN 55362

Date: September 18, 2014

To: Long-Range Planning Commission & City Council
City of Baxter
13190 Memorywood Dr.
Baxter MN 56425

Re: Comprehensive Plan 2014

Dear Members of Long-Range Planning and City Council:

I am the principal owner of Baxter Mainstreet Limited Partnership which owns 70 acres in the Northeast corner of Hwy 371 and County Road 48. Attached for reference is an illustration of the tract.

First, some facts about this property:

- This is the largest privately-owned, undeveloped tract of land in Baxter along the Hwy 371 corridor.
- It is on one of six traffic-light-controlled intersections along the corridor through Baxter.
- This is the only tract with enough size to accommodate any sizeable development for the future of Baxter.
- The Mainstreet tract has no direct access to Hwy 371, but is accessed from County Road 48 on the south and Hastings Road on the north.
- The tract is literally surrounded by wetlands to the east and northeast and roads & highway on the other sides.
- Connectivity between the Mainstreet tract and the rest of the community is only via City streets, County Road 48 and State Highway 371.
- The developable property within the Mainstreet tract contains wetlands that will add to the "green/natural" character of any future development.
- City water and sewer is available to the property at the far north at Hastings Road. Utilities have not been extended throughout the property.

My advisors and I have attended several of the Long-Range-Planning-Commission meetings over the past several months. We are concerned and disturbed by the conversation and written plan that has evolved for the "Gateway Districts," also referred to as, "Business Campus." Several times, we heard that the City won't/shouldn't allow the Gateway Districts to develop like Highway 371 north of Hwy 210

did. We understand that to mean large areas of parking lots, big buildings and lots of lights. Substantial talk of specific zoning-type requirements (i.e. 100 foot setbacks, no buildings over 30,000 Square Feet) has further compounded the situation.

The Mainstreet property at 371 & 48 is designated in the Draft Baxter Comprehensive Plan Update as Business Gateway and, in the same document, as Business Campus. By either name, the purpose for this land use category is to, "...extend some of the less intense industrial uses allowed in the industrial park, with some commercial uses allowed, but not continue the large-scale intense commercial characterizing the Highway 371 corridor further north." On page 18 of the Plan Update, it's stated, "The Business Gateway land use is intended to provide for office, light industrial and limited retail uses that create a high quality, attractive "north woods" image at the City's southeast and west gateways on Highway 317 (371) and 210.

My observations:

- **Gateway.** The real gateway to the community is the Mississippi River and the expanse of forest before one arrives at the 371/CR 48 intersection.
- **Regional Destination.** Whether intended or not, Baxter is recognized throughout the region as the shopping destination. Combined with traffic to the lakes and vacation areas north of Baxter, the success of Baxter as a destination is linked to a strong retail component. Residents and visitors alike appreciate the depth and breadth of goods and services offered in this community and expect more, not fewer, opportunities.
- **Market confusion.** Deviation from recognized zoning classifications – like C1 and C2 – to Business Campus, a classification not typically seen in other communities, creates confusion amongst prospective users. And, that confusion makes it more difficult to achieve the desired results, requires more time for users to understand what's required and may discourage people from even establishing their business in Baxter.
- **Business requirements.** National brand businesses have very stringent requirements for locating in a community. Typically, one of those requirements is to be at a controlled (i.e. signal light) intersection. As the last larger, undeveloped property at a controlled intersection, the proposed Business Gateway could preclude national brand businesses from locating in Baxter.
- **Economics & Market Demand.** The proposed uses – office, light industrial and limited retail – have ignored the economics of development and the dynamics of market demand. It will cost millions of dollars to develop and put infrastructure into this 70 acre tract. Current costs to put streets, curb/gutter, water, sewer and small utilities may exceed what light industrial land will sell for to a user. Market demand determines what will actually sell and there has been virtually no demand for the City's industrial lots over the past number of years. It's hard to imagine that light industrial uses are consistent with an, "attractive northwoods" image. Office demand has been very light as well and light retail uses, as described at the meetings, won't serve the public and won't command land prices that justify development. For reference, from Close~Converse, industrial land is available for \$1.25 to \$2.00/Square Foot; office land has recently sold for \$1.40/Square Foot; C2 land has been selling for approximately \$8.00 to \$12.00/Square Foot. The cost of infrastructure (without consideration for other development and holding costs) is likely to run \$1.25/Square Foot or more. The market determines what financially feasible for any specific location. The proposed uses don't support financial feasibility.
- **Highest and best use.** A guiding principal in the appraisal of real estate is, "highest and best use." Commercial development is the highest and best use of the Mainstreet property. While

the current zoning is C-1 for the southern portion and O-S, the proposed Business Gateway classification to include industrial and office uses is a downzoning of the property and will, in fact, diminish the value of the property because it will not be used for its highest and best use.

- **Controls for desired effect.** Baxter has multiple tools in place to control the nature and presentation of any development in the City. These tools include current zoning, architectural controls and Planned Unit Development (PUD) regulations.
- **Underserved neighborhoods.** Only one business serves the day-to-day needs of the residents, students and workforce of southwest Brainerd and southeast Baxter (the area north and west of the Mississippi River, east of Highway 371 and south of the Burlington Northern Railroad Tracts). That is a convenience store at the intersection of College Road and County Road 48. That means that all those people must travel via auto in order to get groceries, a meal at a restaurant or shop for any necessities. Good development at the Mainstreet site can better serve those residents and the traveling public.

In summary, my intent with this land is to sell it in its entirety for a larger-scale, integrated development. This can only be done with proper guiding and zoning that will attract developers of means who will want to do the right thing because the market demands it. Baxter will benefit, as will the entire region, because the project will be economically feasible and attractive. What's needed is flexibility in order to adjust to market demand.

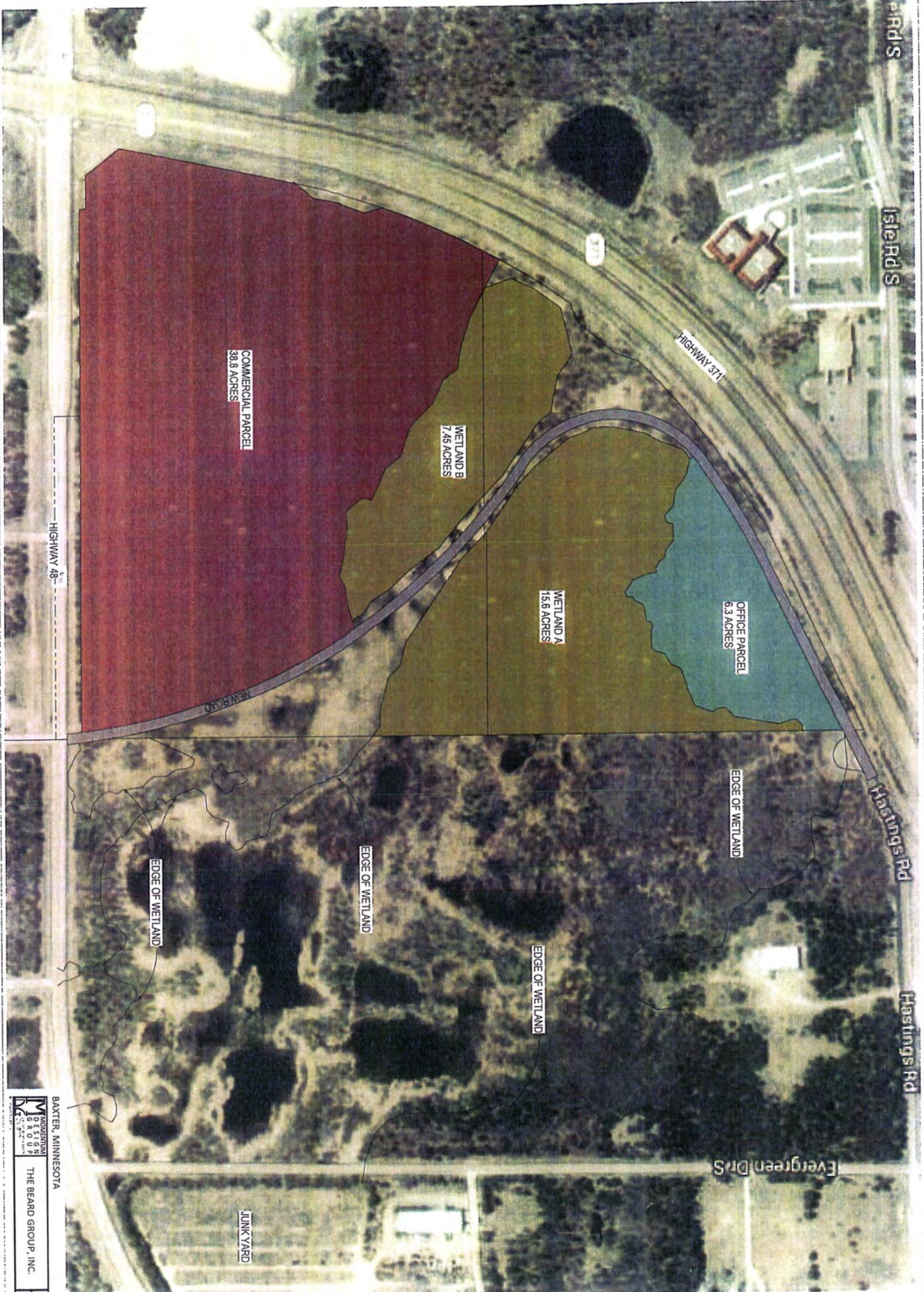
I request that the Comprehensive Plan Update be modified to guide the Mainstreet tract to Commercial 2 and Commercial 1 uses.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Sell". The signature is written in a cursive, flowing style.

Jeff Sell

Baxter Mainstreet Limited Partnership



Isle Rd S

Isle Rd S

HIGHWAY 371

HIGHWAY 48

COMMERCIAL PARCEL
38.8 ACRES

WETLAND B
7.45 ACRES

WETLAND A
13.6 ACRES

OFFICE PARCEL
6.3 ACRES

Hastings Rd

Hastings Rd

EDGE OF WETLAND

EDGE OF WETLAND

EDGE OF WETLAND

EDGE OF WETLAND

Evergreen Dr S

JUNK YARD

BAXTER, MINNESOTA
REGISTERED
DESIGNER
LAND SURVEYOR
No. 1555

THE BEARD GROUP, INC.

Scale
A1

10/14/14

Josh Doty

From: Carlson, Phil <Phil.Carlson@stantec.com>
Sent: Tuesday, October 21, 2014 6:51 PM
To: Josh Doty; Gordon Heitke
Cc: Duan, Hongyi
Subject: Baxter Land Values
Attachments: Baxter Comm-Ind Land Values.xlsx

Josh, Gordon,

We have conducted some preliminary research and analysis on commercial-industrial land values in Baxter as you requested. A short summary of this initial information is in the table below. A disclaimer: every parcel of real estate is unique and its value is dependent on location and other factors. The analysis here aggregated all commercial-industrial land in the city and pulled out averages and other statistics.

Baxter Commercial-Industrial Land Values

Zoning	Median	Average	Maximum	Top 20, Value	Top 20, Size
All Parcels	\$ 2.01	\$ 2.72	\$ 12.86	\$ 8.71	\$ 0.56
C-1	\$ 2.80	\$ 2.50	\$ 4.32	\$ 3.42	\$ 1.74
C-2	\$ 3.37	\$ 3.54	\$ 8.08	\$ 7.43	\$ 2.05
Industrial	\$ 0.98	\$ 0.85	\$ 3.61	\$ 1.35	\$ 0.52
Office-Service	\$ 2.00	\$ 2.55	\$ 12.86	\$ 7.53	\$ 1.45

Source: Crow Wing County Assessor's Office, compiled by Stantec, October 2014

The table above summarizes part of what we calculated (more details in the attached spreadsheet):

- From the Crow Wing County Assessor we compiled a list of all parcels in the City of Baxter zoned commercial or industrial – C-1, C-2, Industrial or Office-Service districts, 587 parcels in all.
- We looked at parcel size and land value to determine land value per square foot for each parcel.
- We calculated the median, average, and maximum land value for all parcels in certain groupings.
- We selected the top twenty parcels by value and calculated the average land value of these (we also have the lowest 20 in the spreadsheet).
- We selected the top twenty parcels by size and calculated the average land value of these (we also have the smallest 20 in the spreadsheet).
- We sorted the parcels by zoning district to calculate the same statistics in each of the four zoning districts separately.

What emerges from this preliminary analysis is a complex picture of land values in Baxter:

- C-2 zoned parcels have the highest median and average values, but not the highest maximum – that prize goes to a parcel in the Office-Service district.
- Looking at median values, if we start with C-2 (\$3.37/sq ft), then the other districts compare as follows:
 - C-1 = 83% of C-2 values
 - OS = 59% of C-2
 - Ind = 29% of C-2
 - All parcels = 60% of C-2
- If we take the Top 20 parcels in each district the highest average is in the OS district (\$7.53/sq ft); the C-2 district is only slightly lower. The Top 20 category would likely represent the most desirable real estate in

the district, at least according to the assessor's ranking of what the market would support. The other districts compare as follows:

- o C-2 = 99% of OS
- o C-1 = 45% of OS
- o Ind = 18% of OS
- If we take the Top 20 parcels overall, regardless of zoning district, we get a higher average value than the OS district alone - \$8.71/sq ft. Of these 20, 13 are in the OS district, 7 in the C-2 district.

PRELIMINARY CONCLUSIONS

This is a preliminary analysis pulling out a select set of simple numbers. We are looking at this to understand how a new Business Gateway District might compare with other zoning districts, since one of the major property owners has suggested that this new district would dramatically lower land values. This new district is a hybrid of the C-1, OS and Industrial districts, excluding the largest and most intense uses allowed in the C-2 district.

By this analysis it appears that C-2 zoning has the highest land values on average over all commercial parcels, but the OS district boasts more of the most attractive real estate in the City. Parcels in the C-1 district are generally less valuable, but not drastically so – the range is about 45% to over 80% of the value of C-2 land, depending on if we use median or Top 20 values. The property that is the subject of much of this discussion is currently zoned C-1 and OS. The new Gateway Business district would keep most of the uses allowed in those zoning districts now and add other possibilities, so the impact would be minimal, perhaps an improvement over current zoning.

The city is obliged to allow all property in the city a reasonable use, not the highest and best use. The uses in the new Gateway Business district, compared to C-2 zoning and compared to the current C-1 and OS zoning, are in my opinion very reasonable.

Please let me know if you have comments or questions on this information, and if there is more research or analysis we might look at on these issues.

Phil Carlson, AICP

Senior Planner

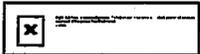
Stantec

2335 Highway 36 West St. Paul MN 55113-3819

Phone: (651) 967-4555

Cell: (612) 202-6474

Phil.Carlson@stantec.com



Celebrating 60 years of community, creativity, and client relationships

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Baxter Commercial-Industrial Land Values

zoning	Median	Average	Maximum	Land Value Top 20 by Value	Land Value Top 20 by Size
All Parcels	\$ 2.01	\$ 2.72	\$ 12.86	\$ 8.71	\$ 0.56
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C-2	\$ 3.37	\$ 3.54	\$ 8.08	\$ 7.43	\$ 2.05
Industrial	\$ 0.98	\$ 0.85	\$ 3.61	\$ 1.35	\$ 0.52
Office/Service	\$ 2.00	\$ 2.55	\$ 12.86	\$ 7.53	\$ 1.45

Source: FlowWing County Assessor's Website by Shinder, October 2010.