

ELKO NEW MARKET - PLANNING COMMISSION MEETING

PC Members: Brad Smith, Nicole Kruckman, Thomas Humphrey, Melissa Hanson, Todd Priebe and Harry Anderson
City Staff: City Planner Bob Kirmis, Community Development Specialist Renee Christianson, City Engineer Rich Revering and Community Development Intern Haley Sevensing



AGENDA

TUESDAY, MAY 28, 2019 @ 7:00 PM
COUNCIL CHAMBERS – NEW MARKET AREA HALL
601 MAIN STREET, PO BOX 99, ELKO NEW MARKET, MN 55020

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. APPROVAL OF AGENDA**
Consider Approval of the Agenda
- 4. PUBLIC COMMENT** (public opportunity to comment on items not listed on the agenda)
- 5. ANNOUNCEMENTS**
 - A. None
- 6. APPROVAL OF MINUTES**
Consider Approval of the following:
 - A. March 26, 2019 Meeting Minutes
 - B. April 22, 2019 Special Meeting Minutes
- 7. PUBLIC HEARINGS**
 - A. Request for Rezoning, Preliminary and Final Plat Approval of Sylvester's Meadows, Bernard Mahowald, applicant
- 8. GENERAL BUSINESS**
 - A. Concept Plan Review and Annexation Petition for Residential Development, John Wichmann & Steve Soltau, applicants
 - B. Concept Plan Review of 68-Unit Apartment Development, Global Properties, applicant
- 9. MISCELLANEOUS**
 - A. Community Development Updates & Reports
 - B. Priced Out: The True Cost of Minnesota's Broken Housing Market
 - C. Planning Commission Questions & Comments
- 10. ADJOURNMENT**

BOARD NOTICE:

TO DETERMINE IF A QUORUM WILL BE PRESENT, PLEASE CONTACT ELKO NEW MARKET AREA HALL AT 952-461-2777
IF YOU ARE UNABLE TO ATTEND

PUBLIC NOTICE:

ANYONE SPEAKING TO THE BOARD SHALL STATE THEIR NAME AND ADDRESS FOR THE RECORD

**MINUTES
CITY OF ELKO NEW MARKET
PLANNING COMMISSION MEETING
March 26, 2019
7:00 PM**

1. CALL TO ORDER

Vice-Chairman Humphrey called the meeting of the Elko New Market Planning Commission to order at 7:00 p.m.

Commission members present: Kruckman, Humphrey, Hanson, Priebe and Ex-officio Representative Jeff Krueger

Members absent and excused: Smith and Ex-officio member Anderson

Staff Present: Community Development Specialist Christianson and Community Development Intern Haley Sevensing

2. PLEDGE OF ALLEGIANCE

Vice-Chairman Humphrey led the Planning Commission in the Pledge of Allegiance.

3. APPROVAL OF AGENDA

A motion was made by Kruckman and seconded by Priebe to approve the agenda as submitted. Motion carried: (3-0).

4. PUBLIC COMMENT

A. None

5. ANNOUNCEMENTS

A. None

6. APPROVAL OF MINUTES

A motion was made by Kruckman and seconded by Priebe to approve the minutes of the January 29, 2019 Planning Commission meeting as submitted. Motion carried: (3-0). Commissioner Hanson entered the meeting.

7. PUBLIC HEARINGS

A. Proposed Zoning Ordinance Amendment – Sexually Oriented Businesses

Christianson presented her staff report containing information regarding sexually oriented businesses which was also reviewed at the February, 2019 Planning Commission meeting. She noted that the Planning Commission had requested the City review current ordinances pertaining to sexually oriented businesses to ensure that the City complies with state and

federal regulation. Christianson explained that a government can impose controls on where sexually oriented businesses can locate but cannot prevent them from locating altogether because they are protected by the First Amendment. Case law has determined that having approximately 5% of the City's land area available for such uses is a reasonable benchmark.

The current ordinance was reviewed with the Planning Commission. Maps were displayed depicting where such uses are not permitted to locate, including buffer areas around residential zoning districts, schools, churches, daycare facilities, parks, and certain zoning districts. The results of the analysis were that 2.05% of the City's land area, or 40.89 acres, is currently available for sexually oriented uses to locate and a map was displayed showing those areas. It was explained that the City Attorney believes that the 2.05% is an adequate and defensible amount of land available based on the fact that Elko New Market is primarily a residentially zoned community at this time. As the City annexes more commercially and industrially zoned land, additional land will become available for such uses.

Christianson explained that one minor change to the ordinance is being recommended, and that is to remove the requirement that sexually oriented businesses be setback at least 200' from trails. The reason for the recommendation is that this would potentially preclude such uses from locating anywhere in the City which would be unconstitutional. The public hearing regarding such change was opened at 7:09 p.m., and with no comments from the public it was closed at 7:09 p.m. It was then moved by Kruckman and seconded by Hansen to recommend approval to the City Council that Section 11-5-16 (C) of the City Code be amended to remove the requirement that sexually oriented businesses be setback at least 200' from trails. Motion carried: (4-0).

B. Proposed Zoning Ordinance Amendment – Small Wireless Facilities

Sevening presented her staff report and draft ordinance amendment information regarding small cell wireless equipment. She explained that during the 2017 legislative session a new law was enacted that allows small cell wireless equipment to be placed within public street rights-of-ways. The new legislation allows this equipment to locate on City-owned equipment (i.e. power poles, street lights) and allows for the installation of a 50 foot tall structure within public rights-of-ways to support an antenna array. The new law is intended to expand broadband service coverage and accelerate delivery of service which is needed to address the rapidly growing consumer market and new technologies all utilizing the broadband network.

Sevening explained that passing of the new legislation required the City to review its ordinances that pertain to such wireless facilities and structures. The Planning Commission had previously held discussion regarding small cell wireless equipment within public rights-of-way, and specifically, whether such facilities should be regulated through the City's Zoning Ordinance (Title 11 of the City Code). The Planning Commission directed Staff to address small cell wireless facilities solely in the City's Right of Way ordinance (Title 8 of the City Code) rather than the Zoning ordinance. Sevening further explained that because Chapter 13 of the Zoning Ordinance does currently regulate towers and antennas, it is necessary to make some minor adjustments to this section of the Zoning Ordinance in response to the new legislation and the Planning Commission recommendation. Sevening

presented the draft ordinance amending section 11-13-10 of the Zoning Ordinance which exempts small wireless facilities and wireless support structures from the Zoning Ordinance.

Vice-Chairman Humphrey opened the public hearing at 7:13 p.m. and with no comments from the public, the hearing was closed at 7:13 p.m. It was then moved by Hansen and seconded by Kruckman to recommend to the City Council that Section 11-13-10 of the City Code be amended to exempt small wireless facilities and wireless support structures from the Zoning Ordinance. Motion carried: (4-0).

8. GENERAL BUSINESS

A. Review Concept Plan – Chase Real Estate

Christianson presented information regarding possible development of a ten-acre property located in the City limits and proposed for single-family residential development. In the summer of 2018, the Planning Commission and City Council provided feedback to a previous developer regarding a proposed development and annexation on this same ten-acre property. The previous developer ultimately decided not to pursue the project, and Chase Real Estate now has a purchase agreement on the property. Chase Real Estate is now completing their necessary due diligence to determine if a residential development project is financially feasible and is seeking feedback from the Planning Commission.

Mr. Wolter, representing Chase Real Estate, has considered the previous recommendations of the Planning Commission and City Council and is requesting feedback from the Planning Commission regarding potential variances for lot sizes and widths on seven of the proposed 31 lots. He is seeking feedback before officially proceeding with preparation of grading and utility plans for the development.

Christianson explained that the developer is seeking R2 zoning, which has a minimum lot size of 8,400 square feet and a minimum lot width of 70'. She reviewed neighborhood conditions, the current and planned (2040) comprehensive plan land use guidance for the property, required setbacks, and utility issues (sanitary sewer, water, stormsewer), specifically stating that the City may require looping of the water from CSAH 2 to Park Street. She further reviewed miscellaneous design requirements including the need for a 20' landscape buffer along CSAH 2, the need to design each lot to accommodate a three-car garage, wetland buffer and setback requirements, the need for drainage and utility easements, transportation issues, the need for sidewalks within the development, and the recommendation of the Parks Commission related to development of the property.

Christianson further reviewed the request for lot size & width variances on seven of the proposed thirty-one lots, and reviewed the requirements for granting variances under City Code and State Statute. She offered an alternative design that would reduce the need for variances on two of the lots.

After discussion by the Commission regarding the proposed development and requested variances, the Commission directed City Staff to obtain official feedback regarding the amount of right-of-way dedication that Scott County will be requesting during platting of the

property. The Commission believed that the amount of right-of-way being requested by Scott County might affect the overall development layout. The Commission was generally supportive of limited variances; however, requested feedback from Scott County prior to providing official feedback regarding the variance request.

9. MISCELLANEOUS

A. Community Development Updates

There were no updates provided at the meeting.

B. Planning Commission Questions & Comments

There were no questions or comments from the Commission.

10. ADJOURNMENT

A motion was made by Kruckman and seconded by Priebe to adjourn the meeting at 8:07 p.m. Motion carried: (4-0).

Submitted by:



Renee Christianson
Community Development Specialist

**MINUTES
CITY OF ELKO NEW MARKET
SPECIAL PLANNING COMMISSION MEETING
APRIL 22, 2019
5:00 PM**

1. CALL TO ORDER

Chairman Smith called the meeting of the Elko New Market Planning Commission to order at 5:04 p.m.

Commission members present: Smith, Kruckman, Hansen, and Humphrey.

Members absent and excused: Priebe and Ex-officio member Anderson

Staff Present: Community Development Specialist Christianson

2. PLEDGE OF ALLEGIANCE

Chairman Smith led the Planning Commission in the Pledge of Allegiance.

3. APPROVAL OF AGENDA

A motion was made by Kruckman and seconded by Hansen to approve the agenda as submitted. Motion carried: (4-0).

4. GENERAL BUSINESS

A. Review Grading Permit Application – R & F Properties

Christianson presented information regarding the application for grading permit submitted to the City by R & F Properties (AKA Elko Speedway), allow fill to be placed in a certain area within their property. The area in which they are proposing to fill was formerly known as the motocross track, and is currently designated as an overflow parking area.

Christianson explained that the uses at the site operate by way of Planned Unit Development (PUD) zoning. Elko Speedway, and the uses that occur on the overall property, have continued to change and evolve over the years and the PUD zoning has been amended multiple times. The PUD was completely amended and restated on March 23, 2017. The restated PUD outlines all of the permitted uses on the site and well as approved site plans. It was explained that the subject area is used for overflow parking approximately once each year, typically during the Eve of Destruction event. This could change from year to year depending on the events that are scheduled at the track, however, in recent years the area has been used on average once per year.

Aerial photographs of the subject area and the proposed grading plan were displayed for the Commission to see. It was noted that the area proposed to be filled is surrounded by DNR Protected Wetlands. Christianson explained that the City's Comprehensive Plan depicts a

future extension of Whispering Hills Lane through the subject site that would ultimately connect to France Avenue.

Chairman Smith asked about the proposed elevation of the site in relation to the existing homes in Whispering Hills. Christianson displayed the grading plan, which depicts a proposed elevation of 1141 to 1142 at the proposed high/flat area, and also showed some of the existing elevations at the back of the homes along Oak Street in Whispering Hills, which appeared to range from 1140 to 146.

It was noted that the City Engineer has reviewed the application and has recommended approval via email, and his formal memorandum containing his recommendations is pending.

Commissioner Humphrey questioned what would happen if the applicant did not complete the grading and leveling of the site as requested and approved by the City. Christianson explained that the City would issue a grading permit containing stipulations of approval, and also require a financial security that would allow the City to complete certain items, should there be problems with erosion or nonperformance. Humphrey questioned whether the City could withhold future grading permits if the current permit was not complied with. Christianson noted that she would mention the concern to the City Attorney who would be drafting the grading permit.

Kruckman questioned why the original application contained a request to do the work over a three year time period. She stated that if grading occurred over such a significant length of time it would be a change of land use, from the required overflow parking area to potentially a construction staging or stockpile area. The Commission concurred with staff's recommendation to have all site grading completed in 2019.

Chairman Smith stated that there has been storage of contractor equipment in the subject area, especially during the winter months. He noted that the area is not approved for such use. Smith provided some history regarding the allowance of the offices for Ryan Contracting but not the exterior storage of construction equipment.

Following discussion, it was moved by Smith and seconded by Hanson to recommend approval of the application for grading permit #G1-2019 to the City Council, subject to the following conditions:

- 1) Approval is based on the grading plan containing 1 sheet, prepared by Probe Engineering, dated 4/10/19 and revised 4/16/19.
- 2) Approval is based on the Storm Water Pollution Prevention Plan containing 10 sheets, prepared by Probe Engineering, and dated 4/16/19.
- 3) The applicant shall comply with all recommendations of the City Engineer.
- 4) The applicant shall enter into a Grading Authorization Permit with the City.
- 5) Fill shall be stockpiled until it can be equally spread over the entire overflow parking area; the required overflow parking area must be maintained and usable throughout the summer months.

- 6) All access to the site for purposes of filling and grading shall be via France Avenue through the R & F Properties property. No access to the site shall occur on Whispering Hills Lane.
- 7) Fill shall be leveled and the site shall be fully stabilized by the end of the construction season, 2019.
- 8) The permit shall be granted for a period not to exceed one-year in length.
- 9) The area depicted as “Area 4 – South Lot” on the approved PUD Overflow Parking Exhibit shall be used and designated as overflow parking and not used for the exterior storage of contractor equipment.

And noting the following:

- 1) The City’s Comprehensive Plan depicts a future extension of Whispering Hills Lane, easterly, into the area proposed to be filled to eventually connect with France Avenue / Main Street. Future extension of the roadway will likely require removal or moving of some of the proposed fill at applicant / developer’s expense.

Motion carried: (4-0)

10. ADJOURNMENT

A motion was made to adjourn the meeting at 5:25 p.m. Motion carried: (4-0).

Submitted by:



Renee Christianson
Community Development Specialist



601 Main Street
Elko New Market, MN 55054
phone: 952-461-2777 fax: 952-461-2782

MEMORANDUM

TO: PLANNING COMMISSION
CC: BERNIE MAHOWALD, GREG HALLING, SCOTT SWANSON
FROM: RENEE CHRISTIANSON, COMMUNITY DEVELOPMENT SPECIALIST
HALEY SEVENING, COMMUNITY DEVELOPMENT INTERN
RICH REVERING, CITY ENGINEER, BOLTON & MENK
SUBJECT: APPLICATION FOR REZONING OF XX ACRES FROM UR, URBAN RESERVE,
TO R1, SUBURBAN SINGLE FAMILY RESIDENTIAL
APPLICATION FOR PRELIMINARY AND FINAL PLAT APPROVAL OF
SYLVESTER MEADOWS, CONSISTING OF 9 SINGLE FAMILY RESIDENTIAL
LOTS ON 41 ACRES.
DATE: MAY 28, 2019

Background / History

Bernie Mahowald, representative of the Anna F. Annis Trust and The Farm Development Co, LLC, submitted to the City an application for preliminary and final plat approval of Sylvester Meadows containing nine lots and one outlot on 41.00 acres, and also an application for rezoning of certain lands from UR, Urban Reserve, to R1, Suburban Single Family Residential. Submitted for review is the following:

- Preliminary Plat drawing containing 1 sheet, prepared by Valley Surveying, dated April 1, 2019
- Final Plat drawing containing 2 sheets, prepared by Valley Surveying, dated April 1, 2019
- Grading, Drainage and Utility Plan set containing 13 sheet, prepared by Halling Engineering, and dated April 5, 2019.
- Stormwater Management Plan containing 252 sheets, prepared by Halling Engineering, and dated April 26, 2019.

City staff has referred to the following City adopted ordinances and plans when reviewing the Sylvester Meadows Concept Plan:

- 2030 Comprehensive Land Use Plan
- Draft 2040 Comprehensive Land Use Plan
- Zoning Ordinance
- Subdivision Ordinance
- 2030 Sanitary Sewer Plan
- 2030 Water Plan
- 2030 Stormwater Plan

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➤ 2030 Park & Trail Plan

Neighborhood Conditions

To the north and northwest of the proposed development are single family residential homes. To the east, south, and southwest of the proposed development are undeveloped rural residential properties and undeveloped land. The area to the south is also a large wetland area. The proposed development of the property for single family residential homes is generally compatible with the surrounding land uses.

Legal Description

The proposed development consists of five properties, four small platted outlots and one large unplatted parcel. The PID #'s, lot sizes, and legal descriptions are as follows:

- 23-024058-0 – approximately .356 acres – Outlot C, The Farm 3rd Addn
- 23-024059-0 – approximately .107 acres – Outlot D, The Farm 3rd Addn
- 23-024060-0 – approximately .298 acres – Outlot E, The Farm 3rd Addn
- 23-024062-0 – approximately .444 acres – Outlot G, The Farm 3rd Addn
- 23-928045-0 – approximately 39.884 acres – The NW ¼ of the SE ¼ of Section 28, Township 113W, Range 21N, Scott County, Minnesota.

Comprehensive Land Use Plan

The city's comprehensive land use plan guides the properties to a "Low Density Residential" land use designation. The comprehensive plan contains the following language regarding the Low Density Residential District:

"Objective: This classification is characterized by a low to medium range of residential densities that provide opportunities for a variety of housing options. Single family detached homes at the lowest of the urban densities are typical uses. Lower densities are often required to preserve and protect environmentally sensitive land. Single family attached dwellings such as duplexes, townhomes, and four-plexes should be allowed and may be mixed with detached homes in Planned Unit Developments. Support facilities that are compatible with neighborhoods and accessory uses are allowed within this District.

Development Location Criteria: • The characteristics of a proposed development will be based upon consideration of several factors including, but not limited to, topography, geography, existing development and character of the surrounding area, transportation system access, and market conditions. • Final density and development design will be a function of adopted zoning and subdivision standards and procedures.

Density: The average density is 2.7 dwelling units per net acre, with a range of 2 to 5 units per net acre. Minimum Requirements for Development: • Lot sizes typically are 10,000 – 12,000 square feet, but can be larger or smaller depending on the type of development and the specific property's characteristics. • The minimum area for Planned Unit Developments should be 10 acres in order to provide for the open space and mix of housing styles at higher densities, but may be smaller based on the benefit provided to the City or the objectives of the City. • Public street frontage is required for all development, unless alternate access is expressly approved by the City for a Planned Unit Development or similar arrangement.

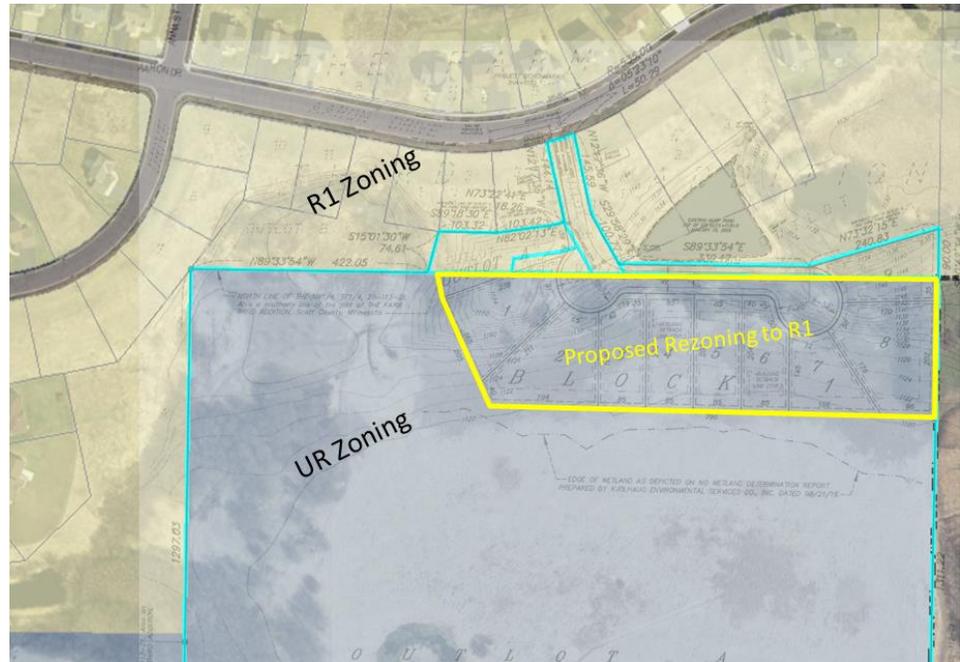
Typical Uses: Single family detached dwellings; other dwelling designs (townhomes, four-plexes and retirement complexes or other similar residential varieties) by Conditional Use Permit and/or Planned Unit Development; schools, churches, recreational open space, parks and playgrounds, and public buildings."

Staff has calculated the density using only the area proposed for development, which is 5.3 acres. With nine lots being proposed on 5.3 acres, the proposed density is 1.7 units per acre. The proposed development is lower than the desired density range of 2 to 5 units per acre as identified in the Comprehensive Plan. This is because of the large size of the proposed lots which range from 16,130 square feet to 30,605 square feet. The developer could reduce the individual lot sizes which would result in meeting the density requirements. Reducing the individual lot sizes will not likely result in additional density at the site due to the overall layout of the property and wetland location. Therefore, staff supports the lot sizes as proposed.

The draft 2040 Comprehensive Plan also guides the property to a Low Density Residential land use with a density range of 2.5 to 5 units per acre.

Zoning / Request for Zoning Amendment

The proposed development contains five existing parcels. The four smaller parcels are currently zoned R1, Suburban Single Family Residential District and the one larger parcel is currently zoned UR, Urban Reserve. Development of the property as proposed requires rezoning of all or a portion of the larger (39.88 acres) parcel from UR to R1. The applicant is proposing to rezone just a portion of the large parcel to R1, and leave the remainder of the property zoned UR. Maintaining the UR zoning on the larger undeveloped parcel allows farming and wildlife activities as permitted uses.



Section 11-3-8 of the Zoning Ordinance identifies criteria to be considered as part of a request for zoning amendment (rezoning), as follows:

- 1) The proposed action has been considered in relation to the specific policies and provisions of, and has been found to be consistent with, the official City Comprehensive Plan.
- 2) The proposed use is or will be compatible with present and future land uses of the area.
- 3) The proposed use conforms with all performance standards contained in this title (ordinance).
- 4) The proposed use can be accommodated with existing public services and will not overburden the City's service capacity.
- 5) Traffic generation by the proposed use is within capabilities of streets serving the property.

Staff believes that the request to rezone a portion of the property (shown in yellow above) from UR to R1 meets the above stated criteria and supports the request to rezone a portion of the property to R1.

Lot Size

The City's R-1, Suburban Single Family Residential District, has a minimum lot size requirements of 12,000 square feet and minimum lot width requirements of 85'. The minimum lot width requirement is typically measured at the minimum building setback line. The proposed lots range in size from 16,130 square feet to 30,605 square feet, with the average lot size being 20,429 square feet. All lots, as currently proposed, meet or exceed the minimum lot size and width requirements.

Setbacks

The setback requirements in the R1 zoning district are as follows:

- Front setback – 30'
- Side setback – 10'
- Side setback for corner lot – 25'
- Rear setback – 30'

Height Requirements

Structures shall not exceed 35' in height in the R1 zoning district.

Miscellaneous Design Requirements

The City code requires that for new lots, all site plans for single family homes shall provide for the location of a three stall attached garage, whether or not construction is intended.

Section 11-5-1 (4)(a) of the City Code states:

Residential Uses: Except as otherwise specified in R-5 Districts, the primary exterior building facade finishes for residential uses shall consist of materials comparable in grade to the following:

- (1) Brick.*
- (2) Concrete composite board.*
- (3) Stone (natural or artificial).*
- (4) Integral colored split face (rock face) concrete block.*
- (5) Wood, natural or composite, provided the surfaces are finished for exterior use, or wood of proven exterior durability is used, such as cedar, redwood or cypress.*
- (6) Stucco (natural or artificial)/EIFS (exterior insulated finish system).*
- (7) Vinyl, steel, aluminum or fiber cement siding.*

Staff notes that the Planning Commission does not review the individual home designs, but that these above requirements are imposed upon the home builder.

Landscaping

There are no specific landscaping requirements associated with development of the property. Two trees must be planted upon each lot at the time of building permit, sod placed in the front and side yards, and rear yards must be seeded, hydroseeded or sodded. These requirements are placed on the builder rather than the developer.

Tree Preservation

Section 12-9-9 of the City's Subdivision Ordinance contains Tree Preservation and Replacement regulations. A tree inventory must be completed which identifies the location of all significant trees on the property. A significant tree is defined as:

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- A healthy tree measuring a minimum of 6” in diameter for hardwood deciduous trees, or a minimum of 12” in diameter for softwood deciduous trees, or a minimum of 12’ in height for coniferous / evergreen trees. Tree diameter shall be measured at a point 36” above grade.

40% of the significant trees must be protected as part of the development.

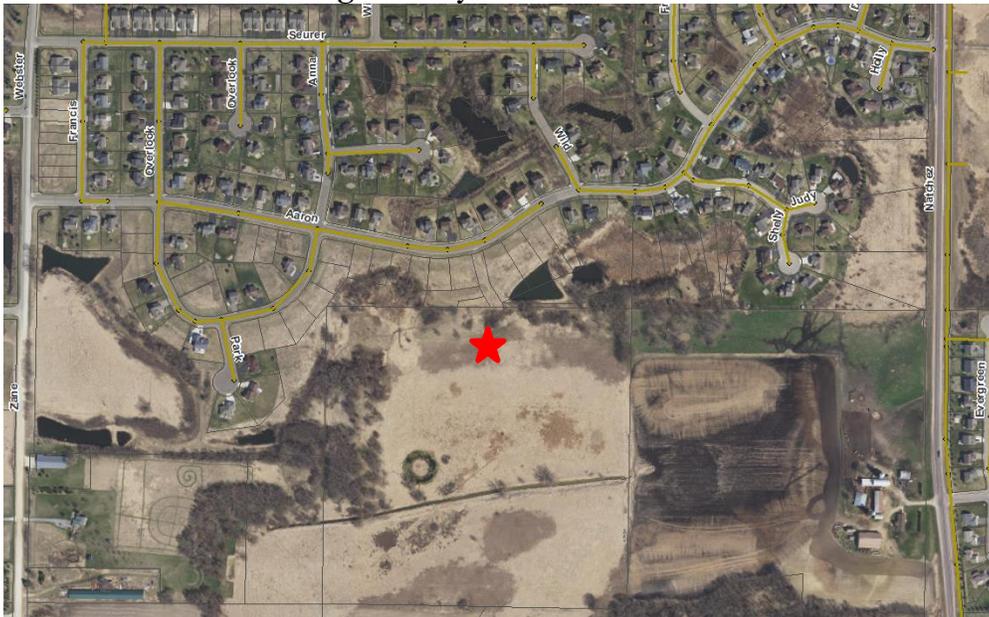
Easements

The Subdivision Ordinance requires that 10’ wide perimeter easements and 5’ wide interior easements be dedicated along all lot lines. The preliminary and final plat drawings do depict the easements as required. Based on the current grading plan dated 4/5/19, a drainage swale is shown on proposed Lots 1, 2 & 9 which would require an additional drainage and utility easement. The final plat drawing should be amended to show a drainage and utility easement covering the proposed drainage swale on proposed Lots 1, 2 & 9.

Sanitary Sewer

There is an existing 8” gravity sewer line located in Aaron Drive. The developer is proposing to serve the homes in the development with both a gravity sewer line (8” PVC) and a sewer forcemain (2” HDPE) in Sylvesters Court which will then connect to a sanitary sewer manhole in Aaron Drive. The Aaron Drive sewer line then flows to the west by gravity. The elevation of the proposed development is substantially lower than the existing sewer line in Aaron Drive, therefore a small central lift station will be required, which is currently shown on Lot 9. Staff suggests moving the lift station onto the existing outlot owned by the City, if possible. If this is not possible, the drainage and utility easement on proposed Lot 9 should be expanded to cover any future maintenance needs for the proposed lift station. The lift station would be owned and maintained by the City. Staff is also recommending the inclusion of a standby generator adjacent to the proposed lift station. The applicant has requested alternatives to the stand-by generator, however City staff is still recommending the inclusion of a stand-by generator be included in the plans.

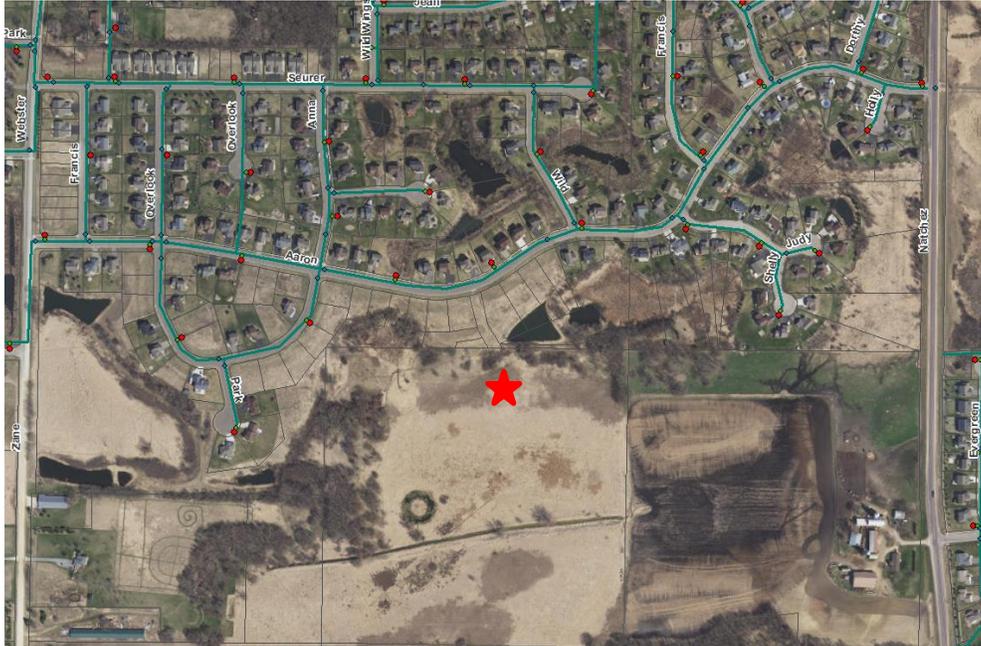
Existing Sanitary Sewer Infrastructure



Water

There is an existing 8” water main in Aaron Drive. The developer is proposing to serve the development with an 8” ductile iron water main in Sylvesters Street which will then connect to the Aaron Drive water main. Two fire hydrants are proposed. It is noted that the proposed cul-de-sac is over 650’ in length which exceeds the desired street length and dead-end watermain length. Unfortunately, there is no reasonable opportunity to loop water lines within the development. **The proposed development is consistent with the Water Distribution Plan.** Staff has no concerns with water related to the development.

Existing Water Distribution System



Stormwater

Surface water from the property currently flows in a southerly direction towards a large wetland/floodplain area and ultimately to the Vermillion River. The developer is proposing to treat the water from the development by using an existing stormwater pond located on the north side of proposed Sylvesters Street, and by adding some infiltration. The existing pond is currently owned and maintained by the City. **A stormwater plan has been submitted and approved by the City Engineer.** All structures shall have a minimum 35’ setback from the edge of the HWL of stormwater ponds.



On May 24, 2019 the City received an objection to the proposed development from an attorney acting on behalf of an adjacent property owner. The objection specifically cites additional impervious surfaces and stormwater runoff from the proposed development as the reason for their objection. The applicant has submitted a stormwater management plan meeting the minimum requirements of Chapter 11 of the City's Zoning Ordinance. The City Engineer will be available at the Planning Commission meeting to respond to questions regarding stormwater.

Wetlands / Floodplain / DNR Protected Waters

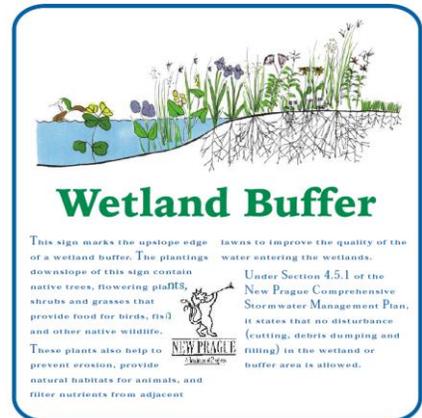
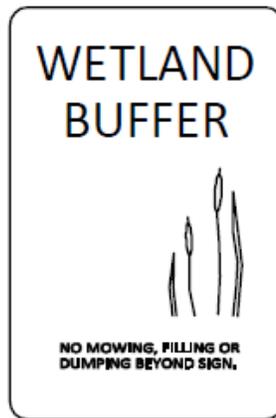
A wetland delineation was completed in the fall of 2018 and the wetland boundary adjacent to the proposed lots has been approved/accepted by the City. The developer did not provide a wetland delineation for the entire 41 acre property.

Vegetative buffers are required adjacent to all delineated wetlands. The developer is proposing the maximum buffer width criteria, which requires an average buffer width of 50' and a minimum buffer of 30' adjacent to wetlands. The Subdivision Ordinance requires that wetlands and buffers be contained in Outlots, and the Outlots shall be conveyed to the City upon filing of a plat. The developer is proposing to retain ownership of the large wetland area located to the south of the proposed lots (Outlot A) which contains both wetland and upland area.



The wetland and required buffer area do not encroach into the proposed lots; they exist entirely within proposed Outlot A. Staff is supportive of the applicant's request to retain ownership of the Outlot A wetland area due to the size of the parcel. Staff recommends that the preliminary and final plat drawings be revised to clearly depict the wetland, along with a corresponding drainage and utility easement.

Wetland buffer sign markers, meeting the requirements of Section 11-11-4 of the Zoning Ordinance, shall be placed along all lot lines at the buffer location. Examples of sign markers are shown to the right.



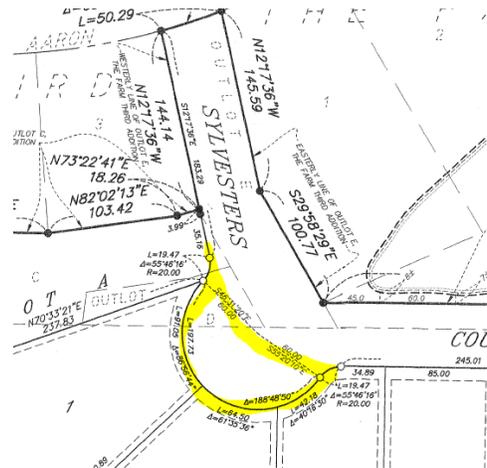
The subject property is included on FEMA Flood Insurance Rate Map (FIRM) panel #2704280125C dated 2-19-87, and also on preliminary FIRM panel #27139C0330E dated 9-30-11. The wetland located adjacent to and south of the proposed development is designated as Zone X, areas of 500 year flood. There are no DNR Protected Waters or Wetlands on the subject property.

Access / Roads / Transportation Issues

The proposed development borders one existing city street, Aaron Drive, which is identified as a Minor Collector Roadway in the City's Transportation Plan. Aaron Drive is 36' wide within a 70' right-of-way.

Sylvester Meadows Preliminary & Final Plat – Anna F. Annis Trust / Bernard Mahowald

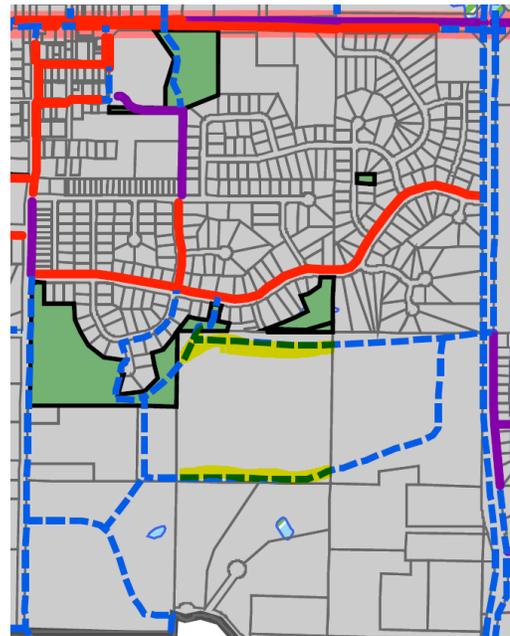
There is one proposed cul-de-sac road within the development, Sylvesters Court. The road is proposed at approximately 650' in length, 28' in width, within a 50' right-of-way, with 53' radii on the cul-de-sac. The City's Subdivision Ordinance requires that 60' of right-of-way be dedicated for local roads and cul-de-sacs, and also contains a maximum cul-de-sac length of 500'. It is noted that the existing access into the property at Aaron Drive is only 50' in width, so requiring a 60' right-of-way at the northerly portion of the street is not possible. Staff supports the 50' right-of-way width for the proposed street, as opposed to the 60' required by ordinance, because the roadway will only service nine homes and there are only lots on one side of the proposed street. Staff also supports the deviation for the cul-de-sac length due to the physical constraints surrounding the property (wetlands and topography). The street meets minimum design requirements other than the right-of-way width and cul-de-sac length. Staff recommends, however, that the bump-out area on the westerly curve be removed from the proposed right of way.



Sidewalks & Trails

The City's Subdivision Ordinance requires that concrete sidewalks are constructed on at least one side of all residential streets; the outside edge shall be located one foot from the property line. The submittal depicts sidewalks as required.

The City's Park & Trail Plan identifies a City trail corridor running through the subject property. The planned trail corridor would ultimately extend from Co Rd 91 to Mahowald Park, looping around both the north and south sides of the large wetland area. Staff sought feedback from the Parks Commission on 4/11/19 regarding the inclusion of a trail within the development, and/or easement for future trail construction. The Parks Commission recommended that the developer dedicate land for a future trail connection; the trail would extend from Mahowald Park to Sylvesters Street, where it would connect to the sidewalk system.



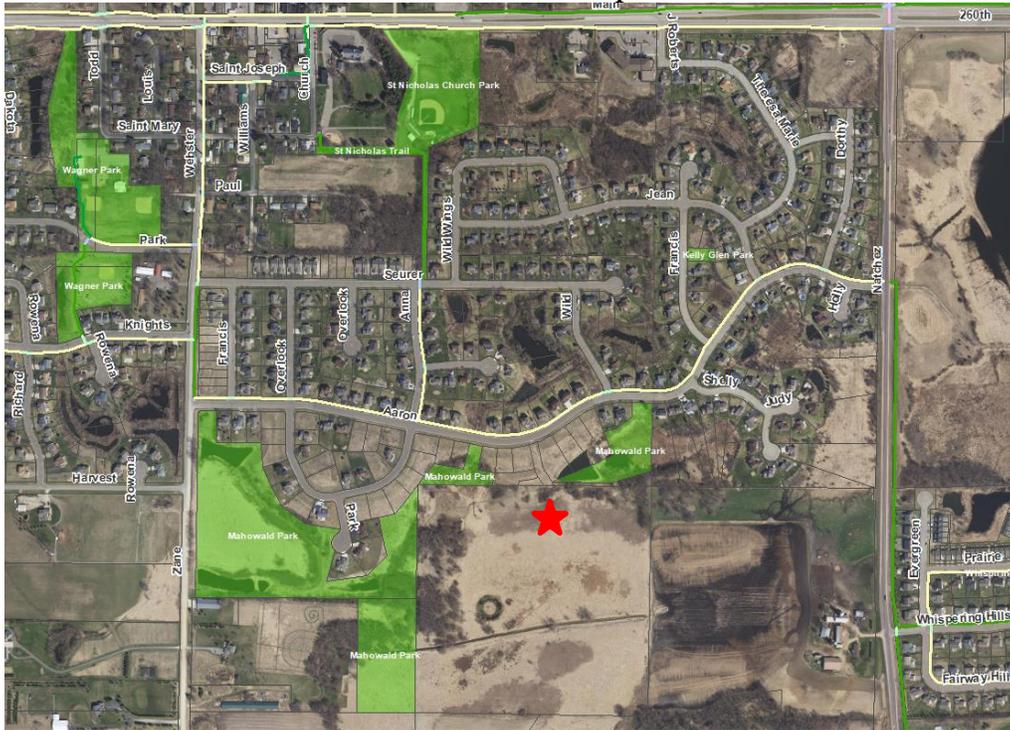
Parks Related Comments

The City's Subdivision Ordinance requires 10% of the land be dedicated for parks, playgrounds, public open spaces or trails and/or the developer shall make a cash contribution to the city's park and trail fund. If no land dedication is required the park fee is \$2,000 per residential unit. A combination of land dedication and cash contribution may also be applied. The Parks Commission shall make a recommendation to the Planning Commission and City Council in regards to park land dedication.

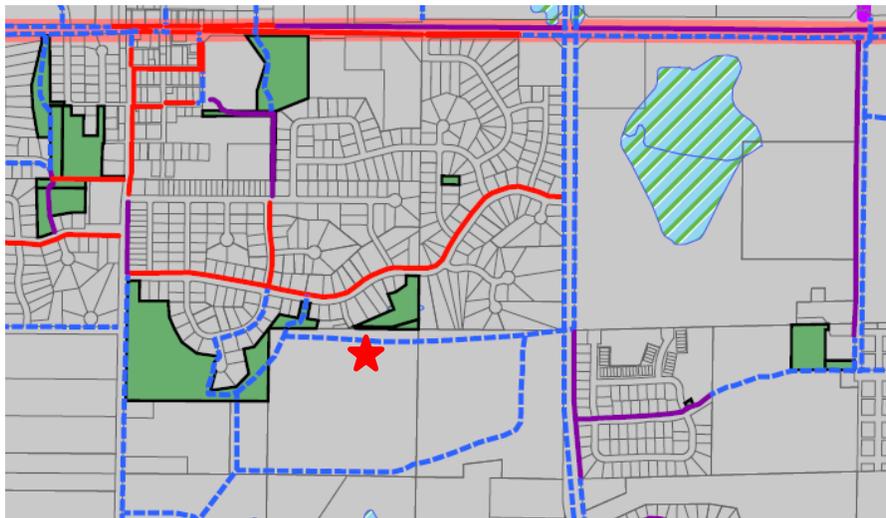
The proposed development is adjacent to Mahowald Park property. The park is currently undeveloped; however, the beginning section of the trail in the west side of the park has been graded in. For current active needs & playground equipment, the proposed development would be served by two parks, St. Nicholas Park (privately owned) and Wagner Park. Both parks are within a 1/2 mile radius of the proposed development. Walkable routes to the park are approximately .7 miles to Wagner Park and .6 miles to St.

Nicholas Park. Kelly Glen Park, a mini-park, is located approximately .35 miles from the proposed development.

Park Location Map



**2030
Park
&
Trail
Plan
Map**



As mentioned in the section related to trails, staff sought feedback from the Parks Commission on 4/11/19 regarding the proposed development as it relates to park dedication. The Parks Commission recommended that the developer dedicate land for a future trail connection through the property; the trail would extend from Mahowald Park to Sylvesters Street, where it would connect to the sidewalk system along proposed Sylvesters Street. Staff has requested that the developer provide revised plat drawings depicting the recommendations of the Parks Commission. At the time of this report revised drawings have not been provided.



City Engineer Comments

The city engineer, Rich Revering, has reviewed application for preliminary & final plat and has recommended approval of the request, subject to the inclusion of stand-by generation for the proposed sanitary sewer lift station. **The developer must comply with recommendations of the City Engineer.**

Public Works Director Comments

Public Works Director, Corey Schweich, has reviewed the application materials and has recommended approval of the request for preliminary and final plat approval, subject to the inclusion of stand-by generation for the proposed sanitary sewer lift station. **The developer must comply with recommendations of the Public Works Director.**

Fire Chief Comments

Fire Chief comments had not been received at the time of this report.

Police Chief Comments

Police Chief has reviewed the proposed development plan and has no concerns related to public safety.

Building Official Comments

The building official has reviewed the proposed development plans and finds them acceptable.

School District Impacts

The proposed development is split between both the New Prague and Lakeville School Districts, with the majority being in the Lakeville District. Lots 1 – 8 are entirely in the Lakeville District, and Lot 9 is split between the two districts. The surrounding development to the north is in the New Prague district.

According to the New Prague Superintendent of Schools, the City of Elko New Market has an average of .55 students per household within the district. According to the Lakeville Superintendent of Schools, the City of Elko New Market has an average of .75 students per household within the district. The Districts are obligated to provide student transportation from the development to the various schools. **The proposed development would add an estimated 6.75 students to the Lakeville School District.**



Development Fee Estimates

Below is a preliminary estimate of development fees based on the currently available information and the 2019 adopted City fee schedule. It is noted that these estimates may change if there are changes made to the plat or the City’s fee schedule.

Water Trunk Fee -	\$3,615 per lot x 9 lots = \$32,535
Sanitary Sewer Trunk Fee -	\$4,056 per lot x 9 lots = \$36,504
Stormwater Area Charge -	\$3,507.88 x 5.3 = \$18,591.76
Park Fee -	Proposed in land dedication
<u>Street Light Fee -</u>	<u>\$4.34 per month x 12 months x 9 lots = \$468.72</u>
<u>Total Estimate -</u>	<u>\$88,099.48</u>

REQUESTED PLANNING COMMISSION ACTION:

The Planning Commission is being asked to hold a public hearing regarding the request for rezoning and preliminary plat approval of Sylvester Meadows.

STAFF RECOMMENDATION:

Staff has requested that the developer identify the area for proposed park dedication, and amend the preliminary and final plat drawings as recommended by the City’s Parks Commission. The applicant has failed to submit the revised drawings as requested as of the time of this report. Staff believes that the Planning Commission could choose to handle the request in the following ways:

Sylvester Meadows Preliminary & Final Plat – Anna F. Annis Trust / Bernard Mahowald

OPTION 1

Continue the request for rezoning and preliminary plat approval of Sylvesters Meadows until the applicant has provided drawings which address the requested park dedication requirements.

OPTION 2

**Should the Planning Commission recommend this option #2, the conditions should be satisfied before the City Council takes action on the item.

Recommend approval of the request to rezone a portion of the property from UR Urban Reserve to R1 Suburban Single Family Residential, for the following reasons:

- 1) The proposed action has been considered in relation to the specific policies and provisions of, and has been found to be consistent with, the official City Comprehensive Plan.
- 2) The proposed use is compatible with present and future land uses of the area.
- 3) The proposed use of the property complies with performance standards contained in the City's Zoning & Subdivision Ordinances.
- 4) The proposed use of the property as single-family residential can be accommodated with existing public services and will not overburden the City's service capacity.
- 5) Traffic generation by the proposed use is within capabilities of streets serving the property.

Recommend approval of the request for preliminary plat approval of Sylvesters Meadows, containing nine single-family residential lots, for the following reasons:

- 1) The proposed use of the property meets the intent of the guided land use for the area.
- 2) The proposed plat complies with the purposes of the Zoning Ordinance and Comprehensive Plan.

And subject to the following conditions:

- 1) The developer shall comply with the recommendations of the City Engineer and Public Works Director.
- 2) A tree inventory meeting the requirements of Section 12-9-9 of the City's Subdivision Ordinance must be completed and must identify the location of all significant trees on the property. 40% of the significant trees must be protected as part of the development.
- 3) The final plat drawing shall be amended to show a drainage and utility easement covering the proposed drainage swales on proposed Lots 1, 2 & 9.
- 4) The lift station shown on proposed Lot 9 should be moved onto the existing outlot owned by the City, if possible. If not possible, the drainage and utility easement on proposed Lot 9 should be expanded to cover any future maintenance needs for the proposed lift station.
- 5) The construction plans shall be amended to include a standby generator to service the proposed sanitary sewer lift station.
- 6) The final plat drawing shall be amended to depict the wetland boundary on proposed Outlot A.
- 7) The final plat drawing shall be amended to depict a drainage and utility easement covering the wetland and required wetland buffer area on proposed Outlot A.
- 8) The bump-out area shown on the westerly curve on Sylvesters Court should be removed / redesigned.

And noting that:

- 1) City staff supports the 50' right-of-way width for the proposed street, as opposed to the 60' required by ordinance, because the roadway will only service nine homes and there are only lots on one side of the proposed street.
- 2) City staff supports the developer's request to retain ownership of the wetland area on proposed Outlot A.
- 3) Water lines within the development may be constructed of ductile iron pipe or pvc.
- 4) The Parks Commission has recommended that land be dedicated for park purposes. Such land must accommodate a future trail connection from the existing Mahowald Park and would connect to the sidewalk system on Sylvesters Court.

Attachments:

Preliminary Plat Drawing

Final Plat Drawing

Grading & Construction Plans dated 5.4.19

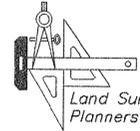
Lampe Law Group letter dated 5.23.19

PRELIMINARY PLAT PREPARED FOR:
ANNA F. ANNIS TRUST
C/O BERNARD MAHOWALD
7877 150TH STREET WEST
SAVAGE, MN 55378
(952) 447-2788

PROJECT ENGINEER:
GREG HALLING
C/O HALLING ENGINEERING, INC.
3727 EAST 255TH STREET
WEBSTER, MN 55088
(952) 440-1680

PROJECT WETLAND SPECIALIST:
ANDREW KRINKE
C/O KJOLHAUG ENVIRONMENTAL
SERVICES COMPANY, INC.
2500 SHADYWOOD ROAD
SUITE 130
ORONO, MN 55331
(952) 401-8757

PRELIMINARY PLAT OF
SYLVESTERS MEADOWS

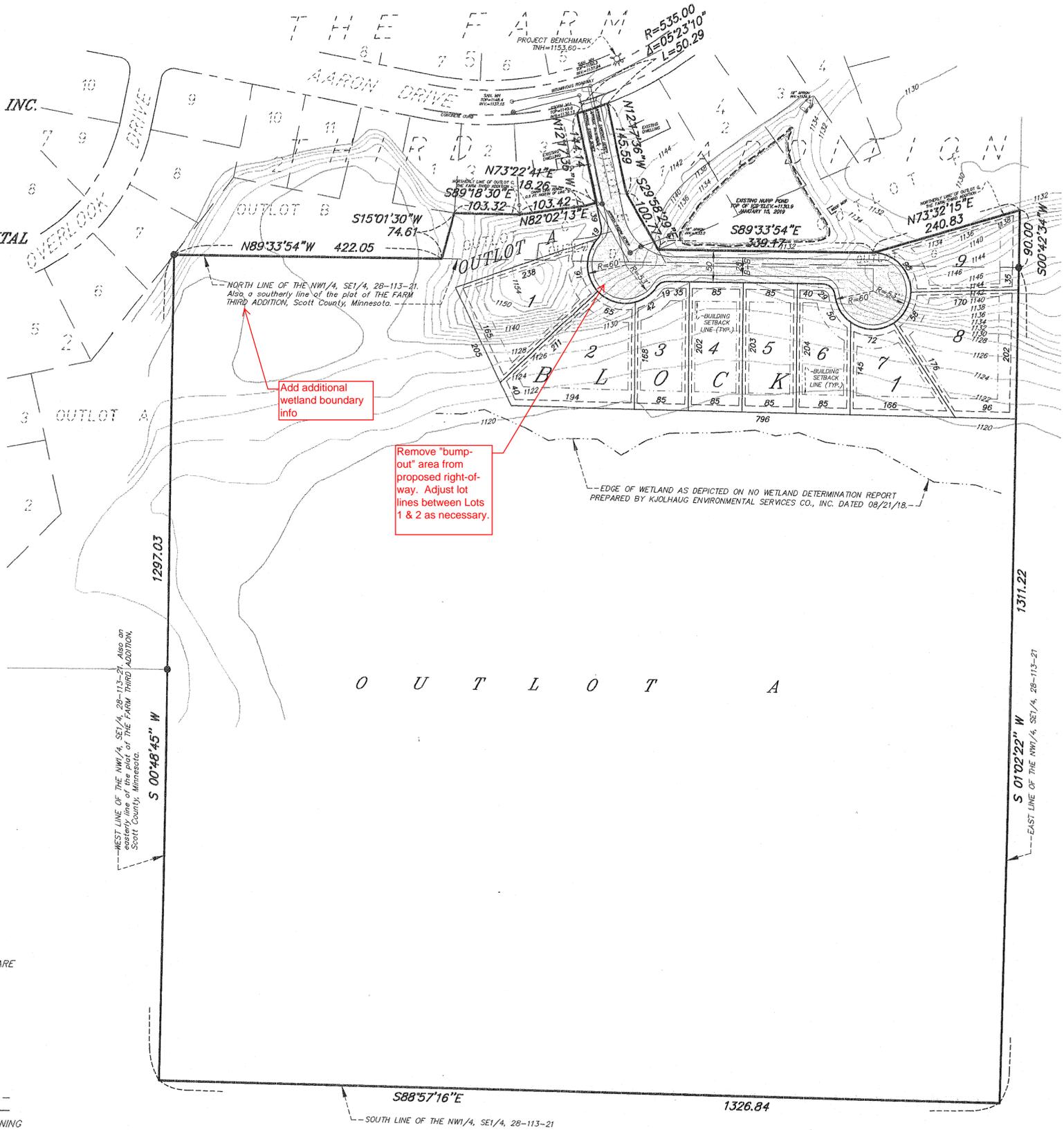


Valley Surveying Co., P.A.

Land Surveyors
Planners

Phone (952) 447-2570
Fax (952) 447-2571

Suite 230
16670 Franklin Trail S.E.
Prior Lake, Minnesota 55372



Add additional wetland boundary info

Remove "bump-out" area from proposed right-of-way. Adjust lot lines between Lots 1 & 2 as necessary.

SITE DATA:

PLAT BOUNDARY LEGAL DESCRIPTION:
Outlots C, D, E, and G, THE FARM THIRD ADDITION, Scott County, Minnesota.
Together with
The Northwest Quarter of the Southeast Quarter of Section 28, Township 113, Range 21, Scott County, Minnesota.

EXISTING ZONING:
R1-Suburban Single Family Residential District
and
UR-Urban Reserve

PROPOSED ZONING:
R1-Suburban Single Family Residential District

R-1 Zoning Requirements:
Minimum Lot Size = 12,000 square feet
Minimum Lot Width at Setback line = 85.0 feet
Building Setbacks:
30.0 ft. Front
10.0 ft. Side
25.0 ft. Side (corner lot)
30.0 ft. Rear

Add FEMA Info:
FIRM 270428
0125/c 2.19.87
Zone X

Add 2030
Comprehensive
Plan Designation:
Low Density
Residential

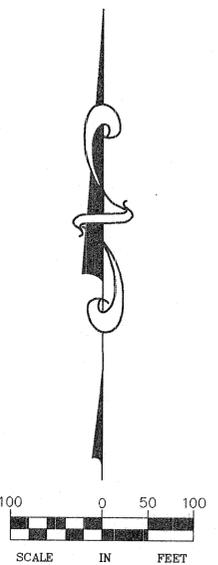
LOT DATA:

Lot 1, Block 1	24,851 sq.ft.	90.59 ft.
Lot 2, Block 1	26,422 sq.ft.	85.00 ft.
Lot 3, Block 1	16,268 sq.ft.	85.00 ft.
Lot 4, Block 1	17,187 sq.ft.	85.00 ft.
Lot 5, Block 1	17,263 sq.ft.	85.00 ft.
Lot 6, Block 1	16,130 sq.ft.	85.00 ft.
Lot 7, Block 1	16,503 sq.ft.	85.00 ft.
Lot 8, Block 1	30,605 sq.ft.	85.00 ft.
Lot 9, Block 1	18,633 sq.ft.	85.00 ft.

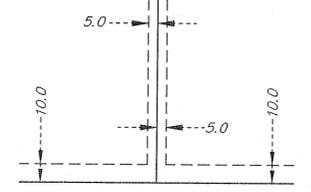
Outlot A Area = 1,554,968 sq.ft. (35.70 acres)
Total Plat Area = 1,786,174 sq.ft. (41.00 acres)
Proposed Right-of-Way Area = 47,343 sq.ft. (1.09 acres)

SURVEYORS NOTES:

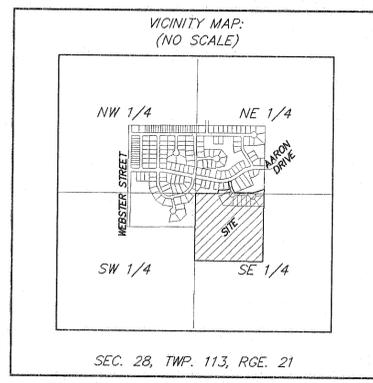
- This Preliminary Plat shows only those improvements visible during the field survey, some structures, improvements and utilities covered by ice and snow or underground may not be shown. Topographical information shown hereon per field data collected 01/15/19.
- Existing utilities, services and underground structures shown hereon were located either physically, from existing records made available to us or by resident testimony. Other utilities and services may be present. Verification and location of all utilities and services should be obtained from the owners of the respective utilities prior to any design, planning or excavation.
- This Preliminary Plat was prepared without the benefit of the proposed grading plan for this development being supplied and is subject to revision upon receipt of the same.



UTILITY AND DRAINAGE EASEMENTS ARE SHOWN THUS: (NO SCALE)



BEING 5.0 FEET IN WIDTH AND ADJOINING SIDE LOT LINES AND BEING 10.0 FEET IN WIDTH AND ADJOINING STREET AND REAR LOT LINES UNLESS OTHERWISE INDICATED ON THE PLAT.

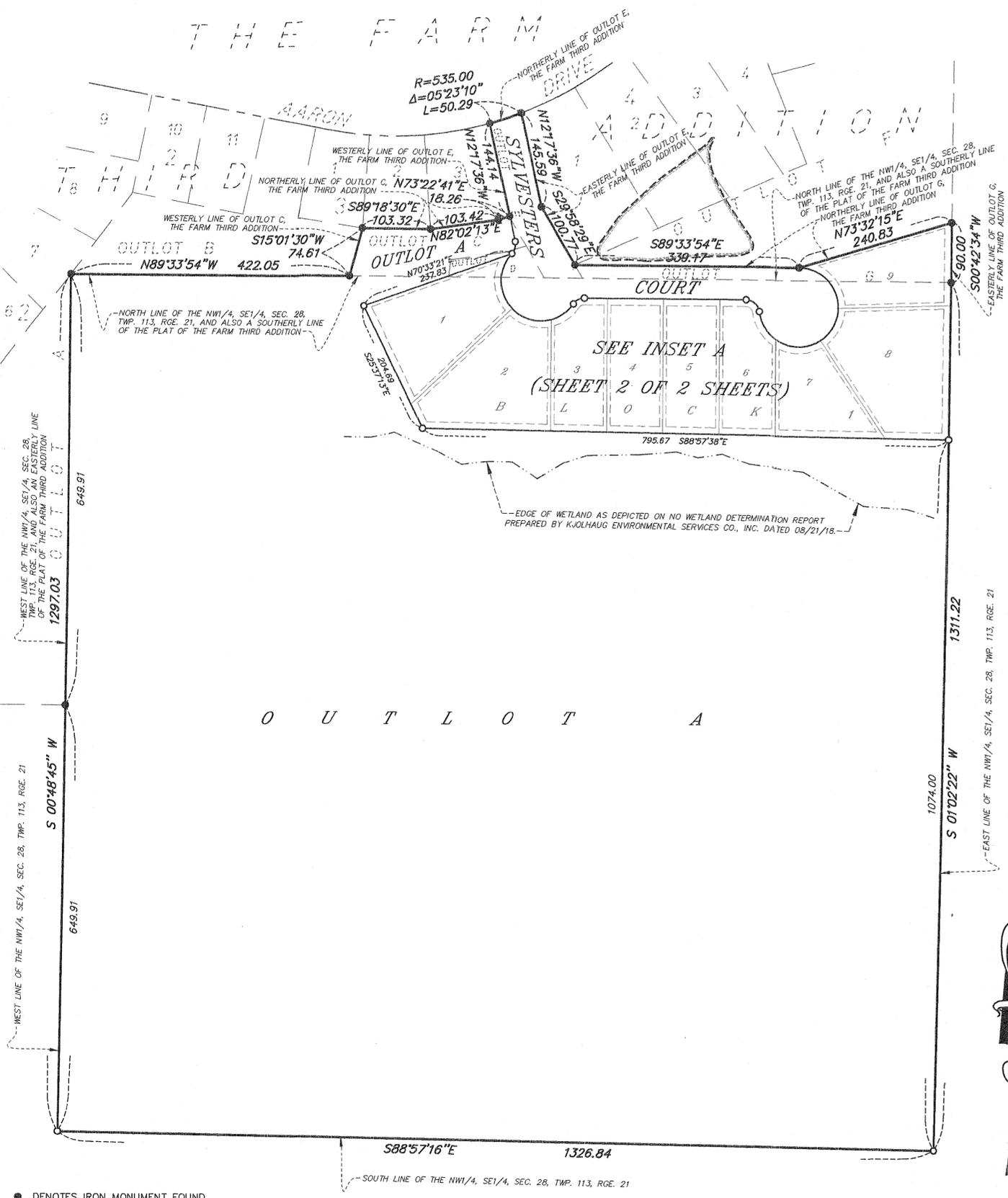


I hereby certify that this Preliminary Plat was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Greg Halling
Minnesota License Number 42309
Dated this 18th day of April, 2019

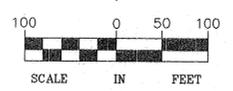
SYLVESTERS MEADOWS

THE FARM



● DENOTES IRON MONUMENT FOUND
 ○ DENOTES IRON MONUMENT SET AND MARKED BY LICENSE NO. 42309
 NO MONUMENT SYMBOL SHOWN AT ANY STATUTE REQUIRED LOCATION INDICATES A PLAT MONUMENT THAT WILL BE SET AND WHICH SHALL BE IN PLACE ON OR BEFORE THE 1ST DAY OF MAY, 2020.

FOR THE PURPOSES OF THIS PLAT THE NORTH LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SEC. 28, TWP. 113, RGE. 21 HAS A RECORD BEARING OF NORTH 89 DEGREES 33 MINUTES 54 SECONDS WEST, PER THE PLAT OF THE FARM THIRD ADDITION.



VALLEY SURVEYING CO., P.A.

KNOW ALL MEN BY THESE PRESENTS: That The Farm Development Company, LLC, a Minnesota limited liability company, fee owners of the following described property situated in the County of Scott, State of Minnesota to-wit:

Outlots C, D, E and G, all within the Plat of THE FARM THIRD ADDITION, Scott County, Minnesota.

AND ALSO KNOW ALL MEN BY THE PRESENTS: That Alice Pivec and Bernard Mahowald, as trustees of the Anna F. Annis Irrevocable Trust agreement dated May 7th, 1992, fee owners of the following described property situate in the County of Scott, State of Minnesota to-wit:

The Northwest Quarter of the Southeast Quarter of Section 28, Township 113, Range 21, Scott County, Minnesota.

Have caused the same to be surveyed and platted as SYLVESTERS MEADOWS, and do hereby dedicate to the public for public use forever the Court and also hereby dedicate the easements for drainage and utility purposes only as shown on the plat.

In witness whereof said The Farm Development Company, LLC, a Minnesota limited liability company, has caused these presents to be signed by its proper officer this _____ day of _____, 2019.

SIGNED: The Farm Development Company, LLC: _____ its Chief Manager
 Bernard Mahowald

STATE OF MINNESOTA COUNTY OF SCOTT The foregoing instrument was acknowledged before me this _____ day of _____, 2019 by Bernard Mahowald, Chief Manager of the Farm Development Company, LLC, a Minnesota limited liability company, on behalf of the company.

Notary Public, Scott County, Minnesota
 My Commission expires _____

AND ALSO in witness whereof said Anna F. Annis Irrevocable Trust under agreement dated May 7th, 1992, has caused these presents to be signed by its proper officers this _____ day of _____, 2019.

STATE OF MINNESOTA COUNTY OF SCOTT Alice Pivec Bernard Mahowald
 The foregoing instrument was acknowledged before me this _____ day of _____, 2019 by Alice Pivec and Bernard Mahowald, Trustees of the Anna F. Annis Irrevocable Trust under agreement dated May 7th, 1992, on behalf of the Irrevocable Trust.

Notary Public, Scott County, Minnesota
 My Commission expires _____

I hereby certify that I have surveyed and platted the property described on this plat as SYLVESTERS MEADOWS: that this plat is a correct representation of the survey; that all distances are correctly shown on the plat in feet and hundredths of a foot; that all monuments have been correctly placed in the ground as shown or will be correctly placed in the ground as designated; that the outside boundary lines are correctly designated on the plat; and that there are no wet lands as defined in MS 505.01 Subd. 3, or public highways to be designated other than shown.

STATE OF MINNESOTA COUNTY OF SCOTT The foregoing Surveyors certificate was acknowledged before me this _____ day of _____, 2019, by Scott M. Swanson, Land Surveyor, Minnesota License Number 42309.

Notary Public, Scott County, Minnesota
 My Commission expires _____

CITY COUNCIL OF ELKO NEW MARKET, MINNESOTA

We do hereby certify that on the _____ day of _____, 2019, the City Council of Elko New Market, Minnesota approved this plat and is in compliance with the provisions of Minnesota Statutes, Section 505.03, Subd. 2.

By: _____ its Mayor _____ its Clerk

CITY ATTORNEY OF ELKO NEW MARKET, MINNESOTA:

I hereby certify that I have examined this plat of SYLVESTERS MEADOWS and do hereby recommend this plat for approval as to form this _____ day of _____, 2019.

SCOTT COUNTY AUDITOR / TREASURER:

I hereby certify that the current and delinquent taxes on the lands described within are paid and the transfer is entered this _____ day of _____, 2019.

signed by: _____ dpty.

SCOTT COUNTY SURVEYOR:

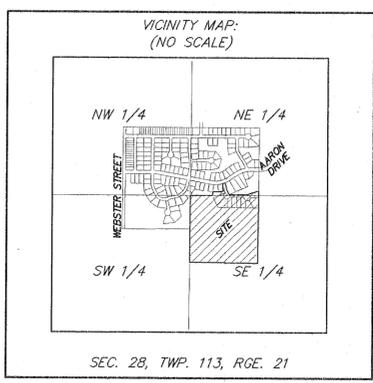
Pursuant to Minnesota Statutes, Chapter 389.09, Subd. 1, as amended, this plat has been reviewed and approved this _____ day of _____, 2019.

Scott County Surveyor

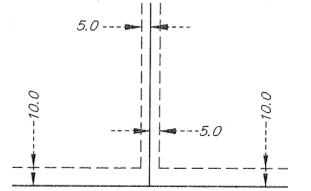
SCOTT COUNTY RECORDER:

I hereby certify that this plat of SYLVESTERS MEADOWS, was filed in the office of the Recorder for record this _____ day of _____, 2019 at _____ o'clock _____ M., as Document No. _____.

Scott County Recorder



UTILITY AND DRAINAGE EASEMENTS ARE SHOWN THUS: (NO SCALE)



BEING 5.0 FEET IN WIDTH AND ADJOINING SIDE LOT LINES AND BEING 10.0 FEET IN WIDTH AND ADJOINING STREET AND REAR LOT LINES UNLESS OTHERWISE INDICATED ON THE PLAT.

SYLVESTERS MEADOWS

INSET A

Remove "bump-out" area from proposed road right-of-way. Adjust lot lines between Lots 1 & 2 as necessary.

Divide Outlet A into 2 outlets. Outlet A would be retained by the developer; Outlet B would be conveyed to the City for Park Dedication purposes. (Further described in Planning Commission staff report.)

Expand Drainage & Utility easement on Lots 1, 2 & 9 to cover drainage swales shown on proposed grading plan.

Add wetland boundary and add Drainage & Utility easement to cover wetland and wetland buffer area.

Expand Drainage & Utility easement on Lots 1, 2 & 9 to cover drainage swales shown on gradin plan.

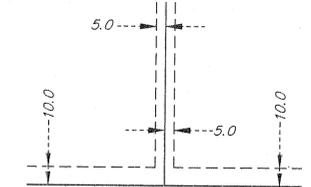
Add statement dedicating street for public right-of-way purposes.

BENCHMARK ELEVATION 1153.60 TOP NUT HYDRANT NEAR THE SOUTHEAST CORNER OF LOT 5, BLOCK 5, THE FARM THIRD ADDITION.

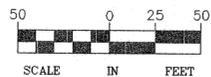
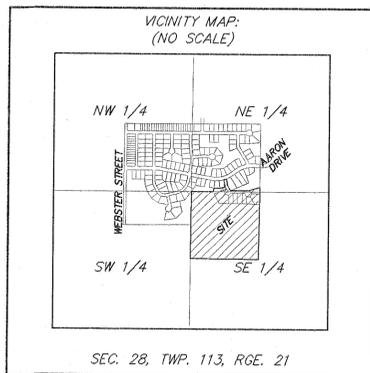
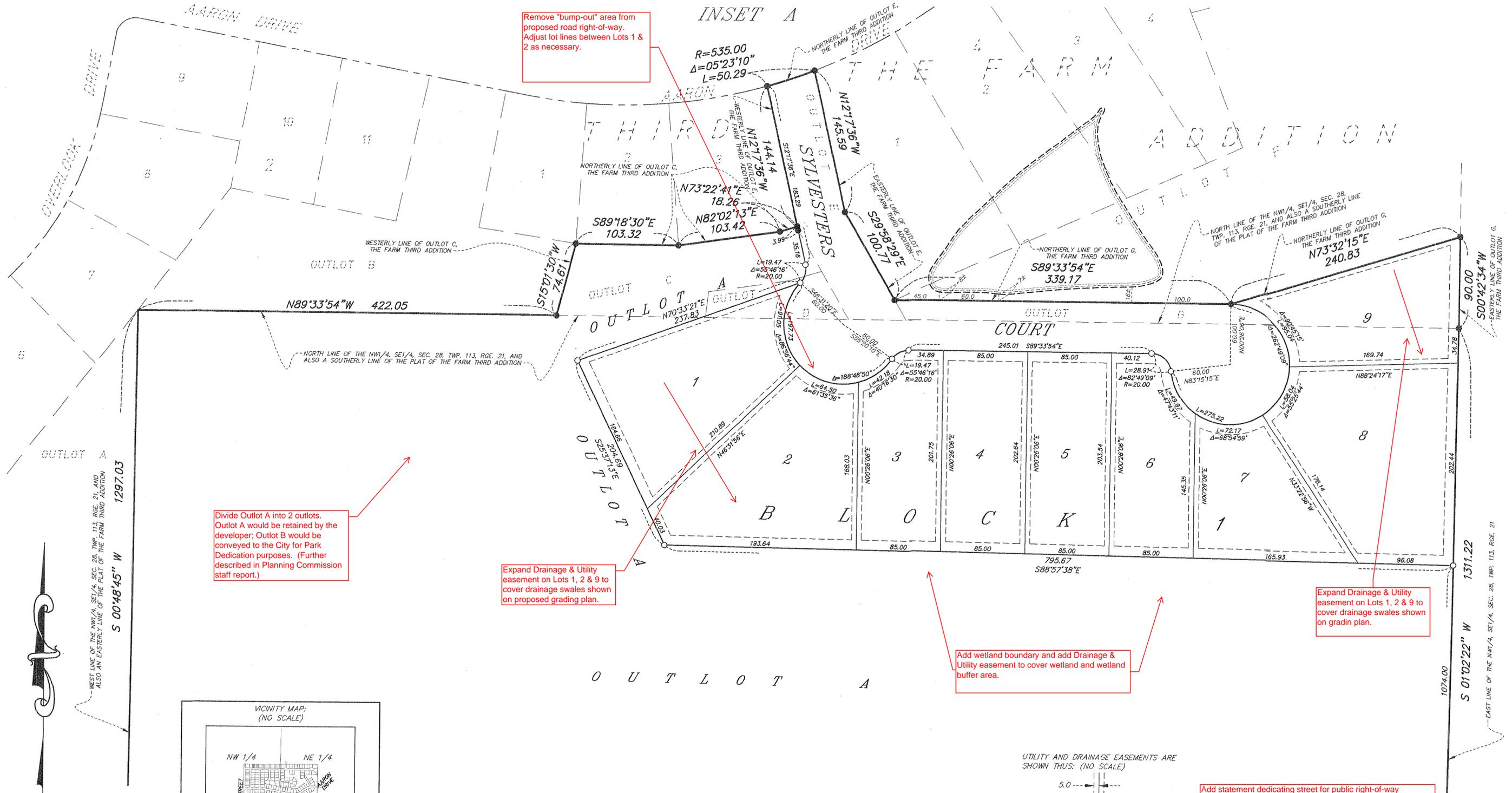
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FOR THE PURPOSES OF THIS PLAT THE NORTH LINE OF THE NORTHWEST QUARTER OF SEC. 28, TWP. 113, RGE. 21 HAS A RECORD BEARING OF NORTH 89 DEGREES 33 MINUTES 54 SECONDS WEST, PER THE PLAT OF THE FARM THIRD ADDITION.

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- DENOTES IRON MONUMENT FOUND
- DENOTES IRON MONUMENT SET AND MARKED BY LICENSE NO. 42309

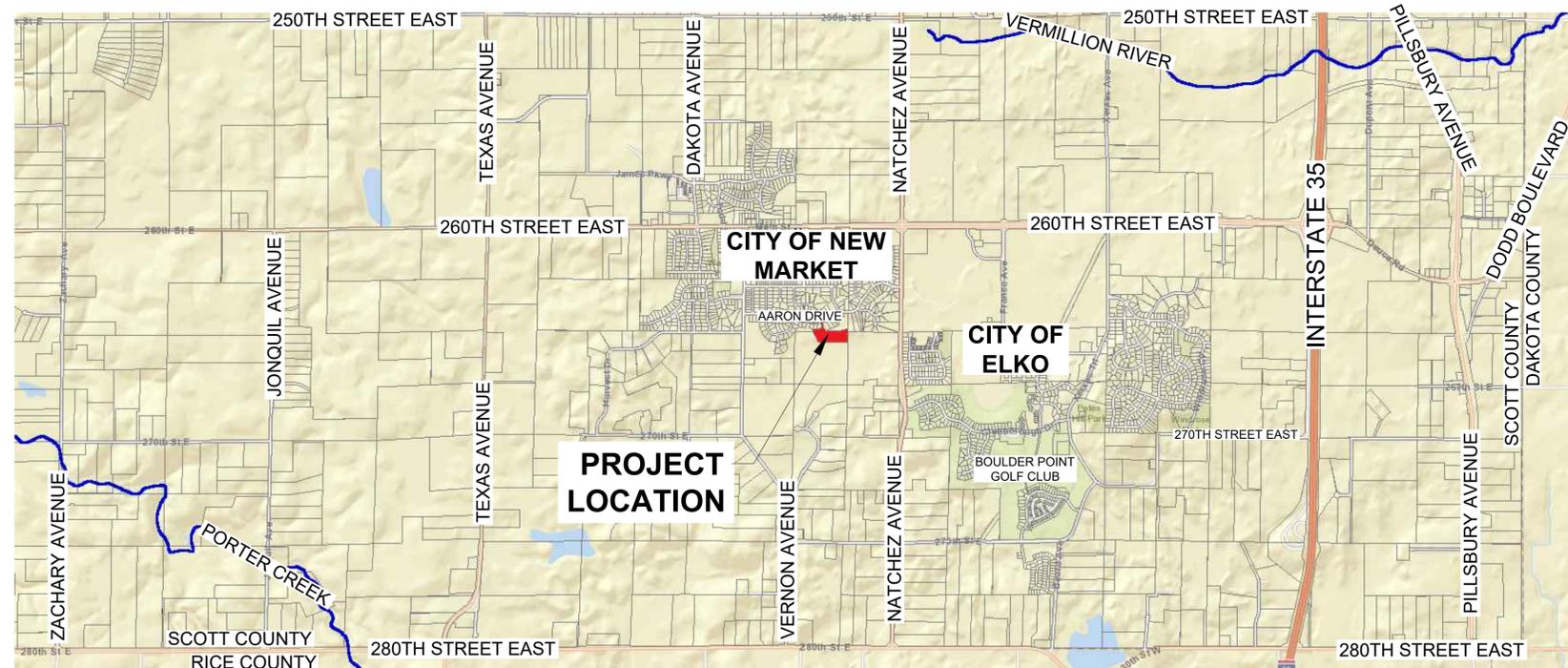
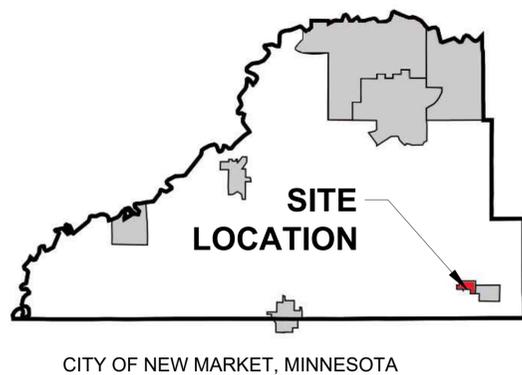
VALLEY SURVEYING CO., P.A.

SITE DEVELOPMENT PLANS

FOR

SYLVESTER MEADOWS

NEW MARKET, MINNESOTA



SHEET INDEX

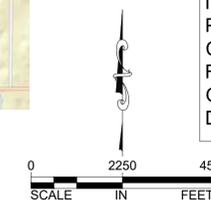
THIS PLAN CONTAINS 13 SHEETS

SHEET NO.	DESCRIPTION
C1	TITLE SHEET
C2-C6	DETAILS
C7	EXISTING CONDITIONS & REMOVALS PLAN
C8	GRADING & DRAINAGE PLAN
C9	STREET PLAN & PROFILE
C10	SANITARY SEWER & WATERMAIN PLAN & PROFILE
C11	SIGNAGE PLAN
C12	STORMWATER POLLUTION PREVENTION PLAN
C13	STORMWATER POLLUTION PREVENTION PLAN NOTES

LEGEND

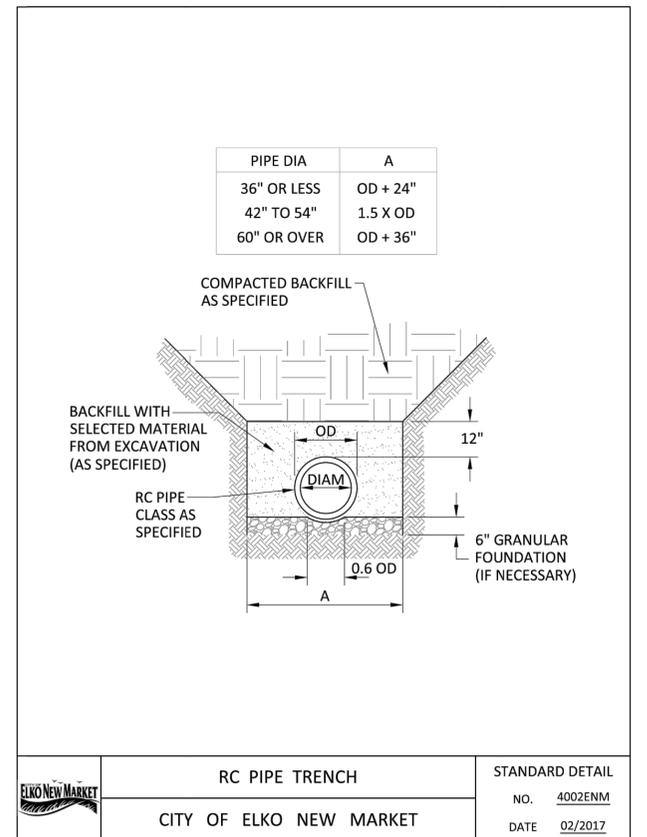
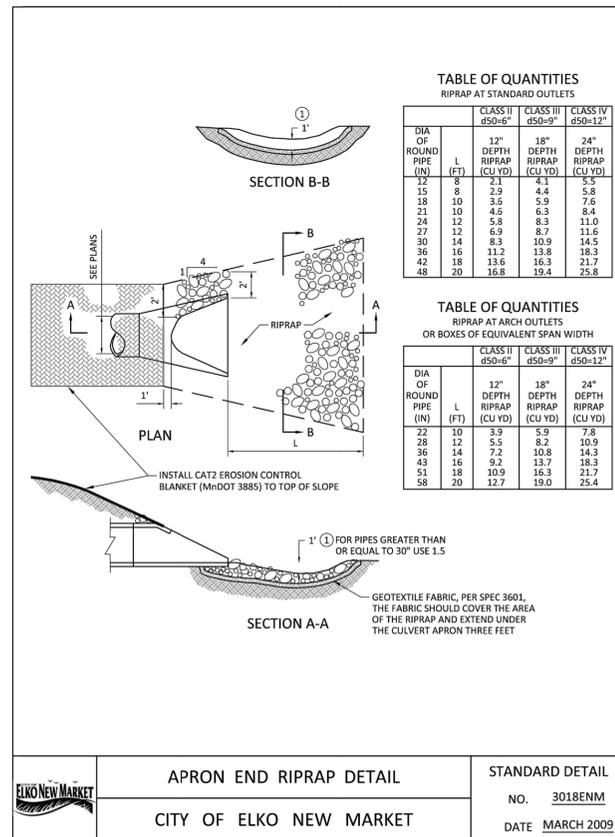
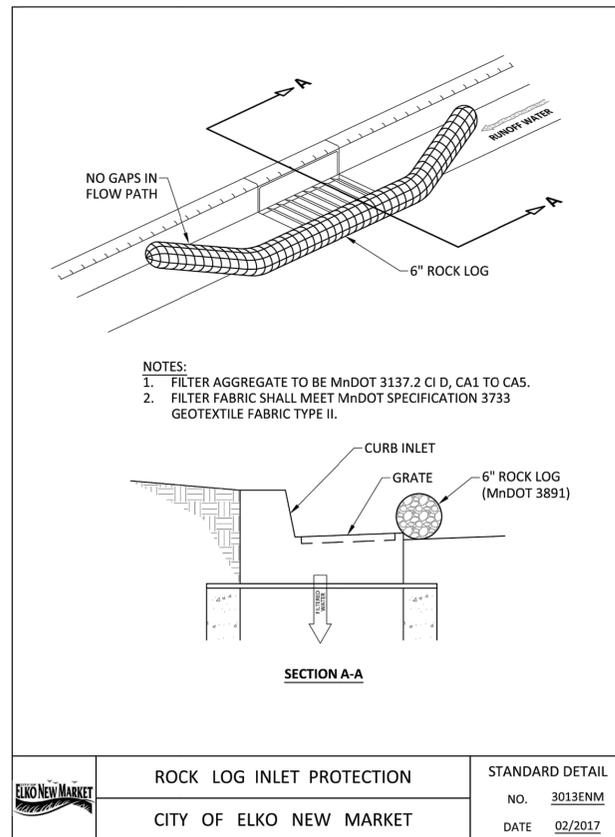
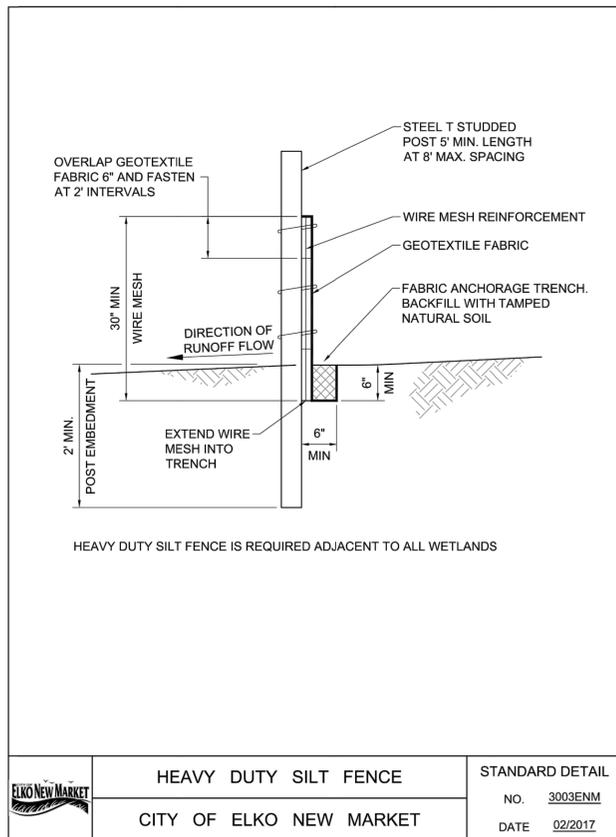
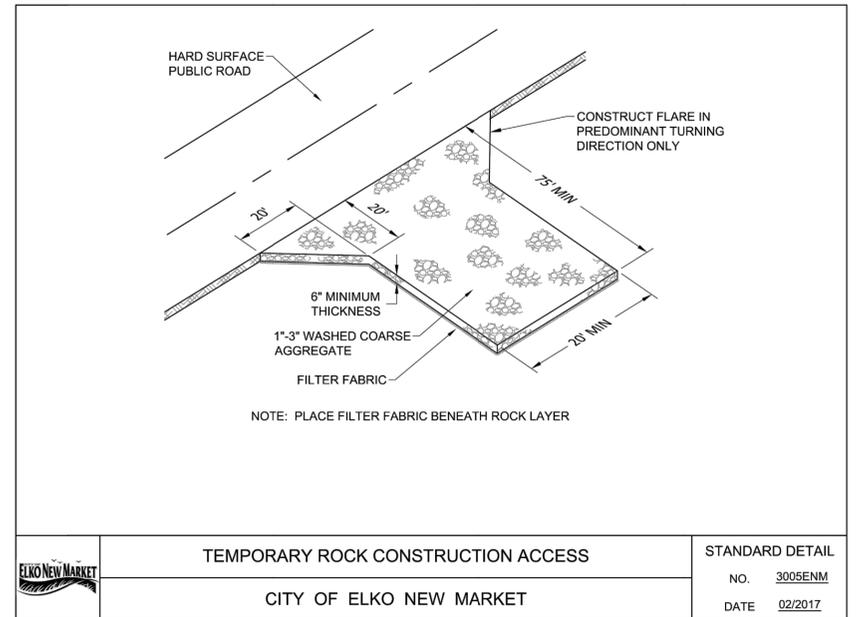
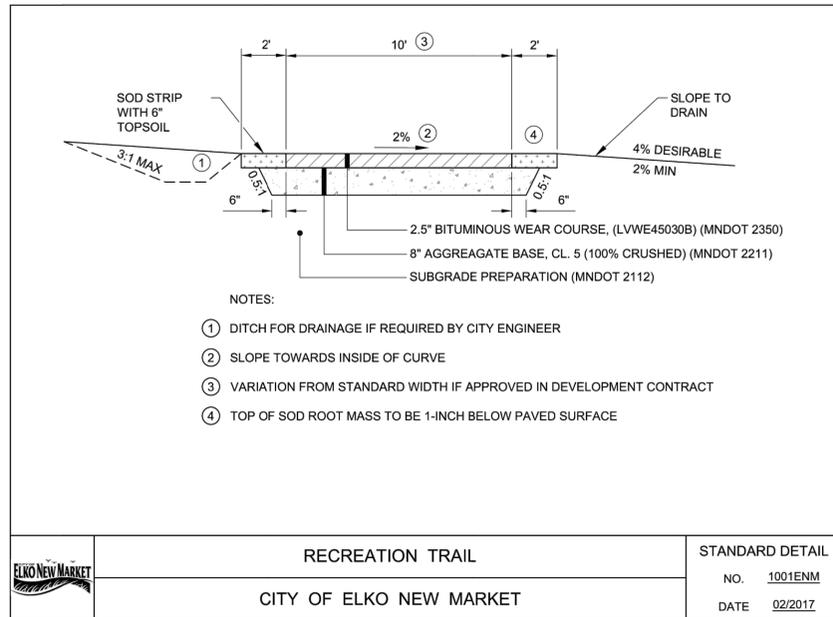
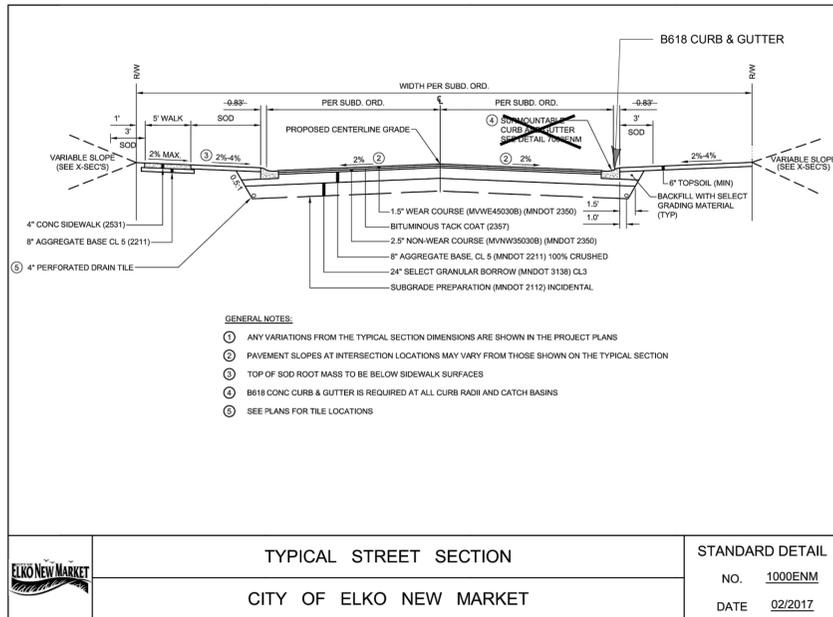
IMPAIRED WATERS

THE SUBSURFACE UTILITY INFORMATION DEPICTED IN THESE PLANS ARE SHOWN ACCORDING TO CI/ASCE 38-02, "STANDARD GUIDELINES FOR THE COLLECTION AND DEPICTION OF EXISTING SUBSURFACE UTILITY DATA," LEVEL D STANDARDS.



CALL BEFORE YOU DIG!
Gopher State One Call
 Twin City Area: 651-454-0002
 Toll Free: 1-800-252-1166

<p>I hereby certify that this plan was prepared by me or under my direct supervision and that I am a duly Registered Engineer under the laws of the State of Minnesota.</p> <p>Date: <u>04.05.19</u> Registration No. <u>52706</u></p> <p style="text-align: center;"><i>Greg R. Haley</i></p>	<p>Issued</p>	<p>REVIEWED BY</p> <p style="text-align: center;">GRH</p>	<p>Halling Engineering, Inc.</p> <p>CIVIL ENGINEERS</p> <p>3727 EAST 255TH STREET WEBSTER MINNESOTA 55088</p> <p>Phone 952.440.1680 Fax 952.461.3308</p>	<p>TITLE SHEET</p> <p>SYLVESTER MEADOWS</p> <p>NEW MARKET, MINNESOTA</p>
		<p>DRAWN BY</p> <p style="text-align: center;">JAP</p>		



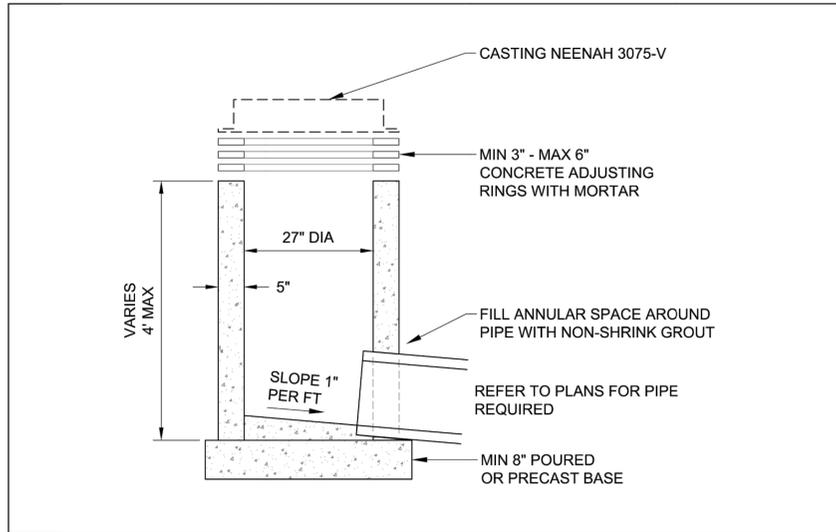
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Date 04.05.19 Registration No. 52706
Greg R. Haley

Issued
REVIEWED BY GRH
DRAWN BY JAP

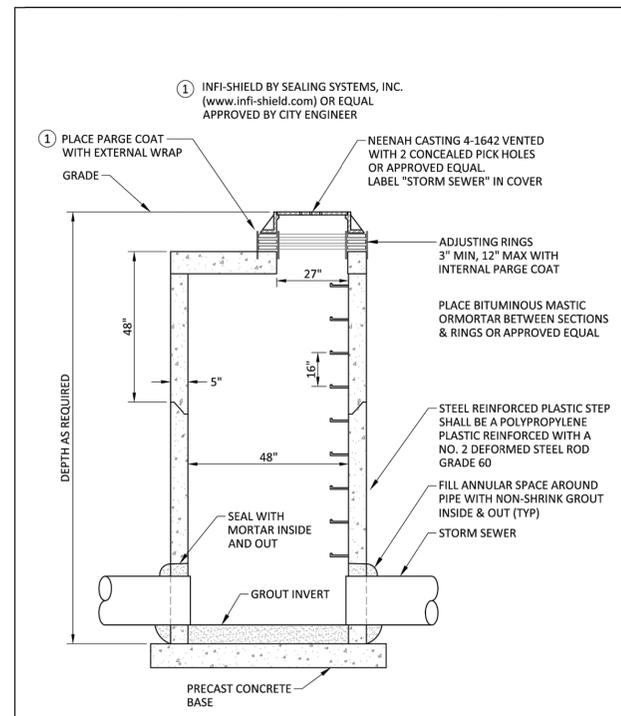
Halling Engineering, Inc.
CIVIL ENGINEERS
3727 EAST 255TH STREET WEBSTER MINNESOTA 55088
Phone 952.440.1680 Fax 952.461.3308
PROJECT NO.: 88415 DRAWING FILE:

DETAILS
SYLVESTER MEADOWS
NEW MARKET, MINNESOTA
SHEET C2 OF SHEET C13



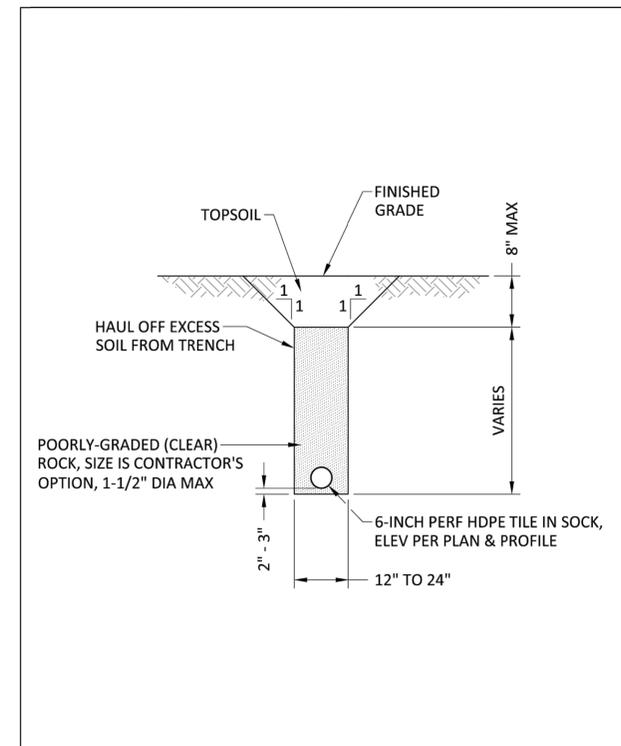
CATCH BASIN
CITY OF ELKO NEW MARKET

STANDARD DETAIL
NO. 4005ENM
DATE 02/2017



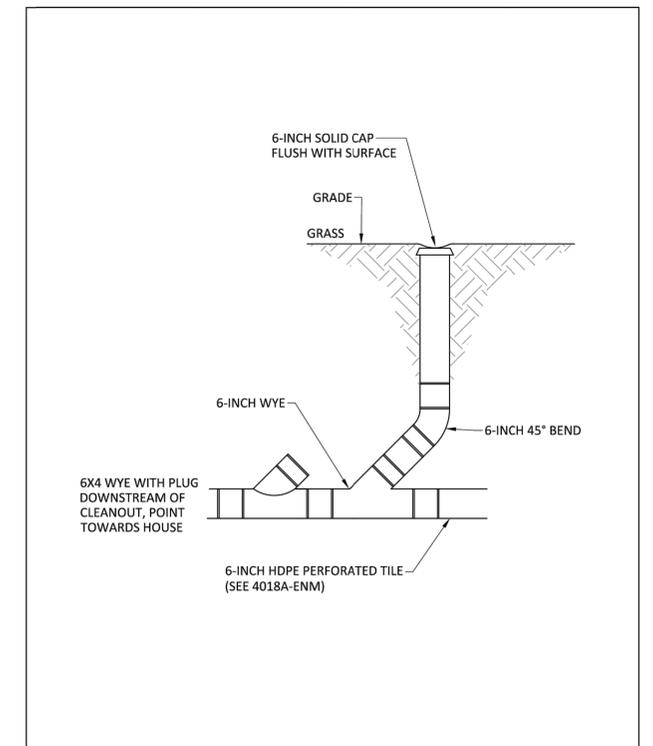
STORM SEWER STRUCTURE
CITY OF ELKO NEW MARKET

STANDARD DETAIL
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DATE 02/2017



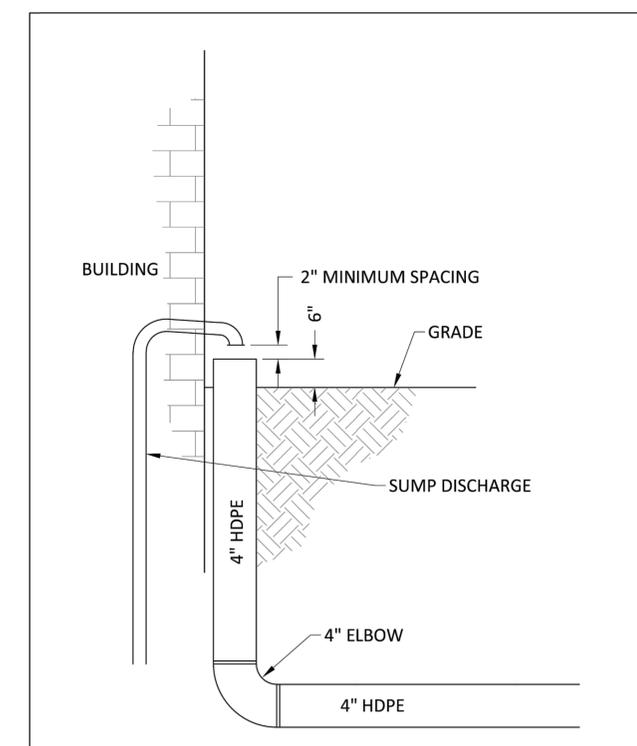
6-INCH YARD - AREA DRAINTILE
CITY OF ELKO NEW MARKET

STANDARD DETAIL
NO. 4018A-ENM
DATE 02/2017



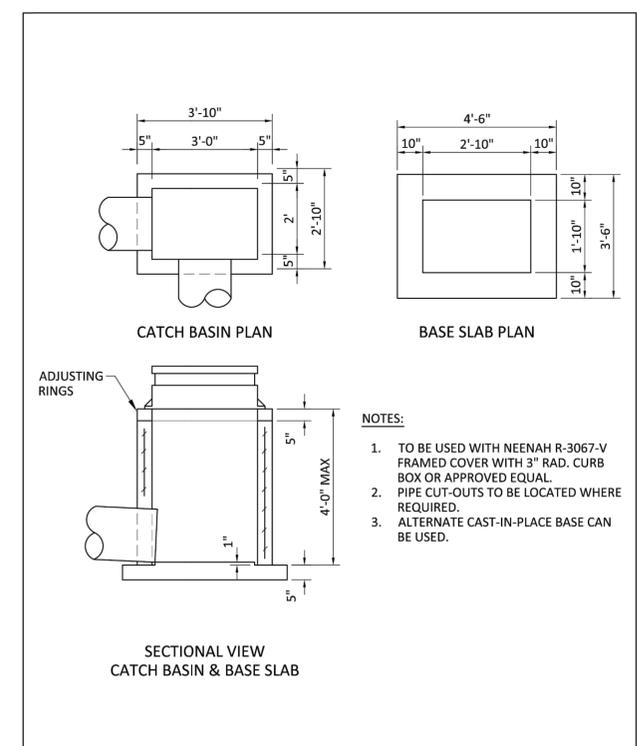
YARD-AREA DRAINTILE SUMP/TILE WYE CLEANOUT
CITY OF ELKO NEW MARKET

STANDARD DETAIL
NO. 4018B-ENM
DATE 02/2017



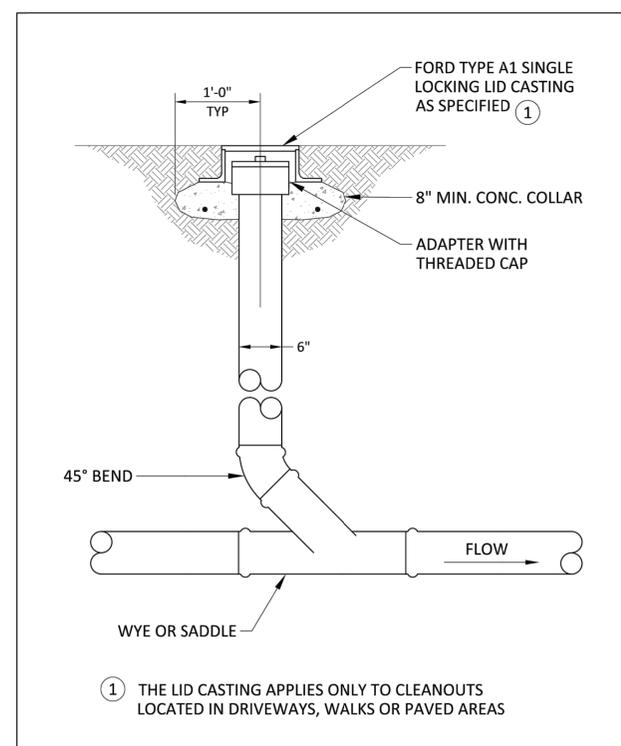
HOUSE SUMP PUMP CONNECTION
CITY OF ELKO NEW MARKET

STANDARD DETAIL
NO. 4018C-ENM
DATE 02/2017



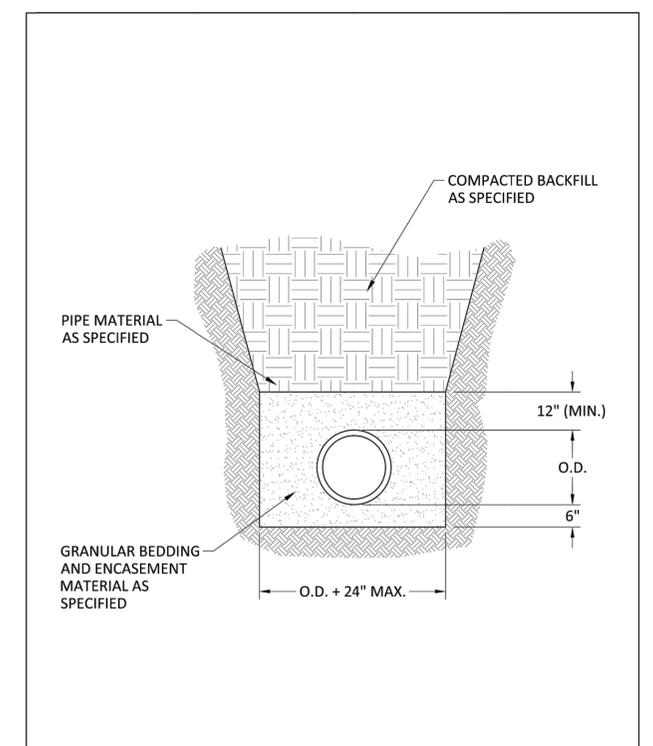
2'X3' CATCH BASIN
CITY OF ELKO NEW MARKET

STANDARD DETAIL
NO. 4029ENM
DATE 02/2017



SANITARY SEWER CLEANOUT DETAIL
CITY OF ELKO NEW MARKET

STANDARD DETAIL
NO. 5004ENM
DATE 02/2017



PVC SANITARY SEWER TRENCH
CITY OF ELKO NEW MARKET

STANDARD DETAIL
NO. 5005ENM
DATE 02/2017

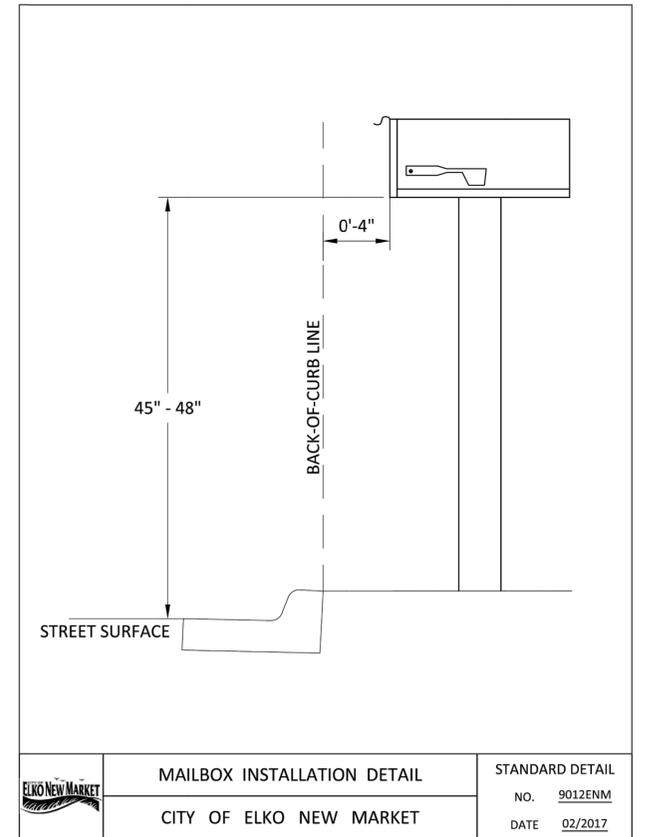
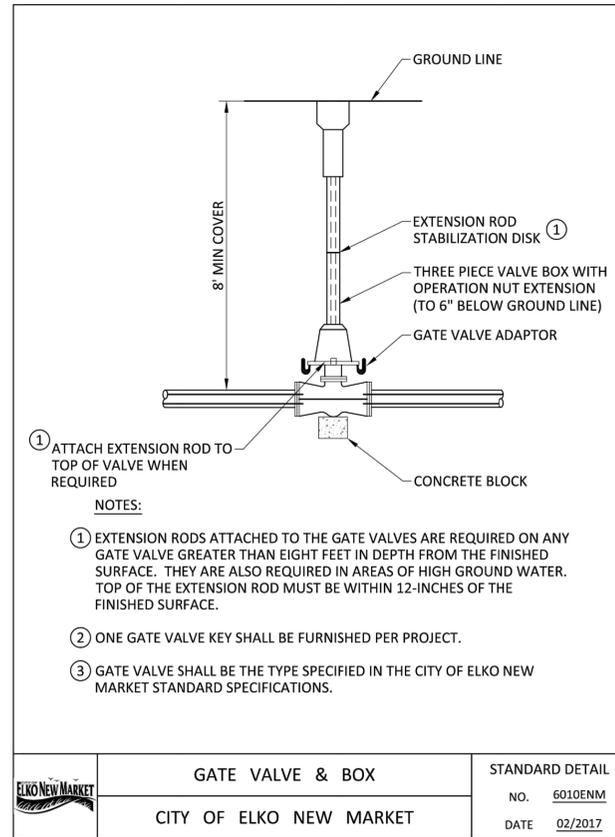
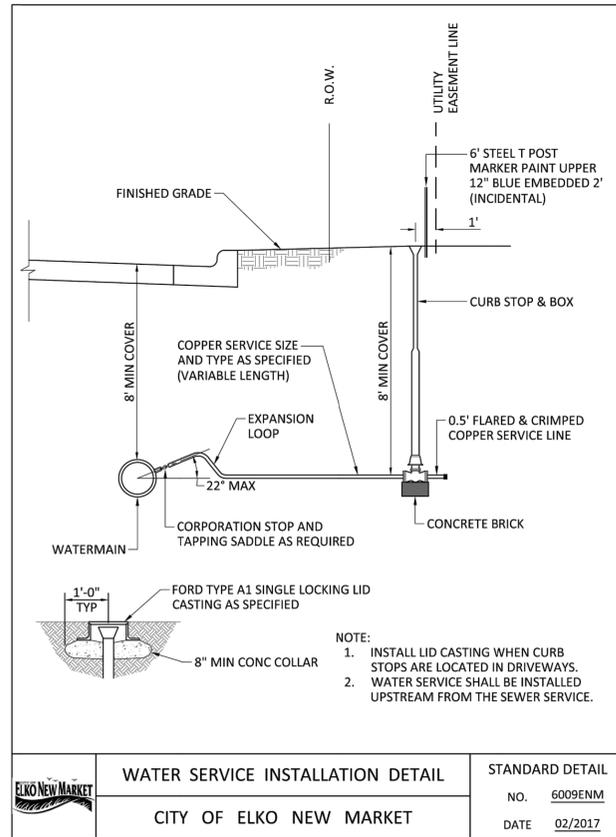
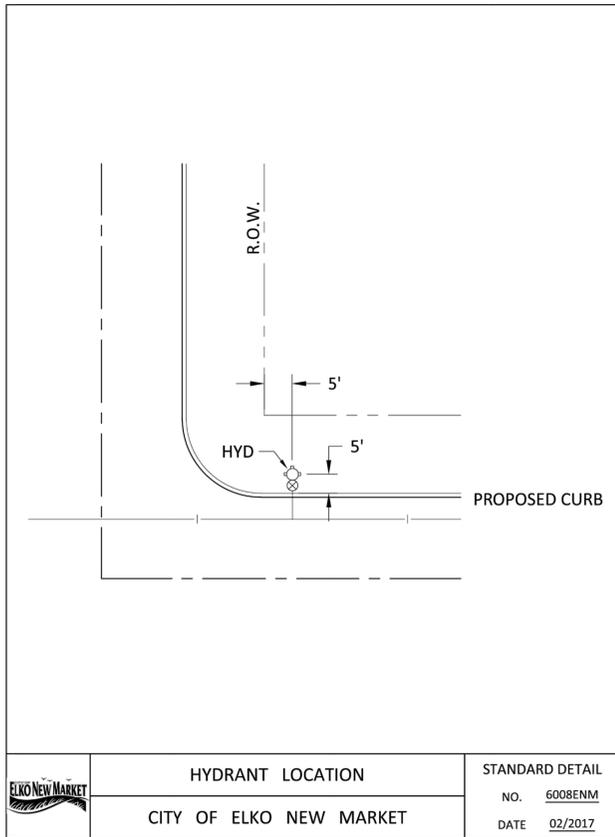
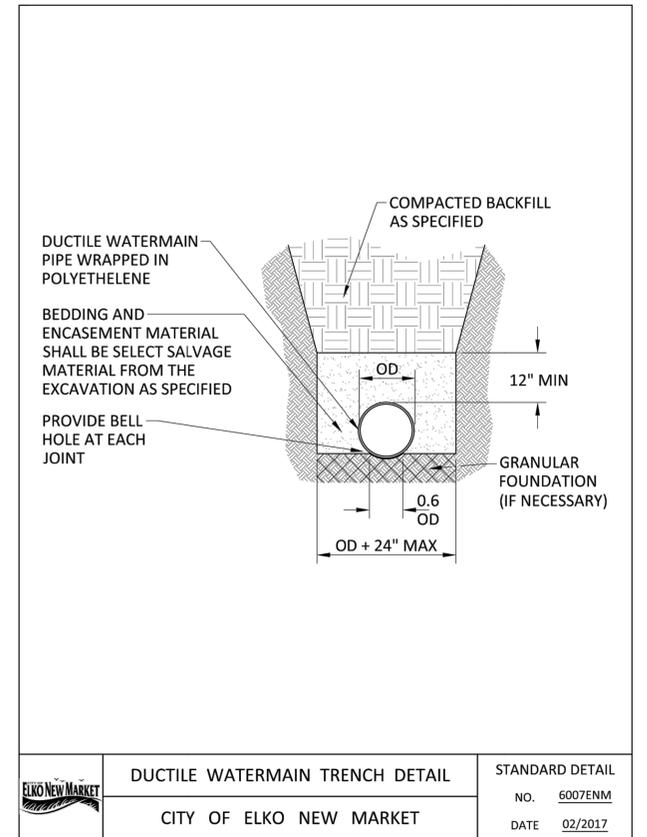
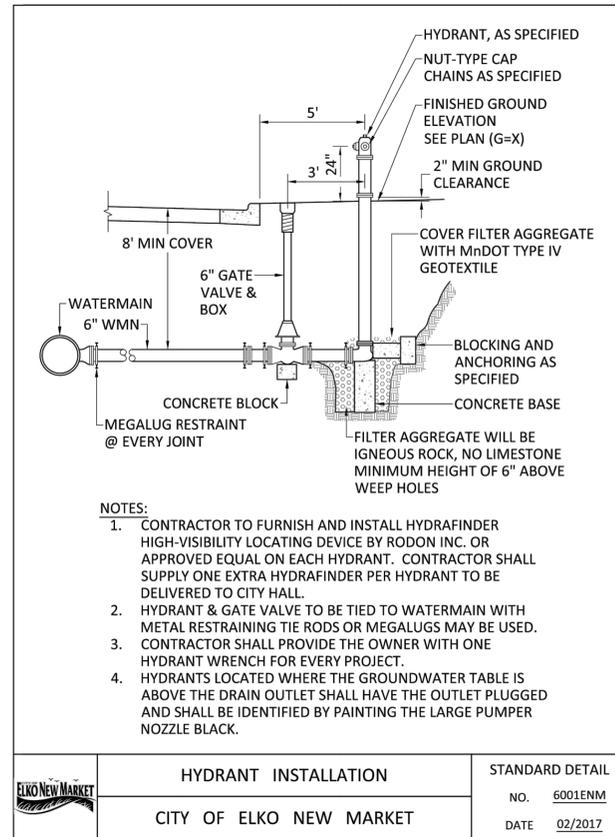
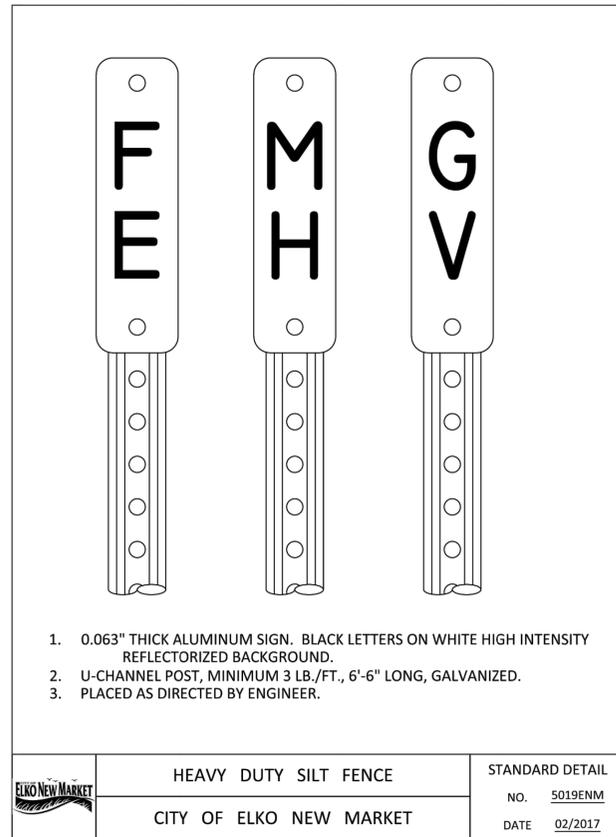
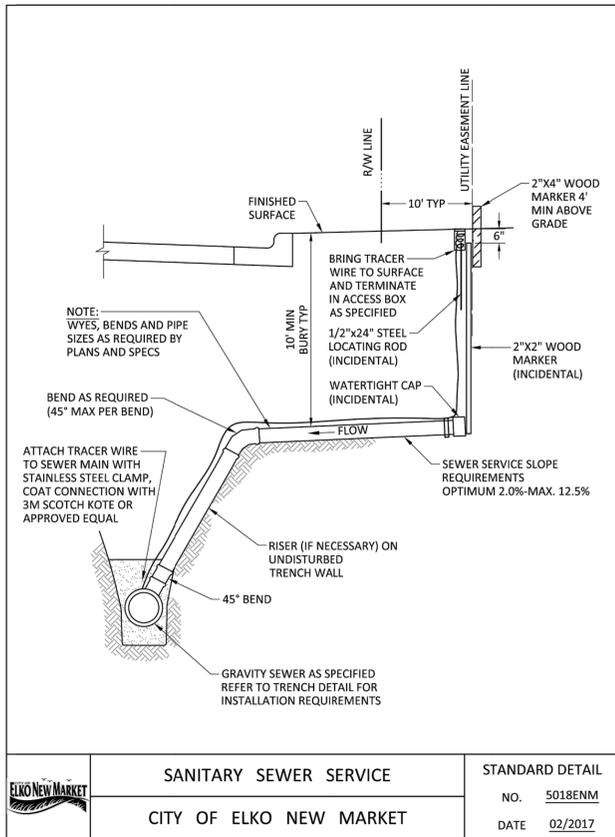
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Date 04.05.19 Registration No. 52706
Thy R. Haley

ISSUED	REVIEWED BY
	GRH
	DRAWN BY
	JAP

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CIVIL ENGINEERS
3727 EAST 255TH STREET WEBSTER MINNESOTA 55088
Phone 952.440.1680 Fax 952.461.3308
PROJECT NO.: 88415 DRAWING FILE:

DETAILS
SYLVESTER MEADOWS
NEW MARKET, MINNESOTA
SHEET C3 OF SHEET C13



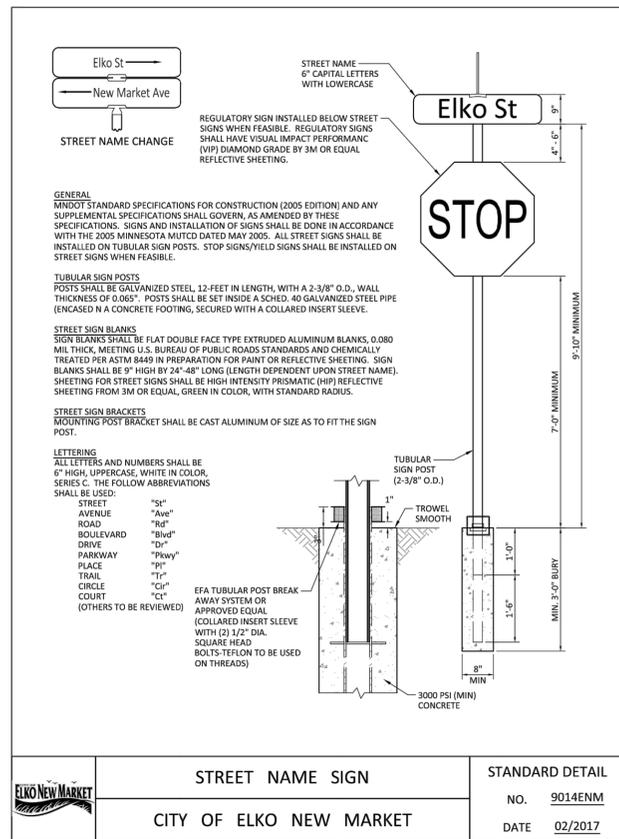
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PROJECT NO.: 88415 DRAWING FILE:

DETAILS
SYLVESTER MEADOWS
NEW MARKET, MINNESOTA
SHEET C4 OF SHEET C13



CRANE PUMPS & SYSTEMS
www.craneumps.com

Curbstop / Check Valve
1½" and 2" NPT Stainless Steel

Specifications:
HOUSING: ASTM CF8M 316 SS
TEMPERATURE: 150°F (51°C)
MAX WORKING PRESSURE: 150 PSI (1000 kPa)

Accessories:
1½" NPT Stainless Steel P/N: 141287
2" NPT Stainless Steel P/N: 141551

Applications:
Waste water (sewage)

CRANE PUMPS & SYSTEMS
A Crane Co. Company USA (937) 778-8947 Canada (905) 457-6223 International (937) 615-3598

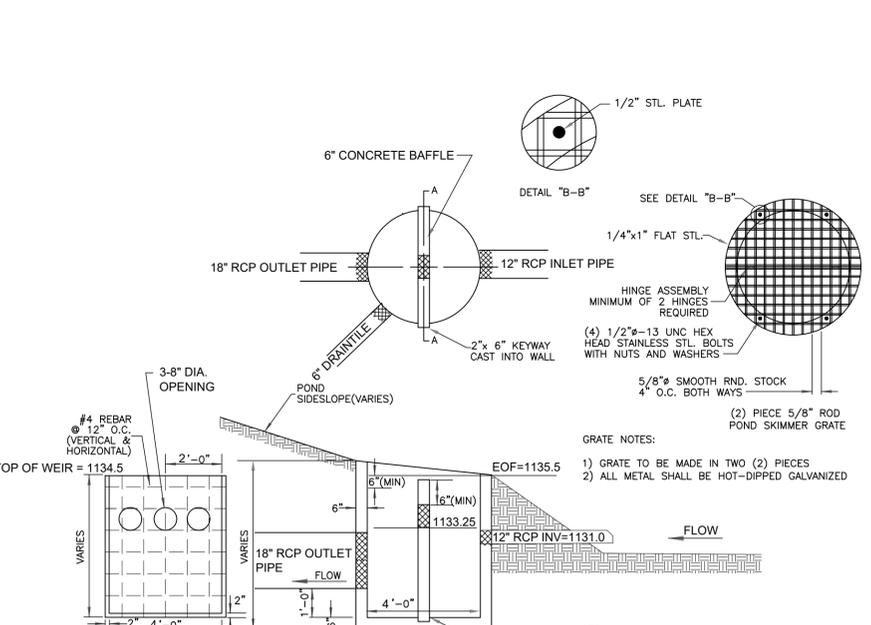
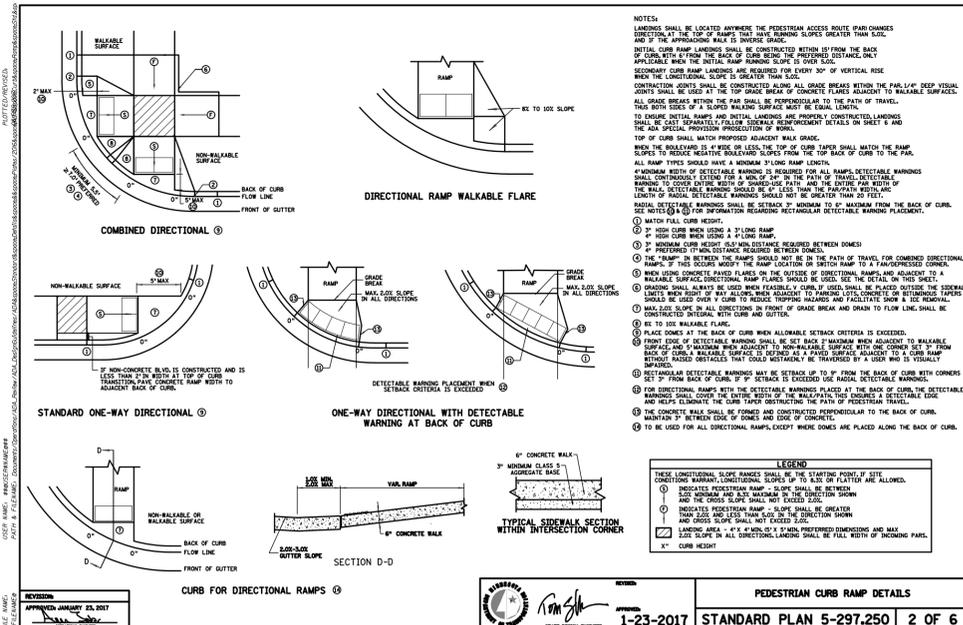
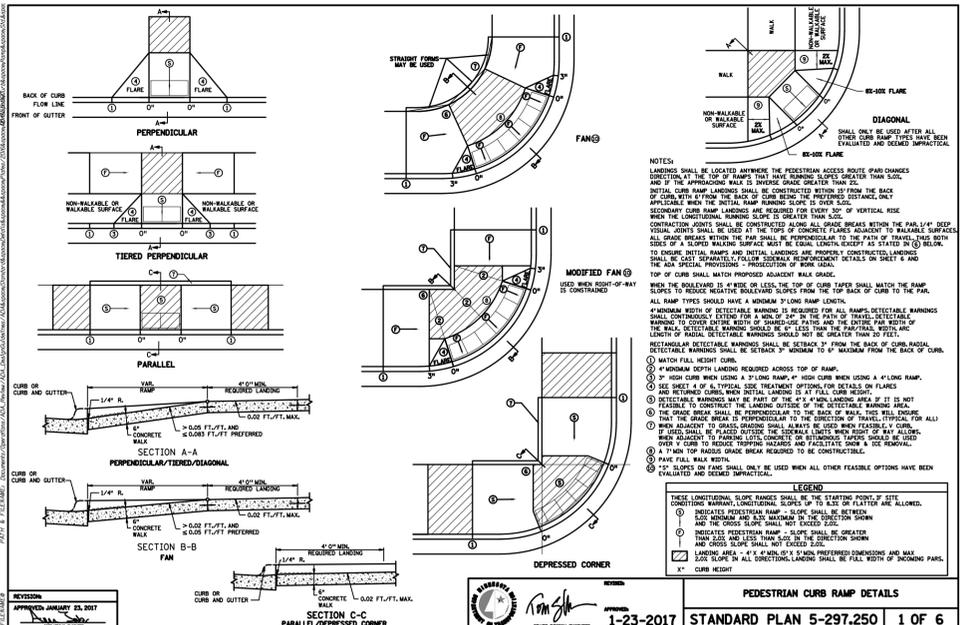
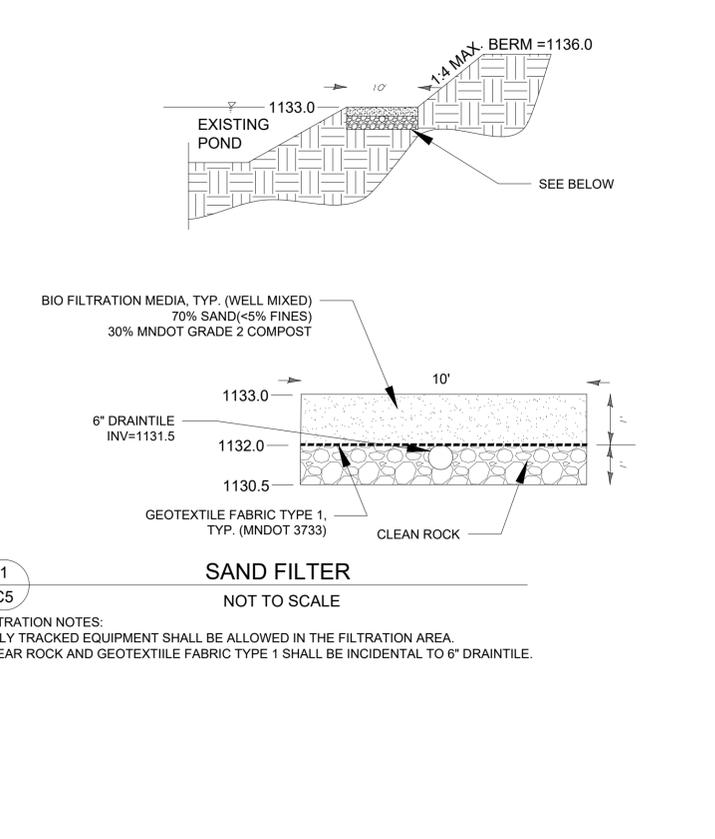
CRANE PUMPS & SYSTEMS
www.craneumps.com

Curbstop / Check Valve
1½" and 2" NPT Stainless Steel

Accessories:

SIZE	PART NO.	MATERIAL	DIM. 'A'	DIM. 'B'	FLUSH PORT & FEMALE CONN.	WEIGHT lbs. (kg)
1½" NPT	141287	316 Stainless Steel	8.69 (222)	4.38 (111)	1½" NPT	5.15 (2.3)
2" NPT	141551	316 Stainless Steel	12.05 (306)	5.63 (143)	2" NPT	10.14 (4.6)

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Date 04.05.19 Registration No. 52706
Greg R. Haley

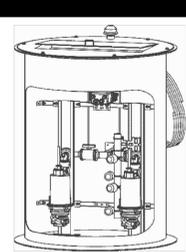
Issued	REVIEWED BY GRH	Halling Engineering, Inc. CIVIL ENGINEERS 3727 EAST 255TH STREET WEBSTER MINNESOTA 55088 Phone 952.440.1680 Fax 952.461.3308	DETAILS SYLVESTER MEADOWS NEW MARKET, MINNESOTA
	DRAWN BY JAP	PROJECT NO.: 88415 DRAWING FILE:	SHEET C5 OF SHEET C13

F:\survey\water meadows - scott\02 Engineering - scott\02 Sheet Files\02 Details.dwg

Specifications:

BASIN: Fiberglass w/ 3" (76) Ballast Support Flange
DISCHARGE: Stainless Steel
INLET: Size: 1½" and 2½" NPT, Female
 4" (102) sch. 40 Flexible Inlet Flange (for Field Installation)

COVER: Aluminum, w/2" NPT Bug-Free Vent, Lockable Hinged Access Door and Stainless Steel Hinges and Hardware
DIRECT BURIAL CABLE: 12/3, 12/4 or 12/5 and 18/8, for DSRs 10/4, 18/8 and 18/10, for LDRS, Type TC, THIN, THIN Round U.L. Listed, 50ft. (15m) STD
RAIL SYSTEM: Qty. 2, 300 Series Stainless Steel "C" Channel
STATIONARY DISCHARGE FITTING: (Quantity of Two)
 Stationary: Powder Coated Cast Iron
 Diaphragm: Fiber Reinforced Neoprene
JUNCTION BOX: NEMA 6 with cord grips for incoming cables
ELECTRICAL: Cord grips for Direct Burial Cable (Factory Installed)
BALL VALVE: (Quantity of Two)
 Design: Full Port True Union
 Material: PVC
 Size: 1½" or 2" NPT
EXTENSION HANDLE: Qty. Two, 3/8" Dia. (9.5) Stainless Steel
LIFTING DEVICE: Qty. Two 3/16" Dia. 300 series stainless steel lifting chain with a breaking strength of 3,750 lbs.
HARDWARE: 300 Series Stainless Steel
DISCHARGE PIPING: 300 Series Stainless Steel
LEVEL CONTROLS:
 Float/FREE: Quantity of four Mercury Level Controls potted together and terminating into one 8 conductor color coded cord, mounted on PVC pipe
MOVABLE SUB-ASSEMBLY: (Two Required, Ordered with Pump)
FLAPPER/ANTI-SIPHON CHECK VALVE:
 Housing: Cast Iron, powder coated with integrated anti-siphon
 Flapper: Fiber reinforced Nitrile
PUMP BRACKETS: 300 Series Stainless Steel
DISCHARGE PIPING: Stainless Steel



Series: DSRs
1½" or 2½" NPT Discharge

For use with OGP, OGVF, OGVH, SGVF, SGVH, SCPC or SGV pumps



Specifications:

DISCHARGE: 1½" NPT, Vertical, Bolt-on Flange
LIQUID TEMPERATURE: 104°F (40°C) Continuous
VOLUTE: Cast Iron ASTM A-48, Class 30
MOTOR HOUSING: Cast Iron ASTM A-48, Class 30
SEAL PLATE: Cast Iron ASTM A-48, Class 30
IMPELLERS: Design: 12 Vane Vortex, With Pump Out Vanes On Back Side, Dynamically Balanced, ISO G6.3
 Material: SS-S-5 Bronze
IMPELLER SPACER: 300 Series Stainless Steel
SHREDDING RING: Hardened 440C Stainless Steel
CUTTER: Hardened 440C Stainless Steel, Rockwell® C-55
SHAFT: 416 Stainless Steel
SQUARE RINGS: Buna-N
HARDWARE: 300 Series Stainless Steel
PAINT: Air Dry Enamel
SEAL: Design: Single Mechanical
 Material: Stationary Faces - Silicon-Carbide
 Rotating Faces - Silicon-Carbide
 Elastomer - Buna-N
CORD ENTRY: Hardware - 300 Series Stainless Steel
 30 ft. (9.1m) Std. Cord, Custom Molded Quick Connect, for Sealing and Strain Relief
CORD: Manual: CSA/UL Approved 12/3 Type SOW
UPPER BEARING: Design: Single Row, Angular contact Ball
 Lubrication: Oil
 Load: Radial & Thrust
LOWER BEARING: Design: Single Row, Angular contact Ball
 Lubrication: Oil
 Load: Radial & Thrust
MOTOR: Design: NEMA L-Single Phase Torque Curve, Oil-Filled, Squirrel Cage Induction
 Insulation: Class F
SINGLE PHASE: Capacitor Start/Capacitor Run.



Series: OGP
2HP, 3450RPM, 60Hz

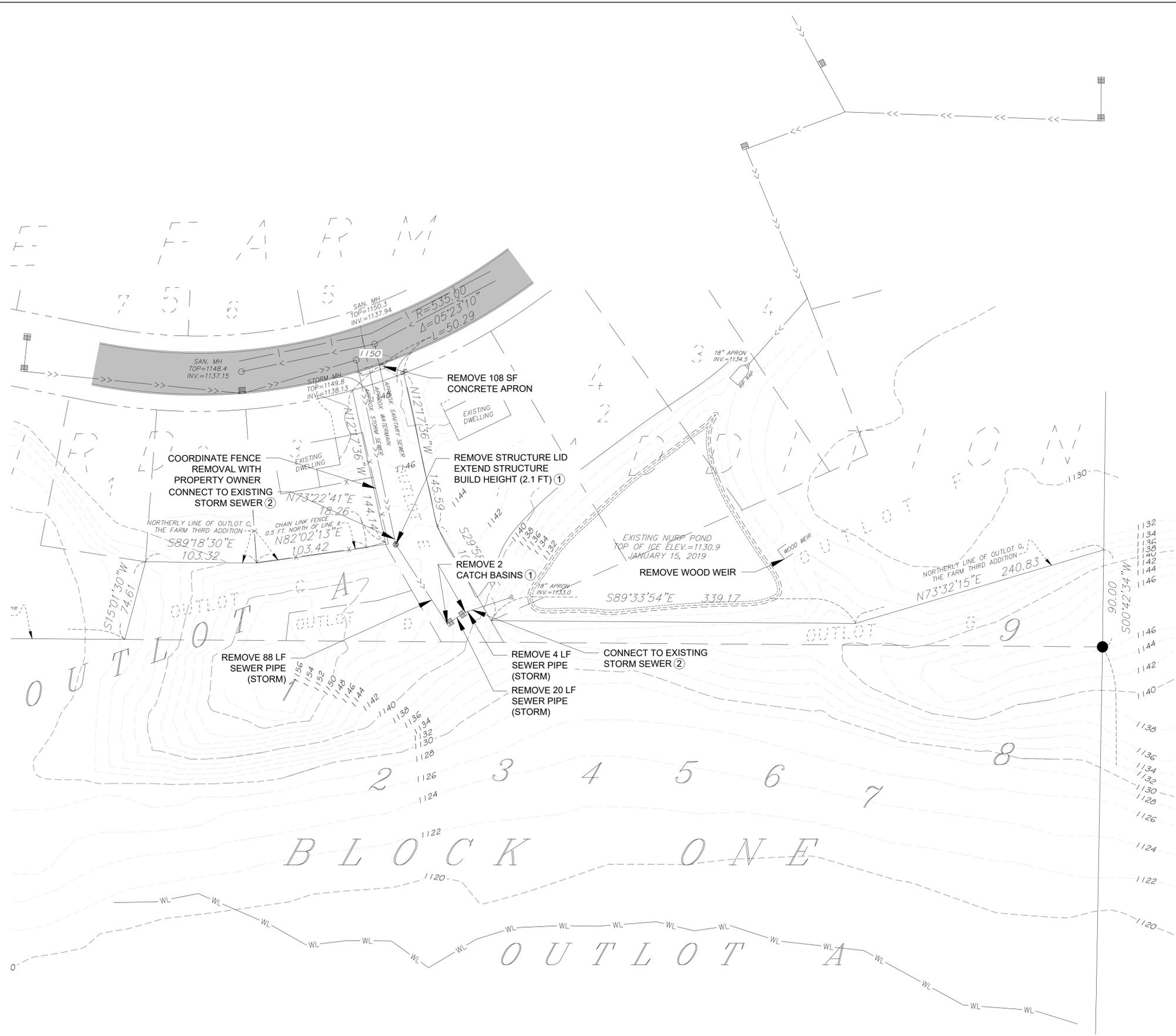


DESCRIPTION:
THE GRINDER PUMP IS DESIGNED TO REDUCE DOMESTIC SEWAGE TO A FINELY GROUND SLURRY.

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		DRAWN BY JAP		
			SHEET C6 OF SHEET C13	

F:\survey\syvester meadows - scott02 Engineering - 8856701 CAD\05 Sheet Files\03 Existing Conditions & Removals Plan.dwg



REFERENCE NOTES:

- ① CATCH BASIN INFORMATION PER RECORD PLANS. FIELD VERIFY LOCATIONS AND ELEVATIONS OF CATCH BASINS.
- ② STORM SEWER PIPE INFORMATION PER RECORD PLANS. FIELD VERIFY LOCATIONS, SLOPES, LENGTH, AND SIZES OF PIPE.

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 Date 04.05.19 Registration No. 52706
Thy R. Haley

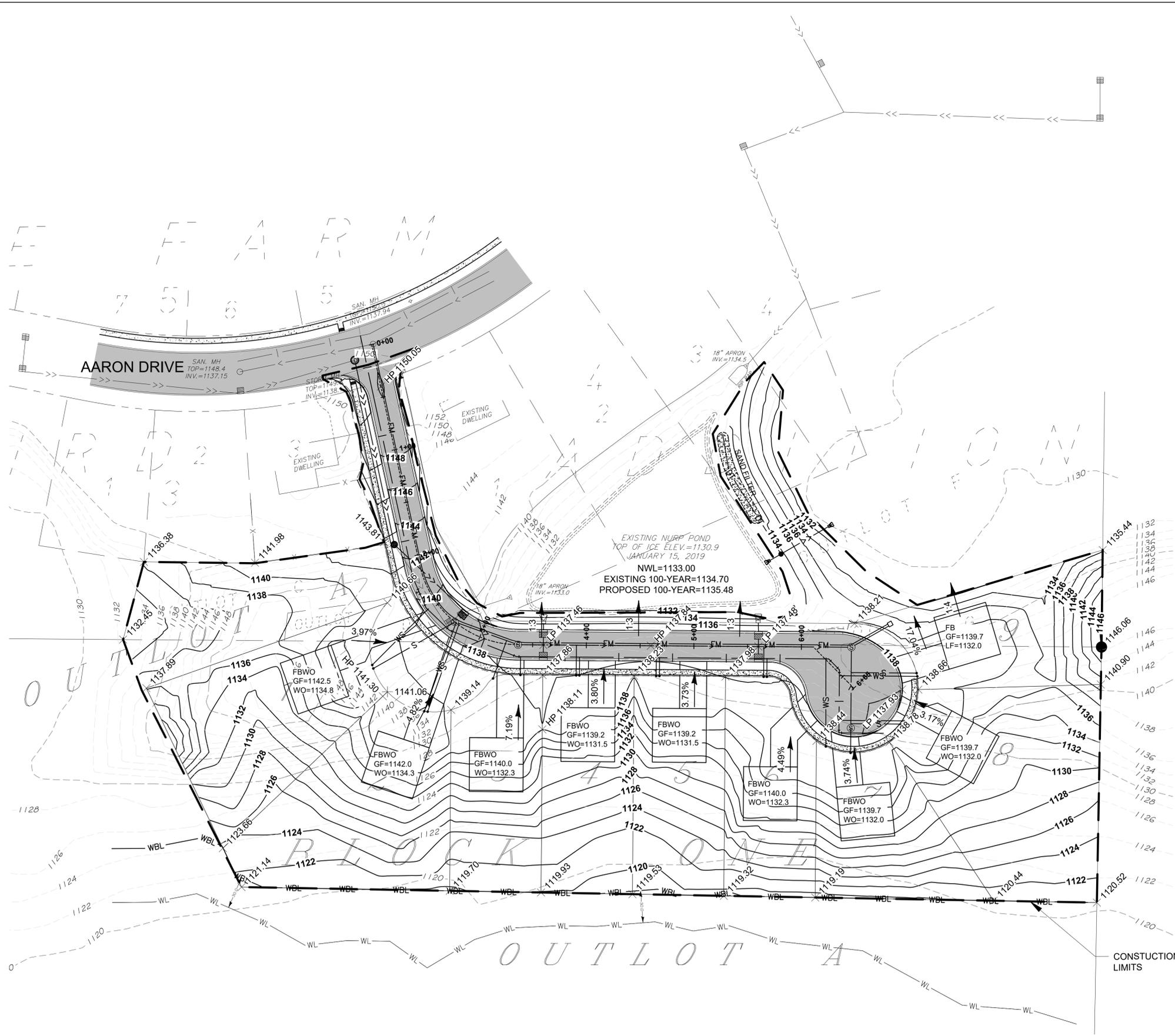
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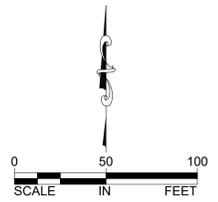
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 3727 EAST 255TH STREET WEBSTER MINNESOTA 55088
 Phone 952.440.1680 Fax 952.461.3308
 PROJECT NO.: 88415 DRAWING FILE: XXXXX.DWG

EXISTING CONDITIONS & REMOVALS PLAN
 SYLVESTER MEADOWS
 NEW MARKET, MINNESOTA
 SHEET C7 OF SHEET C13

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NOTES:
 1 AVERAGE WETLAND BUFFER WIDTH = 50 FT



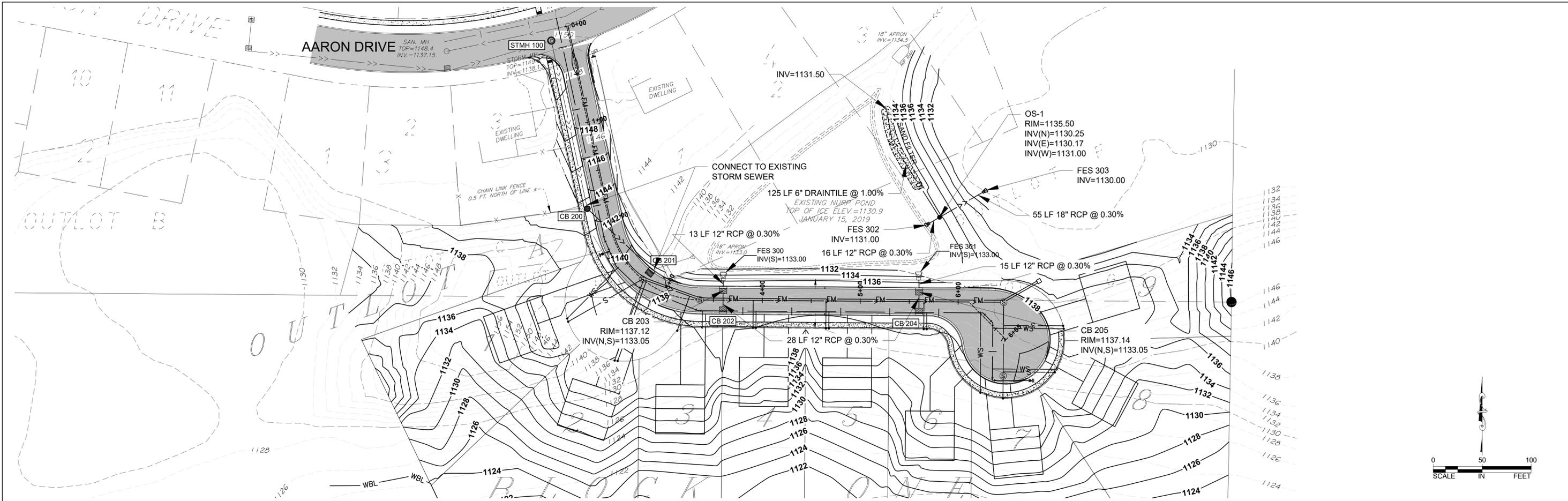
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 Date 04.05.19 Registration No. 52706
Greg R. Haley

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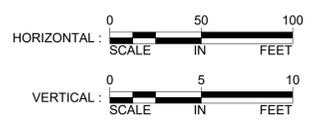
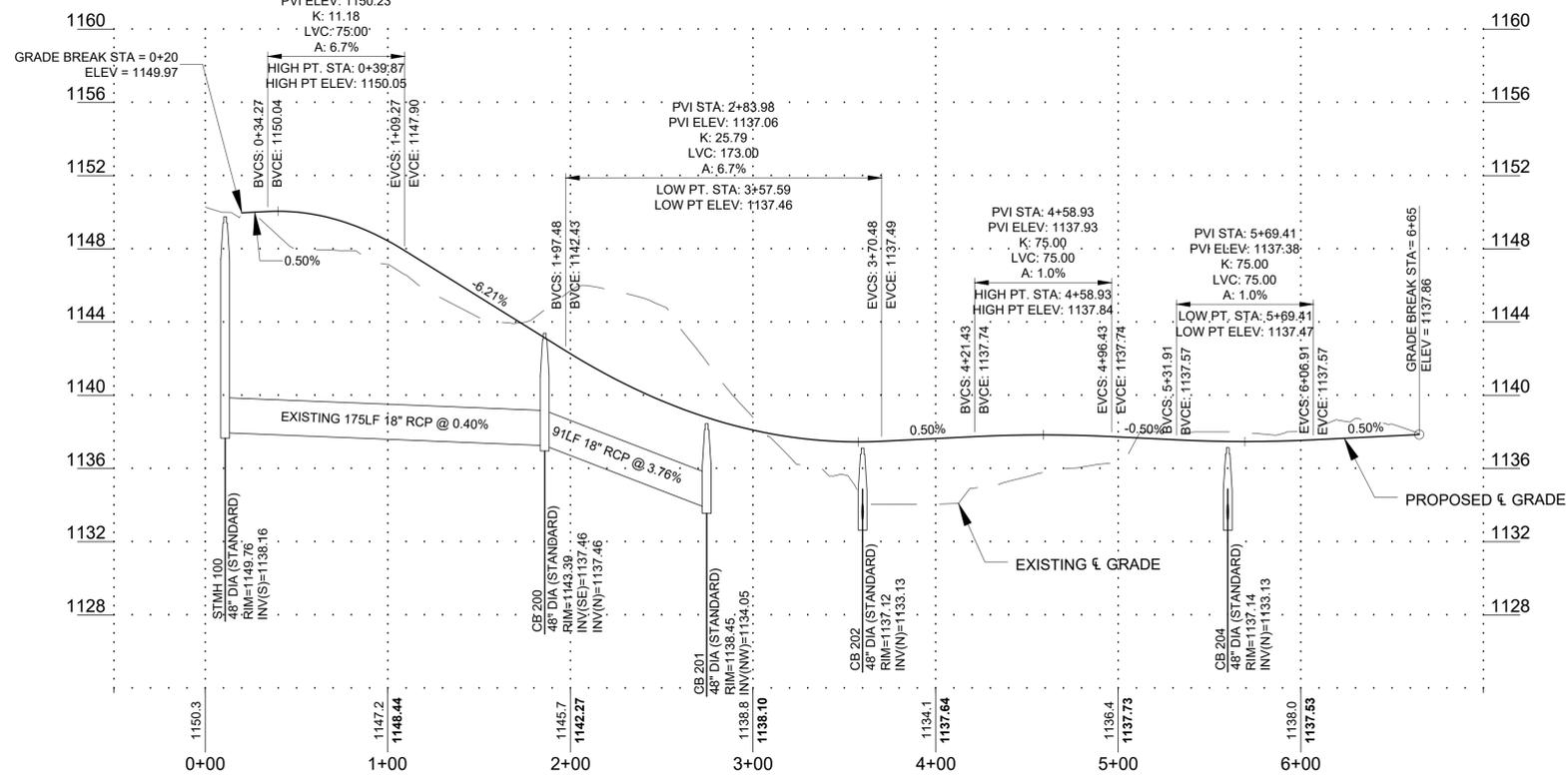
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GRH
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JAP

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 Phone 952.440.1680 Fax 952.461.3308
 PROJECT NO.: 88415 DRAWING FILE: XXXXX.DWG

GRADING & DRAINAGE PLAN
 SYLVESTER MEADOWS
 NEW MARKET, MINNESOTA
 SHEET C8 OF SHEET C13



PROPOSED CENTERLINE ALIGNMENT



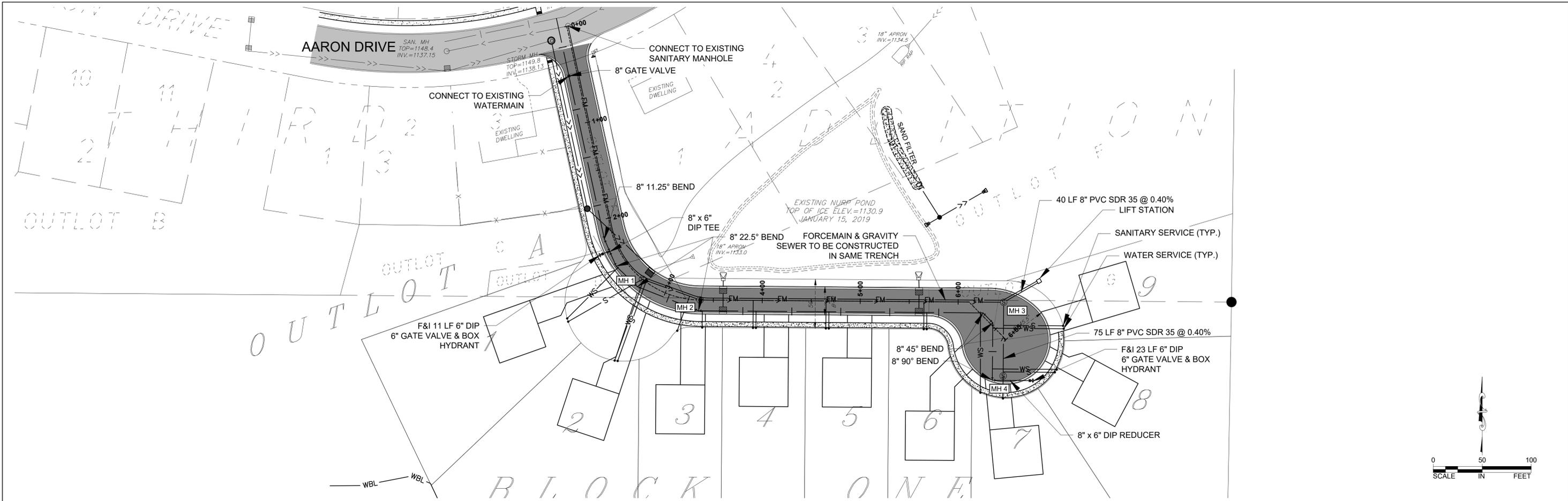
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 Date 04.05.19 Registration No. 52706
Theresa R. Haley

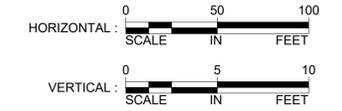
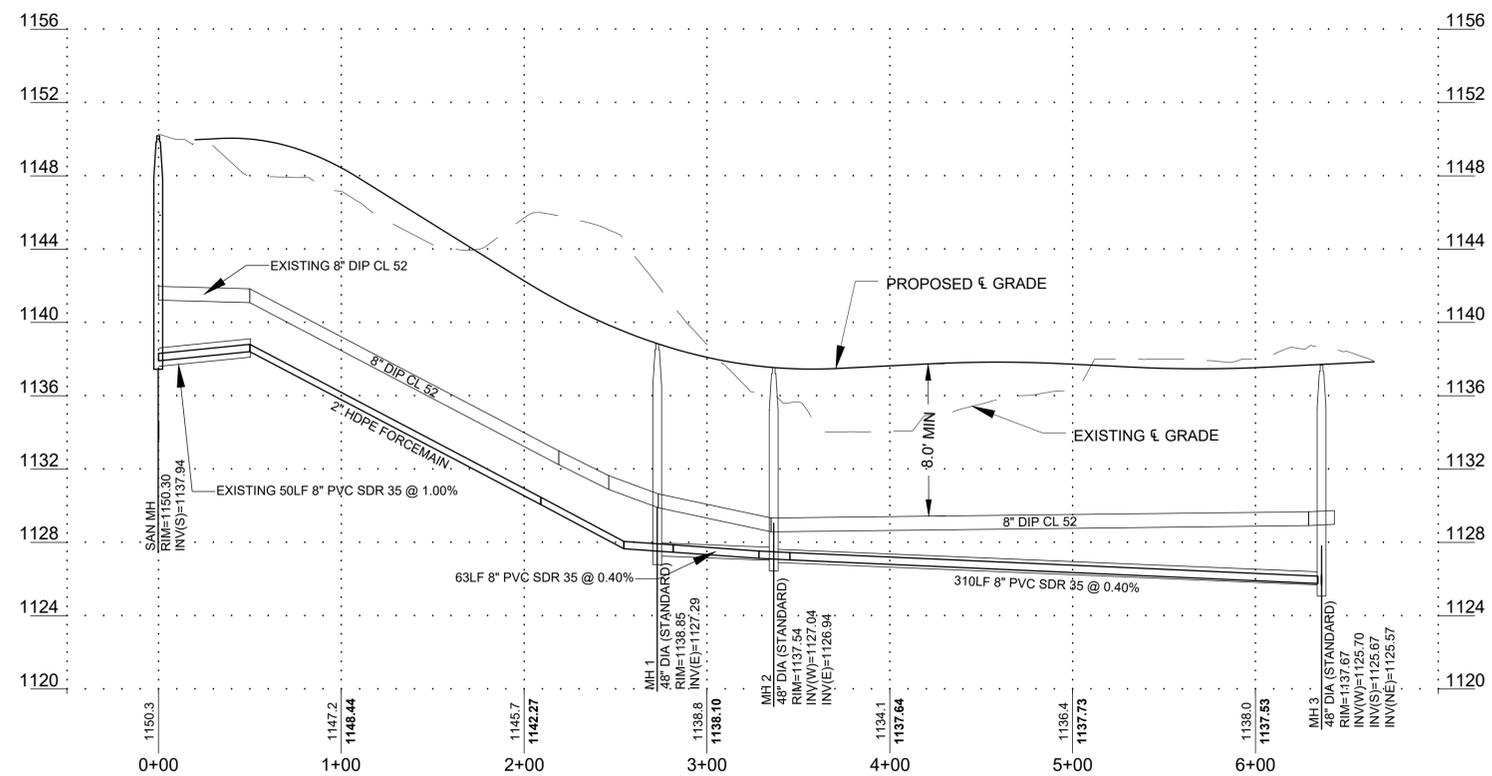
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	GRH
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	JAP

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STREET PLAN & PROFILE
 SYLVESTER MEADOWS
 NEW MARKET, MINNESOTA
 SHEET C9 OF SHEET C13



PROPOSED CENTERLINE ALIGNMENT



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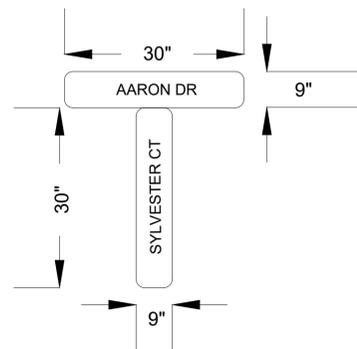
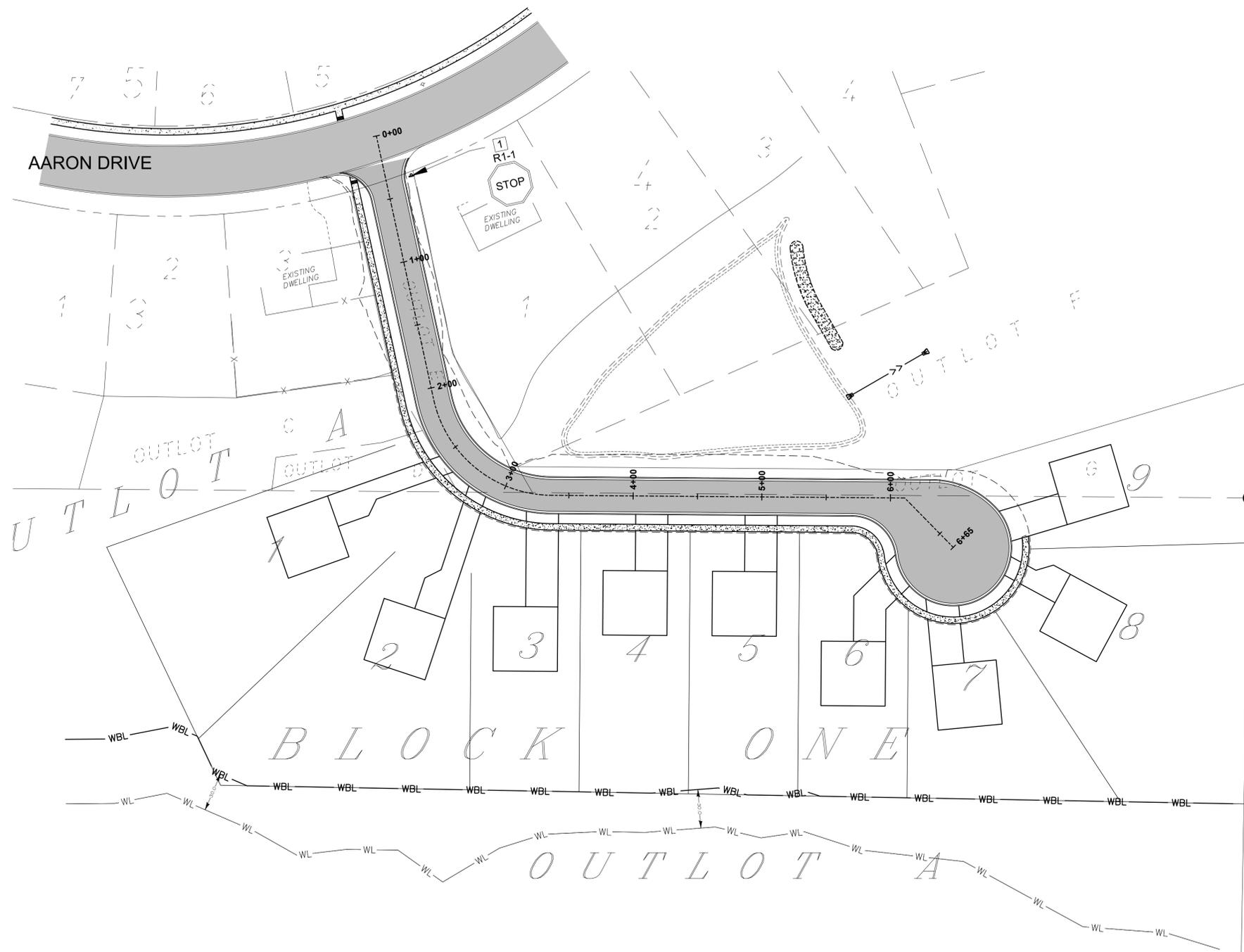
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SANITARY SEWER & WATERMAIN PLAN & PROFILE
 SYLVESTER MEADOWS
 NEW MARKET, MINNESOTA
 SHEET C10 OF SHEET C13

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SIGN 1 DETAIL
NOT TO SCALE

SIGN LEGEND	SIGN NUMBER	SIGN SIZE	SIGN MESSAGE	SIGN COLOR	POSTS		REMARKS	ESTIMATED QUANTITIES
					NUMBER AND TYPE	MOUNTING ① HEIGHT (FEET)		
	R1-1	30"X30"	STOP	WHITE ON RED	2 - U	7.5		1
		30"X9" 30"X9"	ASPEN ST FORD ST	WHITE ON GREEN	②③	7.5	SEE DETAIL ON THIS SHEET	1

REFERENCE NOTES

- ① MOUNTING HEIGHT IS A MINIMUM
- ② MOUNTING BRACKETS SHALL BE E-450 FOURWAY BRACKET OR EQUAL.
- ③ MOUNTING POSTS SHALL BE 2.5" O.D., BY 10' GALVANIZED TUBE. POSTS SHALL BE IMBEDDED IN A 12" DIAMETER BY 24" DEEP CONCRETE FOOTING. CONCRETE MIX 3Y43 SHALL BE USED FOR THE FOOTING.

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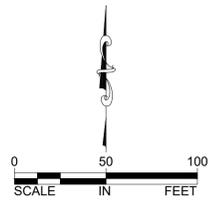
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GRH

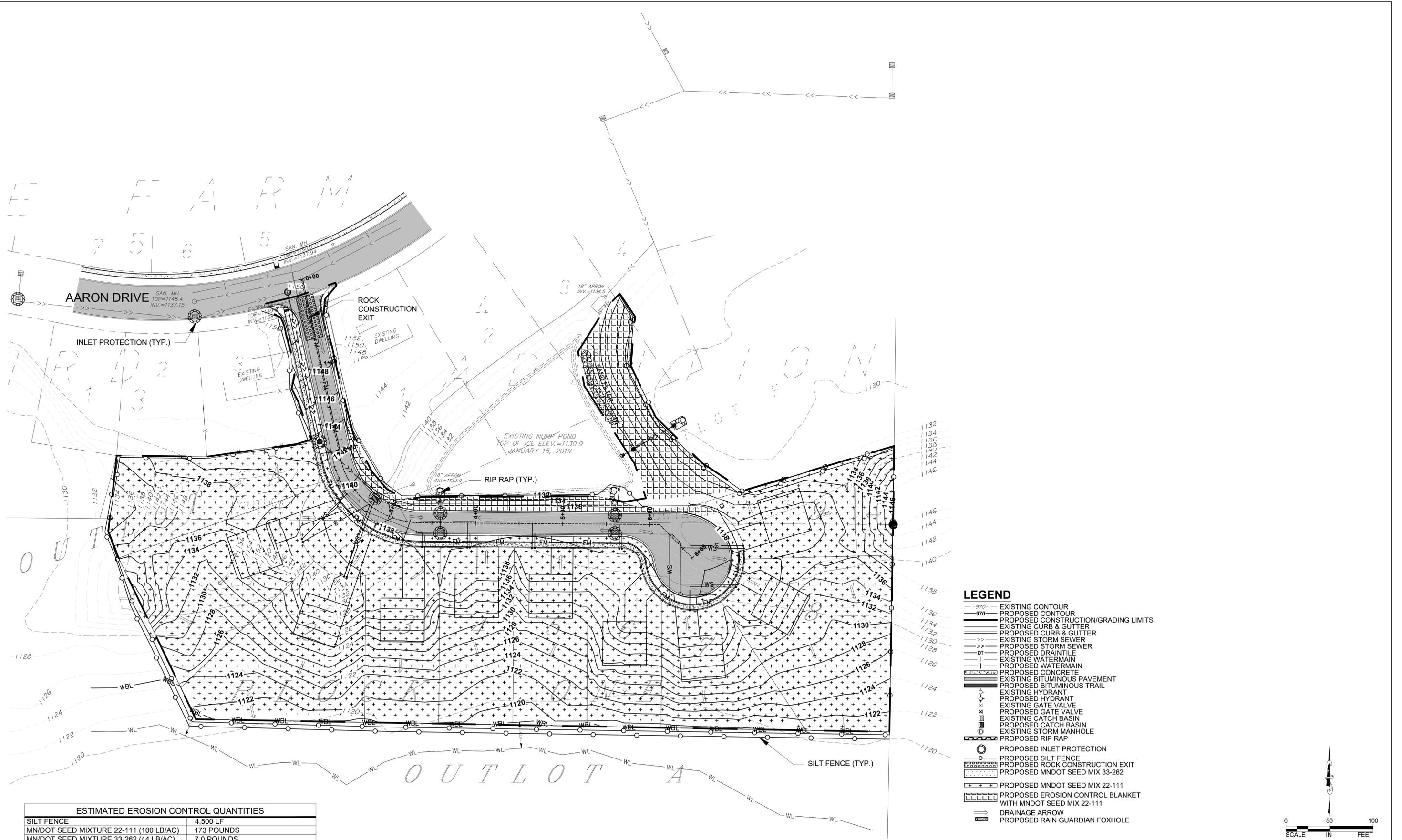
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JAP

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SIGNAGE PLAN
 SYLVESTER MEADOWS
 NEW MARKET, MINNESOTA
 SHEET C11 OF SHEET C13



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- LEGEND**
- 970--- EXISTING CONTOUR
 - 970--- PROPOSED CONTOUR
 - 970--- PROPOSED CONSTRUCTION/GRADING LIMITS
 - 970--- EXISTING CURB & GUTTER
 - 970--- PROPOSED CURB & GUTTER
 - 970--- EXISTING STORM SEWER
 - 970--- PROPOSED STORM SEWER
 - 970--- PROPOSED DRAINFIT
 - 970--- EXISTING WATERMAIN
 - 970--- PROPOSED WATERMAIN
 - 970--- PROPOSED CONCRETE
 - 970--- EXISTING BITUMINOUS PAVEMENT
 - 970--- PROPOSED BITUMINOUS TRAIL
 - 970--- EXISTING HYDRANT
 - 970--- PROPOSED HYDRANT
 - 970--- EXISTING GATE VALVE
 - 970--- PROPOSED GATE VALVE
 - 970--- EXISTING CATCH BASIN
 - 970--- PROPOSED CATCH BASIN
 - 970--- EXISTING STORM MANHOLE
 - 970--- PROPOSED RIP RAP
 - 970--- PROPOSED INLET PROTECTION
 - 970--- PROPOSED SILT FENCE
 - 970--- PROPOSED ROCK CONSTRUCTION EXIT
 - 970--- PROPOSED MNDOT SEED MIX 33-262
 - 970--- PROPOSED MNDOT SEED MIX 22-111
 - 970--- PROPOSED EROSION CONTROL BLANKET WITH MNDOT SEED MIX 22-111
 - 970--- DRAINAGE ARROW
 - 970--- PROPOSED RAIN GUARDIAN FOXHOLE

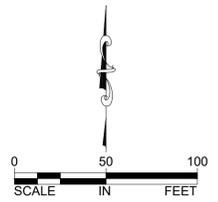
ESTIMATED EROSION CONTROL QUANTITIES	
SILT FENCE	4,500 LF
MN/DOT SEED MIXTURE 22-111 (100 LB/AC)	173 POUNDS
MN/DOT SEED MIXTURE 33-262 (44 LB/AC)	7.0 POUNDS
FERTILIZER (200 LB/AC)	1,234 POUNDS
STABILIZED ROCK EXIT	1 EACH
STORM DRAIN INLET PROTECTION	8 EACH
EROSION CONTROL BLANKET	795 SY
MULCH MATERIAL TYPE 3 (2 TONS/AC)	12.5 TONS
RANDOM RIP RAP CLASS III	30 CY

I hereby certify that this plan was prepared by me or under my direct supervision and that I am a duly Registered Engineer under the laws of the State of Minnesota.
 Date 04.05.19 Registration No. 52706
Thy R. Haley

Issued	REVIEWED BY
	GRH
	DRAWN BY
	JAP

Halling Engineering, Inc.
 CIVIL ENGINEERS
 3727 EAST 255TH STREET WEBSTER MINNESOTA 55088
 Phone 952.440.1680 Fax 952.461.3308
 PROJECT NO.: 88415 DRAWING FILE: XXXXX.DWG

STORMWATER POLLUTION PREVENTION PLAN
 SYLVESTER MEADOWS
 NEW MARKET, MINNESOTA
 SHEET C12 OF SHEET C13



PROJECT INFORMATION:

DISTURBED AREA: 5.64 ACRES
EXISTING IMPERVIOUS AREA: 0.00 ACRES
PROPOSED IMPERVIOUS AREA: 1.68 ACRES
NEW IMPERVIOUS AREA: 1.68 ACRES
EROSION CONTROL SUPERVISOR CONTACT: GREG HALLING (952) 440-1680
IMPAIRED WATERS WITHIN ONE (1) MILE THAT RECEIVE RUNOFF: NONE.

THIS PROJECT IS LOCATED SOUTH OF AARON DRIVE BETWEEN OVERLOOK DRIVE AND WILD STREET IN THE CITY OF NEW MARKET, MINNESOTA. THE SITE IS CURRENTLY VACANT AND LARGELY COMPRISED OF OVERGROWN GRASS AND TREES. THERE IS ONE WETLAND TO THE SOUTH OF THE SITE THAT HAS BEEN DELINEATED AND ANOTHER WETLAND TO THE WEST OF THE SITE THAT HAS NOT BEEN DELINEATED. THERE IS ALSO A POND TO THE NORTH OF THE SITE. PROPER CARE SHALL BE REQUIRED TO NOT DISCHARGE SEDIMENT-LADEN WATER INTO THE SURFACE WATERS.

THE PROJECT WILL CONSIST OF SITE CLEARING, REMOVALS, STREET AND POND GRADING, STORM SEWER, CURB AND GUTTER, SIDEWALK, AND ONE CUL-DE-SAC. THE PROPOSED RESIDENTIAL SITES WILL BE CONNECTED TO THE CITY SANITARY SEWER SYSTEM AND WATER SYSTEM. A SMALL PORTION OF THE PROPOSED STREET WILL DRAIN TO THE POND TO THE NORTH. THE REST OF THE STREET WILL DRAIN TO ONE OF TWO ON-SITE BIOFILTRATION BASINS VIA STORM SEWER. FROM THERE, STORMWATER WILL OVERFLOW TO THE WETLAND TO THE SOUTH. THE REMAINDER OF THE SITE WILL DRAIN DIRECTLY TO THE SOUTH WETLAND VIA SURFACE FLOW. THERE ARE NO IMPAIRED WATERS WITHIN ONE (1) MILE OF THE PROJECT SITE.

KNOWLEDGEABLE PERSON/CHAIN OF RESPONSIBILITY

THE CONTRACTOR SHALL IDENTIFY A PERSON KNOWLEDGEABLE AND EXPERIENCED IN THE APPLICATION OF EROSION PREVENTION AND SEDIMENT CONTROL BMPs WHO WILL OVERSEE THE IMPLEMENTATION OF THE SWPPP, INCLUDING: INSTALLATION, INSPECTION AND MAINTENANCE OF THE EROSION PREVENTION AND SEDIMENT CONTROL BMPs. THE GENERAL CONTRACTOR SHALL ATTACH CONTACT INFORMATION TO THE SWPPP PRIOR TO THE START OF ANY CONSTRUCTION ACTIVITY.

THE CONTRACTOR SHALL ESTABLISH A CHAIN OF RESPONSIBILITY FOR ALL CONTRACTORS AND SUB-CONTRACTORS ON SITE TO ENSURE THE SWPPP IS BEING PROPERLY IMPLEMENTED AND MAINTAINED. THE CONTRACTOR SHALL PROVIDE THE CHAIN OF RESPONSIBILITY TO THE OWNER AND ATTACH TO THE SWPPP PRIOR TO ANY CONSTRUCTION ACTIVITY.

STORMWATER POLLUTION PREVENTION PLAN NOTES:

- 1. PRIOR TO ANY CONSTRUCTION ACTIVITIES, THE CONTRACTOR SHALL ACQUIRE THE NECESSARY MPCA NPDES STORM WATER PERMIT.
2. ALL EROSION AND SEDIMENT CONTROL BMP'S SHALL BE INSTALLED PRIOR TO STARTING ANY CONSTRUCTION ACTIVITIES. BMP'S SHALL BE MAINTAINED UNTIL ALL DISTURBED AREAS HAVE BEEN PERMANENTLY STABILIZED.
3. THE CONTRACTOR IS RESPONSIBLE FOR ALL EROSION PREVENTION AND SEDIMENT CONTROL MEASURES FOR THE PROJECT.
4. EROSION PREVENTION AND SEDIMENT CONTROL MEASURES SHOWN ON THE PLANS ARE THE ABSOLUTE MINIMUM REQUIREMENTS. THE CONTRACTOR SHALL IMPLEMENT ADDITIONAL MEASURES AS NECESSARY TO PROPERLY MANAGE THE PROJECT AREA.
5. THE CONTRACTOR SHALL KEEP THE SWPPP, INCLUDING ALL AMENDMENTS AND INSPECTION AND MAINTENANCE RECORDS ON SITE DURING CONSTRUCTION.
6. THE CONTRACTOR SHALL DOCUMENT AMENDMENTS TO THE SWPPP AS A RESULT OF INSPECTION(S) WITHIN 7 DAYS.
7. THE CONTRACTOR SHALL FILE A NOTICE OF TERMINATION WITHIN THIRTY (30) DAYS OF ACHIEVING PERMANENT STABILIZATION.
8. THE CONTRACTOR SHALL SCHEDULE THEIR OPERATION TO MINIMIZE THE AMOUNT OF DISTURBED AREA AT ANY GIVEN TIME.
9. THE BIOFILTRATION AREAS SHALL BE PROTECTED AND HAVE RIGOROUS EROSION AND SEDIMENT CONTROLS IF GRADED WITHIN 3 FEET OF THE FINAL GRADES. THE CONTROLS SHALL KEEP RUNOFF COMPLETELY AWAY FROM THE BIOFILTRATION AREAS UNTIL FINAL STABILIZATION IS COMPLETE.
10. STABILIZE AREAS THAT ARE WITHIN 200 FEET OF AND DRAIN TO PUBLIC WATER WITHIN 24 HOURS DURING FISH SPAWNING TIMES.
11. WATER SHALL BE USED, IF NECESSARY, FOR DUST CONTROL.
12. ALL EROSION CONTROL SHALL CONFORM TO THE MNDOT EROSION CONTROL HANDBOOK.
13. INLET PROTECTION SHALL BE INSTALLED AT ANY INLET THAT MAY RECEIVE RUNOFF FROM THE DISTURBED AREAS OF THE PROJECT. IF A SPECIFIC SAFETY CONCERN HAS BEEN IDENTIFIED, WRITTEN AUTHORIZATION MUST BE RECEIVED BY THE CITY ENGINEER IN ORDER TO REMOVE THAT PARTICULAR INLET CONTROL.
14. ALL EXPOSED SOILS, INCLUDING STOCKPILES, SHALL BE TEMPORARILY STABILIZED PER MNDOT SPECIFICATION 2575 WITHIN 7 DAYS AFTER CONSTRUCTION ACTIVITY HAS TEMPORARILY CEASED. STABILIZATION OF ALL EXPOSED AREAS MUST BE INITIATED IMMEDIATELY.
15. STOCKPILES SHALL NOT BE PLACED ON ROADS, DRIVEWAYS, SURFACE WATERS OR SWALES. EFFECTIVE SEDIMENT CONTROL SHALL BE INSTALLED IMMEDIATELY AROUND ALL SOIL STOCKPILES.
16. REMOVE ALL SOILS AND SEDIMENT TRACKED OR OTHERWISE DEPOSITED ONTO PUBLIC ROADS OR PRIVATE DRIVEWAYS ON A DAILY BASIS OR AS NEEDED.
17. THE NORMAL WETTED PERIMETER WITHIN 200 LINEAL FEET OF ANY PROJECT DISCHARGE LOCATION SHALL BE STABILIZED WITHIN 24 HOURS OF CONNECTING TO THE DISCHARGE LOCATION.
18. IF DEWATERING IS NECESSARY, THE CONTRACTOR IS RESPONSIBLE FOR ADHERING TO ALL DEWATERING AND SURFACE DRAINAGE REGULATIONS. THE APPROPRIATE PERMITS SHALL BE ACQUIRED PRIOR TO COMMENCING DEWATERING ACTIVITIES.
19. TURBID AND SEDIMENT-LADEN WATERS SHALL BE DIRECTED TO A TEMPORARY SEDIMENT POND PRIOR TO DISCHARGING. A VISUAL CHECK SHALL BE CONDUCTED PRIOR TO DISCHARGING TREATED WATER FROM THE SEDIMENT POND TO ENSURE NUISANCE CONDITIONS WILL NOT RESULT FROM THE DISCHARGE.
20. ALL EROSION AND SEDIMENT CONTROL DEVICES SHALL BE REMOVED FROM THE SITE WITHIN THIRTY (30) DAYS AFTER PERMANENT STABILIZATION HAS BEEN ACHIEVED.
21. THE CORRECTIVE ACTION MUST BE COMPLETED BY THE NEXT BUSINESS DAY AFTER DISCOVERY WHEN PERIMETER CONTROL DEVICES BECOME NONFUNCTIONAL OR THE SEDIMENT REACHES ONE-HALF (1/2) THE HEIGHT OF THE DEVICE.
22. A DNR "WORK IN WATER" PERMIT WILL BE REQUIRED FOR THE INSTALLATION OF FES 302 IN THE SOUTH WETLAND.

TRAINING DOCUMENTATION:

SWPPP DESIGNER: JEFF PRASCH (DEMARCO LAND SURVEYING & ENGINEERING) - "DESIGN OF CONSTRUCTION SWPPP" TRAINING EXPIRES MAY 31, 2020.

THE CONTRACTOR (OPERATOR) SHALL ADD TO THE SWPPP TRAINING RECORDS FOR THE FOLLOWING PERSONNEL:

- INDIVIDUALS OVERSEEING THE IMPLEMENTATION OF, REVISING, AND AMENDING THE SWPPP
• INDIVIDUALS PERFORMING INSPECTIONS

INDIVIDUALS PERFORMING OR SUPERVISING THE INSTALLATION, MAINTENANCE AND REPAIR OF BMPs

EXPECTED SEQUENCE OF CONSTRUCTION

- 1. INSTALL ROCK STABILIZING EXIT(S), PERIMETER CONTROL, INLET CONTROL AND STABILIZE DOWN GRADIENT BOUNDARIES.
2. COMPLETE SITE GRADING.
4. INSTALL UTILITIES, STORM SEWER.
5. APPLY EARLY APPLICATION OF BASE COURSE ON STREET SECTION.
6. INSTALL CURB AND GUTTER, AND PAVING.
7. COMPLETE FINAL GRADING, INCLUDING BIOFILTRATION BASINS, AND PERMANENT STABILIZATION.
8. REMOVE EROSION AND SEDIMENT CONTROL BMPs AFTER PERMANENT STABILIZATION IS ACHIEVED.

TEMPORARY SEDIMENT BASINS

- 1. THE CONTRACTOR SHALL INSTALL SEDIMENT BASIN(S) REQUIRED BY THE NPDES CONSTRUCTION PERMIT IF TEN (10) OR MORE ACRES DISCHARGE TO A COMMON LOCATION.
2. TEMPORARY SEDIMENT BASIN OUTLETS SHALL BE CONSTRUCTED TO PREVENT SHORT-CIRCUITING AND PREVENT THE DISCHARGE OF FLOATING DEBRIS.
3. BASINS MUST HAVE THE ABILITY TO ALLOW COMPLETE DRAWDOWN, INCLUDE A STABILIZED EMERGENCY OVERFLOW, WITHDRAW WATER FROM THE SURFACE, AND PROVIDE ENERGY DISSIPATION AT THE OUTLET.
4. TEMPORARY SEDIMENT BASINS SHALL BE PROVIDED WITH ENERGY DISSIPATION AT ANY BASIN OUTLET TO PREVENT SOIL EROSION.
5. SEDIMENT BASINS MUST BE SITUATED OUTSIDE OF SURFACE WATERS AND ANY BUFFER ZONES, AND MUST BE DESIGNED TO AVOID THE DRAINING WATER FROM WETLANDS.
6. BASINS SHALL BE SIZED ACCORDING TO THE CONSTRUCTION STORMWATER GENERAL PERMIT REQUIREMENTS. CALCULATIONS SHALL BE ADDED TO THE SWPPP.
7. SEDIMENT BASINS SHALL NOT BE PLACED IN FUTURE BIOFILTRATION AREAS.
8. SEDIMENT BASINS SHALL BE DRAINED AND SEDIMENT REMOVED WHEN IT REACHES 1/2 THE STORAGE VOLUME WITHIN 72 HOURS.

INSPECTIONS AND MAINTENANCE

- 1. ALL INSPECTIONS, MAINTENANCE, REPAIRS, REPLACEMENTS AND REMOVAL OF BMPs SHALL BE CONSIDERED INCIDENTAL TO THE BMP BID ITEMS.
2. THE CONTRACTOR SHALL COMPLETE SITE INSPECTIONS, AND BMP MAINTENANCE TO ENSURE COMPLIANCE WITH THE PERMIT REQUIREMENTS.
3. THE CONTRACTOR SHALL PROVIDE A TRAINED PERSON TO INSPECT THE ENTIRE CONSTRUCTION SITE AT LEAST ONCE EVERY SEVEN (7) DAYS DURING ACTIVE CONSTRUCTION AND WITHIN 24 HOURS AFTER A RAINFALL EVENT GREATER THAN 0.5 INCHES IN 24 HOURS. ALL INSPECTIONS MUST BE RECORDED IN WRITING WITHIN 24 HOURS OF CONDUCTING THE INSPECTIONS AND THE RECORDS MUST BE RETAINED WITH THE SWPPP. IF ANY DISCHARGE FROM THE SITE IS OBSERVED THE DISCHARGE MUST BE DESCRIBED AND PHOTOGRAPHED.
4. TEMPORARY AND PERMANENT SEDIMENT BASINS SHALL BE DRAINED AND THE SEDIMENT REMOVED WHEN THE DEPTH OF SEDIMENT COLLECTED IN THE BASIN REACHES 1/2 THE STORAGE VOLUME. DRAINAGE AND REMOVAL MUST BE COMPLETED WITHIN 72 HOURS OF DISCOVERY.
5. IF SEDIMENT ESCAPES THE CONSTRUCTION SITE, OFF-SITE ACCUMULATIONS OF SEDIMENT MUST BE REMOVED IN A MANOR AND AT A FREQUENCY SUFFICIENT TO MINIMIZE OFF-SITE IMPACTS.

POLLUTION PREVENTION MANAGEMENT MEASURES

- 1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ALL POLLUTION PREVENTION MANAGEMENT MEASURES.
2. ALL POLLUTION PREVENTION MEASURES ARE CONSIDERED INCIDENTAL TO THE MOBILIZATION BID ITEM, UNLESS OTHERWISE NOTED.
3. THE CONTRACTOR IS RESPONSIBLE FOR INFORMING ALL VISITORS AND/OR PERSONNEL ON-SITE OF THE POLLUTION PREVENTION MANAGEMENT MEASURES. POLLUTION PREVENTION MANAGEMENT MEASURES INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING:
A. SOLID WASTE SUCH AS COLLECTED SEDIMENT, ASPHALT AND CONCRETE MILLINGS, CEMENT PRODUCT WASTE, FLOATING DEBRIS, PAPER, PLASTIC, CONSTRUCTION DEBRIS AND OTHER WASTES MUST BE DISPOSED OF PROPERLY OFF SITE.
B. HAZARDOUS WASTES SUCH AS OILS, GASOLINE, PAINT, CEMENT BASED PRODUCTS, ETC. SHALL BE PROPERLY STORED WITH SECONDARY CONTAINMENT TO PREVENT SPILLS, LEAKS OR OTHER DISCHARGES. IF STORED ON THE PROJECT SITE, THEY SHALL BE STORED IN RESTRICTED ACCESS AREAS TO PROTECT AGAINST VANDALISM. STORAGE AND DISPOSAL SHALL BE IN COMPLIANCE WITH THE MPCA.
C. CEMENT BASED PRODUCT WASHOUTS ARE NOT PERMITTED ON SITE.
D. THE CONTRACTOR SHALL INCLUDE SPILL KITS WITH ALL FUELING SOURCES AND MAINTENANCE ACTIVITIES. SECONDARY CONTAINMENT MEASURES SHALL BE INSTALLED AND MAINTAINED BY THE CONTRACTOR.
E. THE CONTRACTOR SHALL ENSURE SPILLS ARE CONTAINED AND CLEANED UP IMMEDIATELY UPON DISCOVERY. SPILLS LARGE ENOUGH TO REACH THE STORMWATER CONVEYANCE SYSTEM SHALL BE REPORTED TO THE MINNESOTA DUTY OFFICER AT 1.800.422.0798.

FINAL STABILIZATION

- 1. THE CONTRACTOR IS RESPONSIBLE FOR ENSURING FINAL STABILIZATION OF THE ENTIRE SITE. FINAL STABILIZATION INCLUDES BUT IS NOT LIMITED TO THE FOLLOWING:
A. COMPLETION OF ALL CONSTRUCTION ACTIVITY.
B. INSTALLATION OF PERMANENT COVER OVER ALL AREAS PRIOR TO SUBMITTING THE NOTICE OF TERMINATION. PERMANENT COVER SHALL CONSIST OF 4 INCHES TOPSOIL, MNDOT SEED MIX 22-111, UNLESS OTHERWISE SPECIFIED, AND MULCH. THE MULCH SHALL BE DISK ANCHORED AND COMMERCIAL GRADE 10-10-10 FERTILIZER SHALL BE USED. METHODS AND RATES SHALL BE IN ACCORDANCE WITH MNDOT SPECIFICATION 2575 AND THE MNDOT SEEDING MANUAL.
C. VEGETATIVE COVER MUST CONSIST OF A UNIFORM PERENNIAL VEGETATION WITH A DENSITY OF 70 PERCENT OF ITS EXPECTED FINAL GROWTH. VEGETATION IS NOT REQUIRED WHERE THE FUNCTION OF A SPECIFIC AREA DICTATES NO VEGETATION, SUCH AS IMPERVIOUS SURFACES OR THE BASE OF A SAND FILTER.
D. CLEAN THE PERMANENT STORMWATER TREATMENT SYSTEMS OF ANY ACCUMULATED SEDIMENT AND MUST ENSURE THE SYSTEM MEETS ALL APPLICABLE REQUIREMENTS AND IS OPERATING AS DESIGNED.
E. REMOVAL OF ALL SEDIMENT FROM CONVEYANCE SYSTEMS.
F. REMOVAL OF ALL TEMPORARY SYNTHETIC EROSION PREVENTION AND SEDIMENT CONTROL BMPs.
G. FINAL STABILIZATION SHALL BE PERFORMED IN ACCORDANCE WITH MNDOT 2018 SPECIFICATION 2575.

F:\survey\syvester meadows - scott\02 Engineering - 8656701 CAD\05 Sheet Files\07 Stormwater Pollution Prevention Plan.dwg

Table with 4 columns: Certification (I hereby certify that this plan was prepared by me or under my direct supervision...), Issued (with signature of Greg R. Halling), REVIEWED BY (GRH), DRAWN BY (JAP), Halling Engineering, Inc. (CIVIL ENGINEERS, 3727 EAST 255TH STREET WEBSTER MINNESOTA 55088), and STORMWATER POLLUTION PREVENTION PLAN NOTES (SYLVESTER MEADOWS, NEW MARKET, MINNESOTA). Includes project and drawing file numbers.

Lampe Law Group, L.L.P.

105 East Fifth Street, P.O. Box 240
Northfield, MN 55057
(507) 663-1211
(507) 663-6114 fax
attorneys@lampelaw.com

Attorneys:

Maren L. Swanson
Timothy L. Morisette
Lance R. Heisler

Legal Assistants:

Jeanette S. Johnson
Michelle D. Viken
Maureen A. Bongers

May 23, 2019

CITY COUNCIL OF ELKO NEW MARKET
ATTN: CITY ADMINISTRATOR
City of Elko New Market
601 Main Street
Elko New Market, MN 55054

**NOTICE OF OBJECTION TO
SYLVESTERS MEADOWS DEVELOPMENT**

TO MAYOR AND CITY COUNCIL, CITY OF EKLO NEW MARKET

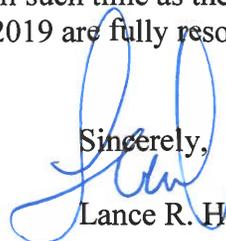
Please be advised that this firm represents Dan Chlan who resides at 26620 Natchez Avenue in Elko New Market. Mr. Chlan owns and farms property adjacent to the area where the proposed Sylvesters Meadows development is located.

The city is already on notice of Mr. Chlan's claim that the current city storm water drainage system is inadequate to drain existing water runoff, and renders a significant portion of Mr. Chlan's property unuseable due to water backing up from the city system onto Mr. Chlan's property. Our office is currently working with the attorney for the League of Minnesota Cities Insurance Trust in an attempt to reach a resolution on this issue.

It appears that the additional impervious surfaces resulting from the proposed Sylvesters Meadows development will increase the water runoff into an already overloaded system. This in turn will exacerbate the ongoing water damage done to Mr. Chlan's property and livelihood.

On behalf of Mr. Chlan, we formally object to the approval of the proposed Sylvesters Meadows proposed plat and rezoning request until such time as the issues raised in Mr. Chlan's March 7, 2019 Notice of Claim dated March 7, 2019 are fully resolved.

Sincerely,


Lance R. Heisler

CC: Dan Chlan
Mitch Benish



601 Main Street
Elko New Market, MN 55054
phone: 952-461-2777 fax: 952-461-2782

MEMORANDUM

TO: PLANNING COMMISSION
CC: LARRY GENSMER
FROM: HALEY SEVENING, COMMUNITY DEVELOPMENT INTERN
RENEE CHRISTIANSON, COMMUNITY DEVELOPMENT SPECIALIST
RE: PRELIMINARY CONCEPT PLAN REVIEW FOR PROPOSED MULTI-FAMILY
RESIDENTIAL DEVELOPMENT CONTAINING 68 UNITS ON
APPROXIMATELY 3.2 ACRES.
DATE: MAY 28, 2019

PLANNING COMMISSION MEETING:	UNKNOWN
CITY COUNCIL MEETING:	UNKNOWN
60-DAY REVIEW DEADLINE:	NA
120-DAY REVIEW DEADLINE	NA

Background / History

Larry Gensmer of Global Properties, LLC has approached the City regarding possible development of two parcels located within the City limits. The proposed development is located on the south side of James Parkway just west of the Dakota Acres and Dakota Acres 1st Addition developments. Originally, the City acquired the undeveloped portions of the property from the original Dakota Acres developer who defaulted on assessments in 2006. The City has since sold a portion of the property to Syndicated Properties for townhome development (Dakota Acres 1st Addition) and the remaining portion to Global Properties.

One condition of the purchase agreement with Global Properties was that they provide reasonable assurance that they will be able to use the property for their intended use. Global Properties was planning to construct apartment buildings on the property. To provide the reasonable assurances, they requested that the City rezone the property to R-4 High Density Residential as a condition of the sale. The R-4 zoning district allows apartments containing more than eight (8) attached units as a permitted use. The rezoning was completed in October of 2018.

Submitted for review by the City were two sheets (concept plan and building elevation) prepared by RHA and a rendering of comparable building design. The intent of the project is to direct the units for work force housing needs. The development is planned to be constructed in two phases:

- Phase 1: 28 unit building (3 one bedroom units and 25 two bedroom units)
- Phase 2: 40 unit building (8 one bedroom units and 32 two bedroom units)

At this time Mr. Gensmer is seeking preliminary feedback from the City regarding the proposed development, the potential for a conditional use permits, and a number of potential variances.

Neighborhood Conditions

- To the south of the subject property is a vacant lot, and commercial development beyond the vacant lot.
- To the east of the subject property are multi-family townhome units, and detached single family homes beyond the townhomes.
- To the north of the subject property is undeveloped land and one rural residential property. These properties are located outside of the City limits but within the City's planned growth area.
- To the west of the subject property is a rural residential property and vacant farmland beyond that. These properties are located outside of the City limits but within the City's planned growth area.

Development of the property as R-4 High Density Residential is generally compatible with the surrounding land uses.

Legal Description

The subject property is two parcels totaling 3.19 acres. The PID #'s are 230270260 and 230270252. The property legal descriptions are:

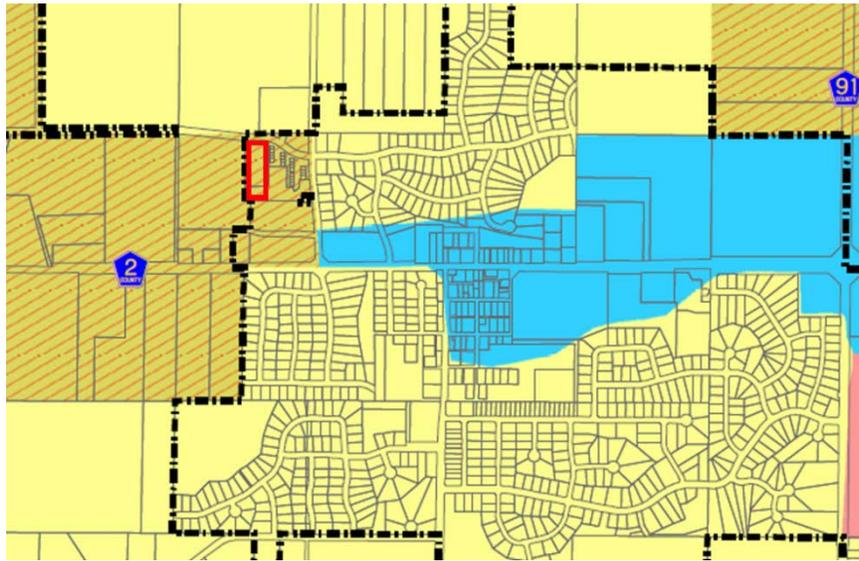
- Outlot D, Dakota Acres, according to the recorded plat thereof, Scott County, Minnesota
AND
- Outlot C, Dakota Acres, according to the recorded plat thereof, Scott County, Minnesota,
EXCEPT that part lying easterly of the east line of Outlot D, said Dakota Acres, and its southerly extension.

Comprehensive Land Use Plan

The City's 2030 comprehensive land use plan guides the property to a "Residential Mixed Use" land use designation. The comprehensive plan contains the following language regarding Residential Mixed Use:

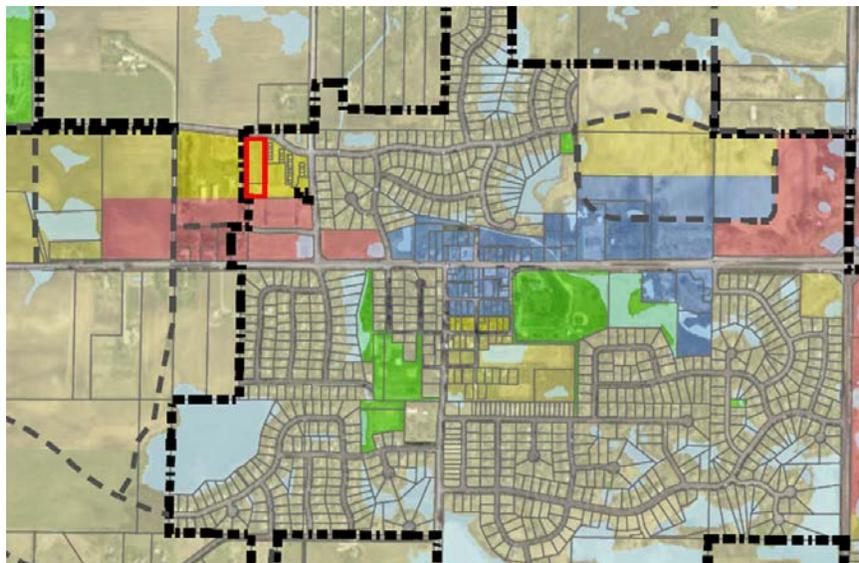
This "Residential Mixed Use" development pattern is based on the Low Density Residential District. However, this District is characterized by a greater proportion of non-single family detached homes at higher densities than the Low Density Residential District. This District is intended to provide an opportunity to create population centers and to accommodate the demand for lifecycle and affordable housing located near activity areas and transportation corridors. The dominant housing form will be single family detached homes (75%). Single family attached homes and multi-family residences are expected to represent 25% of the housing opportunities within the development, and may include townhomes, apartments, and senior residential facilities. Single family attached dwellings will be allowed as permitted uses. Dwellings containing over 4 units should be allowed as conditional uses and may be mixed with detached homes in Planned Unit Developments. Commercial uses will be allowed in a Planned Unit Development if the use provides a service to the neighborhood, or creates a buffer between a residential area or public space and a road or more intensive use. Support facilities that are compatible with neighborhoods and accessory uses are allowed within this District. The guided density in this land use designation is 8 units per net acre, with a range between 5 and 15 units per net acres.

The proposed use of the property for multi-family residential units meets the intent of the guided land use for the area, but has a higher density than intended by the Plan. The Comprehensive Plan calls out a preferred residential density range for the entire Residential Mixed Use area of 5 to 15 units per net acre. The proposed development of 68 units on 3.19 acres is 21.3 units per net acre. A comprehensive plan amendment will be required to account for the high density development.



2030 Comprehensive Land Use Map

The draft 2040 Comprehensive Land Use Plan has the property re-guided to a High Density Residential land use designation, which has a preferred density of 10 to 30 units per acre.



Draft (2040) Comprehensive Land Use Map

Zoning

The property is currently located inside the City limits and is zoned R-4. The purpose of the R-4 district, as stated in the Zoning Ordinance, is as follows:

The purpose of the R-4 High Density Residential District is to create, preserve and enhance areas for multi-family use at higher densities for both permanent and transient families. The district shall be applied in areas served by public utilities, with good accessibility to thoroughfares, public community centers, libraries, shopping, and where such development is consistent with the Comprehensive Plan and planning policies.

Apartments containing more than eight (8) attached units is a permitted use in the R-4 zoning district.

Lot Size / Width

The total property is 3.19 acres / 139,087 square feet, and measures approximately 235' wide by approximately 665' deep. Based on the R-4 zoning district standards the minimum lot size is 15,000 square feet and a minimum lot width of 100'. **The property will meet the minimum lot size requirements in the R-4 zoning district.**

Setbacks

Required setbacks in the R-4 zoning district are as follows:

- Building Setbacks
 1. Front: 30 feet from public right-of-way
30 feet from back of curb line of private drives, guest parking areas
 2. Side: 30 feet
30 feet from side/corner
 3. Rear: 30 feet
- Parking curb cuts from property lines: 5 feet

The submitted concept plan does not meet the required 30' setback from back of curb line of private drives and guest parking areas or (in some places) the 5' parking curb cut setback from property lines. A variance would be required if the setbacks are not met.

Height Requirements

Section 11-25D-10 of the City Code requires that structures shall not exceed 35' in height in the R-4 zoning district. The developer is seeking feedback regarding support for additional height allowance on both buildings. **The submitted elevation model depicts a building height of 41' and 4", which would require a conditional use permit.** The requirements for a conditional use permit are described in greater detail later in this report.

Miscellaneous Design Information

Section 11-5-1 (4)(a) of the Zoning Ordinance states:

Residential Uses: Except as otherwise specified in R-5 Districts, the primary exterior building facade finishes for residential uses shall consist of materials comparable in grade to the following:

- (1) Brick.
- (2) Concrete composite board.
- (3) Stone (natural or artificial).
- (4) Integral colored split face (rock face) concrete block.
- (5) Wood, natural or composite, provided the surfaces are finished for exterior use, or wood of proven exterior durability is used, such as cedar, redwood or cypress.
- (6) Stucco (natural or artificial)/EIFS (exterior insulated finish system).
- (7) Vinyl, steel, aluminum or fiber cement siding.

Section 11-25D-8 (D) also contains exterior building finish requirements for R-4 zoning districts. Specifically, the City Code says that:

A minimum of twenty five percent (25%) of the area of all building facades of a structure shall have an exterior finish of brick, stucco and/or natural or artificial stone.

It appears that the exterior building finish requirements will be met, but Staff will need additional information to verify that the 25% requirement is being met. Staff notes that the Planning Commission does not review the building designs, but that the above requirements are imposed upon the builder.



Section 11-10-3 (B) of the City Code contains the following landscaping requirements for R-4 zoning districts:

B. R-3 Medium Density Residential And R-4 High Density Residential Districts:

- 1. At least fifty percent (50%) of the total site area shall be landscaped. For purposes of this subsection, landscaping shall also include prairies, wetlands, woodlands, ponds, pervious play areas, outdoor tennis courts, and outdoor swimming pools.*
- 2. All areas disturbed by grading which are not built upon, paved or retained as a natural area shall be sodded and/or landscaped unless specifically approved as part of the overall landscape plan.*
- 3. A landscape plan identifying all areas to be sodded and landscaped shall be clearly shown. Foundation planting plans are also required to be at a readable scale. Detailed enlargements may be required if necessary. A planting schedule shall be required. The landscape plan shall describe or diagram the type of edging and mulch cover to be used. The landscape plan shall identify any unique features or special areas of the site which would require special attention, i.e., steep slopes, erosion control matting, retaining walls, natural areas, or wildflower seeding.*
- 4. All properties shall provide inground irrigation systems to all landscaped areas.*

The concept plan proposes 43.6% of the total site area as green space. A landscape plan needs to be submitted and a variance would be required if 50% of the total site area is not landscaped.

Lighting

A lighting plan must be submitted which complies with Section 11-4-7 of the City Code. Exterior lighting shall not exceed .5 foot-candles at the property line when adjoining residential properties, and 1 foot-candle at the property line when adjoining a similar zone and land use.

Tree Preservation

Section 12-9-9 of the City’s Subdivision Ordinance contains Tree Preservation and Replacement regulations, and requires that 40% of the significant trees must be protected as part of the development. A significant tree is defined as follows:

- A hardwood deciduous tree 6” or greater in diameter
- A softwood deciduous tree 12” or greater in diameter
- A coniferous tree 36” in height or greater

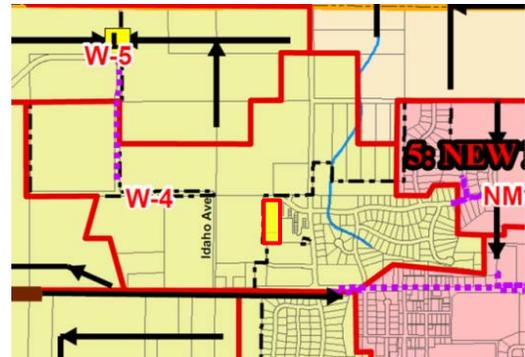
A tree inventory, prepared by a forester or landscape architect, must be completed which identifies the location of all significant trees on the property. If no significant trees exist on the property a statement from a qualified professional must be submitted indicating such.

Easements

Section 12-9-6 of the Subdivision Ordinance requires that 10’ wide perimeter easements and 5’ wide interior easements be dedicated along all lot lines. In areas where public infrastructure (sanitary sewer, water, or stormwater lines) is placed, the easement widths must be increased as recommended by the City Engineer and Public Works Director. Additionally, in areas where grading/drainage swales may be needed to accommodate overland flow, additional easement width may be needed to cover the entire width of the swale. The developer has not yet submitted any grading or utility plans so staff is unable to officially comment regarding additional easement widths that may be needed to cover such infrastructure.

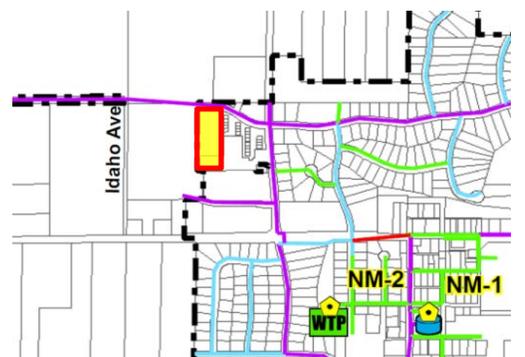
Sanitary Sewer

The developer has not yet submitted any sanitary sewer plans for review so staff comments are limited in nature. Sanitary sewer service is available to the property at James Parkway, where an 8” gravity sanitary sewer line exists. Staff has no concerns with sanitary sewer access into the property. The City’s Sanitary Sewer Plan depicts that sanitary sewer from this property should flow towards the east – into the existing system.



Water

The developer has not yet submitted any water plans for review so staff comments are limited in nature. Water service is available to the property at James Parkway, where a 12” watermain exists. Staff has no concerns with water access into the property.



Stormwater

A stormwater plan has not yet been submitted for review. The subject property lies entirely within the Vermillion Watershed District. The property currently drains east towards the existing stormwater pond located on the north side of James

Parkway. The pond was designed to handle drainage from the site and additional property to the east for the original townhome development. The pond design is considered grandfathered provided that the development of the property is generally consistent with the original development plan from 2006. The proposed stormwater plan will need to be approved by the City Engineer.



Wetlands / Floodplain / DNR Protected Waters

A wetland delineation was prepared by the original Dakota Acres developer in 2006. Although the delineation has since expired, there is no indication that wetlands are present on the property. The City will not require another wetland delineation prior to platting. There are no FEMA designated floodplains or DNR protected waters on the subject property.

Parking

Section 11-9 of the City Code regulates parking. Parking areas must have a perimeter concrete curb barrier around the entire parking lot and the curb barrier must be set back a minimum of 5' from any property line (or entirely outside of drainage & utility easement areas). Parking stalls shall be striped with white or yellow paint not less than 4" wide. Park areas shall be surfaced with concrete, bituminous or pavers. Parking stalls shall be a minimum of 9' x 18' and drive aisles shall be a minimum of 24' in width. The proposed concept plan meets these requirements.

Section 11-9-10 of the Zoning Ordinance requires one and one-half (1.5) parking spaces per one bedroom unit and two and one-quarter (2.25) parking spaces per two bedroom unit, in an off street parking lot or private drive area. A minimum of one parking space per unit shall be an enclosed garage space. In addition, guest parking shall be provided at one-half (.5) parking space per unit, in an off street parking lot or private drive area. The parking stalls must be constructed at the time of development.

The proposed development requires a total of 179 parking spaces, of which at least 68 must be enclosed. The breakdown of the requirements for each building is as follows:

- Building 1 (3 one bedroom units and 25 two bedroom units)
 - Total required: 75 spaces
 - 1 Bedroom: 4.5 spaces
 - 2 Bedroom: 56.25 spaces
 - Guest: 14 spaces
 - Enclosed: 28 of the total required
- Building 2 (8 one bedroom units and 32 two bedroom units)
 - Total required: 104 spaces
 - 1 Bedroom: 12 spaces
 - 2 Bedroom: 72 spaces
 - Guest: 20 spaces
 - Enclosed: 40 of the total required

The concept plan submitted depicts a total of 176 spaces, of which 85 are enclosed. The concept plan meets the enclosed garage space requirements, but needs 3 additional spaces to meet the total number required by the City Code.

Section 11-9-7 outlines circumstances for the reduction in parking requirements:

The city may allow reductions in the number of required parking spaces to be installed under one or more of the following circumstances:

A. The unique characteristics of the proposed use are such that it will generate a need for less parking than the standard of this chapter; or

B. All requests for reductions in the amount of required parking to be installed shall be accompanied by a plan showing where the total required parking spaces can be added on the lot, if necessary, up to the total amount required by this chapter (meeting green area requirements) without requiring a variance.

If the parking requirements are not met a variance would be required.

In addition to the above parking space requirements, section 11-25D-8 (E) contains the garage requirements for R-4 zoning districts as shown below. Staff's opinion is that this section contradicts the regulations stated in Section 11-9-10 (parking) of the Ordinance and believes the below section is intended for a townhome type development. Therefore, staff's opinion is that parking shall be provided which complies with Section 11-9-10 of the Ordinance which requires 179 total parking spaces be provided, 68 of which must be enclosed.

E. Garages: Each dwelling unit shall include an attached garage that shall comply with the following minimum size standards:

1. For dwellings with basements: Four hundred forty (440) square feet.
2. For dwellings without basements: Five hundred forty (540) square feet.
3. Garage width: Twenty feet (20').

Access / Roads / Transportation Issues

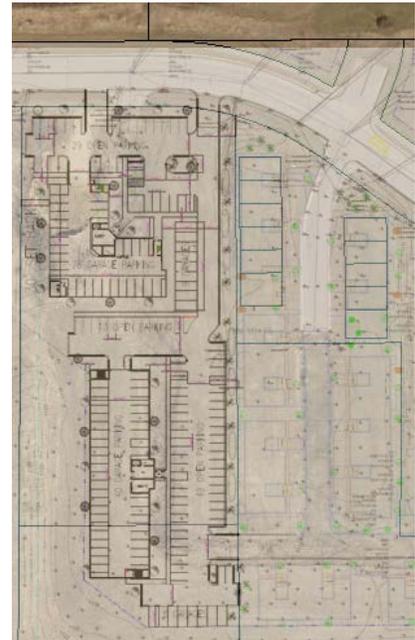
The proposed development borders James Parkway on the north side of the development. James Parkway is a Minor Collector Roadway. The purpose of a minor collector is to collect local traffic and convey it to major collectors and minor arterials. Minor collectors serve short trips at relatively low speeds. Their emphasis is focused on access rather than mobility. There is an existing curb cut off of James Parkway, which is intended to serve as access to the proposed development.

It appears that the proposed development will move the existing curb cut further west. If the curb cut is moved, staff recommends that the access be aligned with the 1st floor parking garage entrance at building 1. The concept plan also proposes a secondary access on James Parkway which aligns with the parking lot drive aisle. Section 11-9-8 of the City Code states that:

Each property shall be allowed one curb cut access for each one hundred twenty five feet (125') of street frontage, except by conditional use permit.

The property has only 231' of street frontage and would thus require a conditional use permit to accommodate two accesses on James Parkway.

The proposed parking lot / drive aisle extends to the property's easterly property line to connect to Oriole Street in the adjacent townhome development, which is a private drive. The connection will require an



agreement with the adjacent homeowners association to ensure cross easements, which allow the connection between the two developments, are in place.

The site plan should include areas identified for snow storage. If the property is to be platted as condominiums, the parking lot area should be under the ownership and control of an association.

Sidewalks & Trails

The City's Subdivision Ordinance requires that concrete sidewalks are constructed on at least one side of all residential streets; the outside edge shall be located one foot from the property line. There are no public streets proposed within the development. The City's Transportation Plan recommends that sidewalks or trails be constructed adjacent to all minor collectors, major collectors, and minor arterial roadways. There is an existing trail along the north side of James Parkway. The City's Park & Trail Plan does not identify any additional trail/sidewalk corridors at the subject property, other than those already existing. **No additional trails or sidewalks are required based on City Code.**

Open Space Requirements

Section 11-25D-8 (M) of the City Code requires that *"In addition to the park dedication requirements stipulated by the city subdivision ordinance, a minimum of ten percent (10%) of the gross development project area shall be in usable open space and recreational use for the project residents. Such areas shall be specifically designed for both the active and passive use by the project residents and may include swimming pools, trails, nature areas, tot lots, exercise equipment, saunas, etc. Said areas and facilities shall be private..."*

Based on the lot size of 3.19 acres (138,956 sq ft), the developer must identify 13,896 sq ft within the development which will fulfill the open space requirement and should identify the proposed recreational facilities.

Parks Related Comments

The City's Subdivision Ordinance requires 10% of the land be dedicated for parks, playgrounds, public open spaces or trails and/or the developer shall make a cash contribution to the City's park and trail fund roughly related to the anticipated effect of the plat on the park and trail system. If no land dedication is required, the park fee is \$2,000 per residential unit.

Input regarding the desire for land versus cash will be sought from the City's Parks Commission. Staff notes that the Parks Commission reviewed a concept plan for an apartment building on this same site on 6/4/16 and recommended cash in lieu of land dedication for the previous proposal.

It is noted that the closest public park is Wagner Park which is classified as a Community Park. Community Parks serve the City as a whole. Wagner Park is the City's most developed park. The park is approximately 0.6 miles from the proposed development, and is separated from the proposed development by Co Rd



2, an A minor arterial roadway. There are also park facilities at Whispering Creek Park (0.6 miles) and the nearby elementary school (0.5 miles).

Police Department Comments

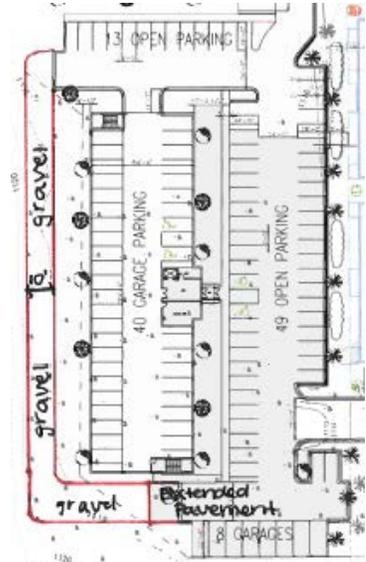
The Police Chief is supportive of the southeastern access via Oriole St. and notes that the parking lot and 1st floor parking garage should be adequately lit.

Fire Department Comments

The Fire Chief recommends that the developer place an eight 8” deep base of heavy gravel under the dirt and grass behind building 2. The Fire Chief suggests that the gravel span the length of the building and be 10’ wide. The placement of gravel behind the building would allow fire trucks to travel over the parking lot curbs and behind the building in order to fight fires. Because of the gas line easement that exists on the property, this recommendation would be subject to approval from the Northern Natural Gas Company.

The Fire Chief also recommends extending the parking surface south of building 2 further west to allow space for fire trucks to turn around. This recommendation is especially important if the developer decides to eliminate the Oriole St. access into the property. Neither recommendation is required under City Code.

In addition, the location of fire hydrants will need to be reviewed once a utility plan has been submitted.



Building Official Comments

Comments from the Building Official have not been solicited at this time.

School District Impacts

The proposed development is in the New Prague School District. According to the New Prague Superintendent of Schools, the City of Elko New Market has an average of .55 students per household within the district. Using this statistic, the proposed development would add an estimated 38 students to the school system once fully developed.

Deviations from City Code

The following table contains a summary of deviations from the City Code based on the materials submitted for review:

	Global Properties Request	Process
Density (2030 Comp Plan)	Increase maximum guided density from 15 units per acre to 21.3 units per acre	Land Use Application (Comp Plan Amendment)
Internal Setbacks (Section 11-25D-9 (C))	Allow buildings less than 30’ from private drives and parking areas & parking curb cuts less than 5’ from property lines	Variance
Building Height (Section 11-25D-10)	Allow buildings to exceed the maximum 35’ height requirement	Conditional Use Permit
Landscaping (Section 11-10-3(B))	Allow less than 50% of the total lot area to be landscaped	Variance
Parking (Section 11-10-3(B))	Allow reduction in parking requirements	Variance

Based on the number of deviations from the Code, staff recommends that the developer apply for Planned Unit Development (PUD) zoning. The purpose of the PUD district, as stated in the Zoning Ordinance, is as follows:

The purpose of the PUD planned unit development district is to provide comprehensive procedures and standards intended to allow flexibility in the development of residential neighborhoods and/or nonresidential areas that would not be possible under a conventional zoning district. The decision to zone property to a PUD is a public policy decision for the city council to make in its legislative capacity.

PUD zoning applications are to be processed according to the evaluation criteria and procedures used for conditional use permits (Section 11-3-2 of the City Code). If PUD zoning is not utilized, the criteria outlined in the following sections would need to be met / justified for each conditional use permit and variance request.

Conditional Use Permit Request Needed For Additional Building Height & Access Curb Cuts

As noted earlier in this report, the developer is seeking feedback regarding additional height allowance as permitted through a conditional use permit. The primary reason for the additional height is so that the design / construction can accommodate enclosed garages and windows on the 1st floor parking garage of both buildings.



The proposed concept plan would also require a conditional use permit to allow two accesses into the property off of James Parkway. An additional access would improve site circulation and potentially minimize traffic conflicts within the site.

The Planning Commission and City Council must carefully consider the circumstances and criteria for granting conditional use permits. The City’s Zoning Ordinance states the following:

The purpose of a conditional use permit is to provide the city with a reasonable degree of discretion in determining the suitability of certain designated uses upon the general welfare, public health and safety. In making this determination, whether or not the conditional use is to be allowed, the city may consider the nature of the adjoining land or buildings, the effect upon traffic into and from the premises, or on any adjoining streets, and all other or further factors as the city shall deem a prerequisite of consideration in determining the effect of the use on the general welfare, public health and safety.

Section 11-3-2 (C) of the Zoning Ordinance identifies the following criteria for granting a conditional use permit:

C. Criteria: The planning commission shall consider possible effects of the proposed conditional use. Its judgment shall be based upon, but not limited to, the following factors:

1. *The proposed action has been considered in relation to the specific policies and provisions of and has been found to be consistent with the official city comprehensive plan.*
2. *The proposed use is or will be compatible with present and future land uses of the area.*
3. *The proposed use conforms with all performance standards contained in this title.*
4. *The proposed use can be accommodated with existing public services and will not overburden the city's service capacity.*
5. *Traffic generation by the proposed use is within capabilities of streets serving the property.*

In addition, section 11-5-2 (B) outlines additional criteria specifically for an additional height allowance conditional use permit:

B. Additional Height Allowance: Building heights in excess of the standards noted in subsection A of this section may be permitted through a conditional use permit; provided, that:

1. *The site is capable of accommodating the increased intensity of use.*
2. *The increased intensity of use does not cause an increase in traffic volumes beyond the capacity of the surrounding streets.*
3. *Public utilities and services including fire protection services are adequate.*
4. *For each additional ten feet (10') above thirty five feet (35'), front and side yard setback requirements shall be increased by five percent (5%).*
5. *The provisions of section 11-4-5 of this title are considered and satisfactorily met.*

In granting the conditional use permits, the criteria in Section 11-3-2 (C) would need to be met / justified. The criteria outlined in Section 11-5-2 (B) would also need to be met / justified for the additional height allowance conditional use permit.

Variance Requests Needed for Internal Setbacks, Landscaping, & Parking

Section 11-3-7 of the City Code contains criteria for granting variances within the City. The purpose of a variance is to provide for deviations from the literal provisions of the Code in instances where their strict enforcement would cause practical difficulties because of circumstances unique to the individual property under consideration, and to grant such variances only when it is demonstrated that such actions will be in keeping with the spirit and intent of the Code. The criteria, as taken directly from the City Code, are shown below. Any proposed variances would need to be evaluated against the criteria below.

D. Criteria: The board of adjustments and appeals shall not approve any variance request unless they find that failure to grant the variance will result in practical difficulties. The following criteria must also be met:

- 1) *That the variance would be consistent with the comprehensive plan.*
- 2) *That the variance would be in harmony with the general purpose and intent of this title.*
- 3) *That the purpose of the variance is not based exclusively upon economic considerations.*
- 4) *That the plight of the landowner is due to circumstances unique to the property not created by the landowner.*
- 5) *That the granting of the variance will not alter the essential character of the neighborhood in which the parcel of land is located.*
- 6) *That the property owner proposes to use the property in a reasonable manner not permitted by this title.*
- 7) *That the requested variance is the minimum action required to eliminate the practical difficulty.*
- 8) *That the proposed variance does not involve a use that is not allowed within the respective zoning district.*

E. Practical Difficulties Defined: "Practical difficulties", as used in connection with the granting of a variance, means that:

- 1) *The property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance; and*
- 2) *The plight of the landowner is due to circumstances unique to the property not created by the landowner; and*
- 3) *The variance, if granted, will not alter the essential character of the locality.*

Economic considerations alone shall not constitute practical difficulties. Practical difficulties include, but are not limited to, inadequate access to direct sunlight for solar energy systems.

State Law Pertaining to Variance Requests

Minnesota Statute 462.357 Subd. 6 provides a mechanism for cities to grant variance requests when “practical difficulties” have been determined. Under the statutory practical difficulties standard, a landowner is entitled to a variance if the facts satisfy the three-factor test of (1) reasonableness, (2) uniqueness, and (3) essential character.

- 1) **Reasonableness.** Does the landowner propose to use the property in a reasonable way but cannot do so under the provisions of the ordinance?
- 2) **Uniqueness.** Is the landowner’s problem due to circumstances unique to the property not caused by the landowner? The uniqueness generally relates to the physical characteristics of the piece of property and economic considerations alone cannot create practical difficulties.
- 3) **Essential Character.** Will the variance, if granted, alter the essential character of the neighborhood? Would the resulting structure be out of scale, out of place, or otherwise inconsistent with the surrounding area?

Staff Recommendation

Staff generally finds the preliminary concept plan layout and proposed land use acceptable for the following reasons:

1. The proposed development generally meets the intent of the 2030 Comprehensive Plan which guides the property to a Residential Mixed Use District.
2. The proposed development meets the intent of the 2040 draft Comprehensive Land Use Plan, which guides the property as High Density Residential and has a preferred density of 10 to 30 units per acre.
3. Apartments containing more than eight (8) units are a permitted use in the R-4 zoning district.
4. The proposed development is compatible with the adjacent land uses.

Staff recommends the following conditions:

1. The required front and side yard building setback shall be increased from the required 30’ to 31.5’.
2. The requirements of Section 11-4-5 of the City Code pertaining to essential services must be satisfactorily met.
3. Public utilities and services including fire protection services are adequate.
4. Parking shall be provided which complies with Section 11-9-10 of the Zoning Ordinance, requiring 179 total parking spaces, 68 of which must be enclosed. Proof of circumstances allowing the reduction in parking, as outlined in Section 11-9-7, and an application for variance must be submitted if the requirement is not proposed to be met.
5. Snow storage areas must be identified on the site plan.
6. A landscape plan meeting the requirements of Section 11-10-3 (B) of the Zoning Ordinance needs to be submitted, depicting 50% of the total site area landscaped. An application for variance must be submitted if the requirement is not proposed to be met.
7. A lighting plan meeting the requirements of Section 11-4-7 of the City Code must be submitted.
8. A tree inventory, prepared by a forester or landscape architect, must be submitted which identifies the location of all significant trees on the property. If no significant trees exist on the property a statement from a qualified professional must be submitted indicating such.
9. Perimeter drainage & utility easements must be dedicated on the final plat, along with easements covering the sanitary sewer and water mains serving the development.

10. Grading and utility plans will need to be submitted and approved by the City Engineer and Public Works Director.
11. The connection of the proposed drive aisle to the adjacent townhome development will require an agreement and cross easements with the adjacent homeowners association.
12. The developer must identify 13,896 square feet within the development, and a description of the proposed recreational facilities, which will fulfill the open space requirements of Section 11-25D-8 (M) of the Zoning Ordinance.

Staff notes the following:

1. The concept plan has higher density than intended by the 2030 Comprehensive Plan. An application for a Land Use Permit requesting a Comprehensive Plan Amendment would be required.
2. An application for a conditional use permit would need to be submitted to allow for additional building height and a second access off James Parkway.
3. An application for variance would need to be submitted to allow for shorter setbacks, less landscaped area, and fewer parking spaces than required by the City Code.
4. Because of the number of deviations from the City Code, a Land Use Permit application for PUD zoning is recommended.
5. Additional information will need to be submitted to determine if the buildings meets the requirement that 25% of all building facades have an exterior finish of brick, stucco and/or natural or artificial stone.
6. Further input will be sought from the City's Parks Commission regarding the desire for land versus cash.
7. Building Inspection Department input has not been sought regarding the current concept plan.
8. The development, as proposed, would require preliminary & final plat, land use, variance, and conditional use permit applications.

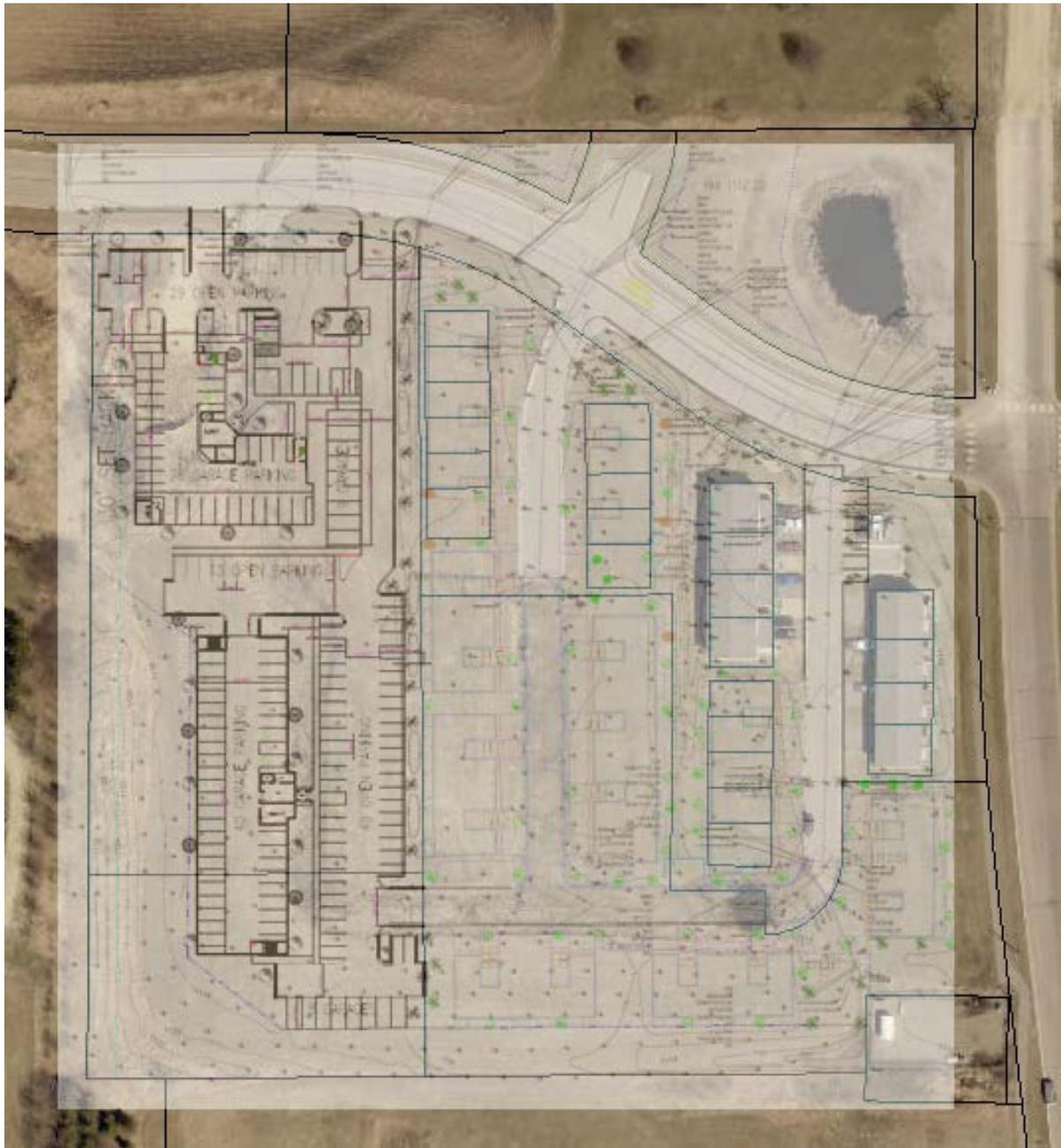
Attachments:

Location maps

Concept plan prepared by RHA, containing 2 sheets

Building design rendering







SITE AREA = 138,698 SF OR 3.184 ACRES
 BUILDING NO1 AREA = 11,662 SF
 BUILDING NO2 AREA = 14,658.8 SF
 PARKING AND WALKS AREA = 47,900.4 SF
 GARAGE AREA = 4053.25SF
 TOTAL SITE COVERAGE = 78,274.45 OR 56.4%
 GREEN SPACE = 60,423.55 OR 43.6%
 20,400 SF FOR CREDIT FOR ENCLOSED GARAGE UNDER BUILDING

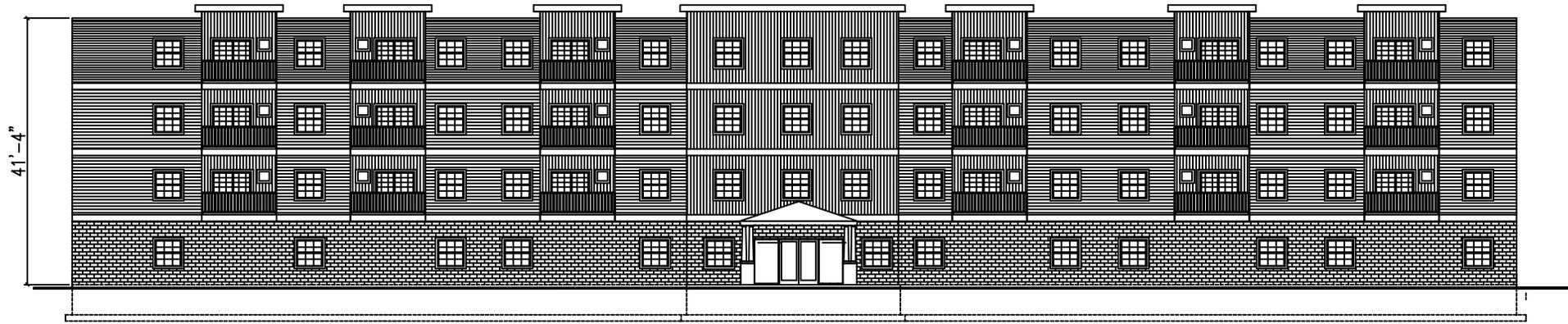
SITE DATA
PARKING
 28 UNIT BUILDING REQUIRED
 PARKING FOR ONE BEDROOM UNITS 1.25 PER UNIT
 PARKING FOR TWO BEDROOM UNITS 2.25 PER UNIT
 1/2 FOR GUEST PARKING
 3- ONE BEDROOM UNITS =3.75 SPACES
 25- ONEBEDROOM UNITS =56.25 SPACES
 GUEST PARKING = 14 SPACES
 TOTAL OPEN PROVIDED = 29 SPACES
 OPEN = 29 SPACES
 ENCLOSED = 37 SPACES
 TOTAL REQUIRED = 74 SPACES REQUIRED
 TOTAL PROVIDED = 74 SPACES REQUIRED

40 UNIT BUILDING REQUIRED
 PARKING FOR ONE BEDROOM UNITS 1.25 PER UNIT
 PARKING FOR TWO BEDROOM UNITS 2.25 PER UNIT
 1/2 FOR GUEST PARKING
 8- ONE BEDROOM UNITS =10 SPACES
 32- ONEBEDROOM UNITS =72 SPACES
 GUEST PARKING = 20 SPACES
 TOTAL OPEN PROVIDED = 49 SPACES
 OPEN = 49 SPACES
 ENCLOSED = 48 SPACES
 TOTAL REQUIRED = 102 SPACES REQUIRED
 TOTAL PROVIDED = 102 SPACES REQUIRED

- PLANTING LEGEND**
- 19 BLACK HILLS SPURCE 6" B4B
 - 20 WHITE SPINE BIRCH 6"
 - 4 RIVER BIRCH 10" B4B
 - 2 HACKBERRY 3" B4B
 - 16 AUTUM PURPLE ASH 3" B4B
 - 6 PURPLE LEAF PLUM 3 GAL
 - 2 2-2 1/2" B4B
 - 10 ANTHONY WARRERER SPIREA 15"
 - 8 GRO-LAU FRAGRANT SUMAC 15"
 - 6 LITTLE PRINCESS SPIREA 15"
 - 15 ISANTI DOGWOOD 2"
 - 4 SCANDIA JUNIPER 15"
 - 36" HIGH HRDGES

APARTMENTS SITE PLAN
 1" = 40' - 0"

EXCAVATION CONTRACTOR TO LOCATE LARGE ROCKS DISCOVERED DURING EXCAVATION TO AREAS AS DIRECTED BY GC
 LANDSCAPE CONTRACTOR TO PROVIDE PRICE FOR WORK SHOWN WITHIN ALLOWANCE AS SPECIFIED (PROVIDE ALTERNATE LAYOUT IF LAYOUT SHOWN DOES NOT MEET ALLOWANCE)





ONYX



601 Main Street
Elko New Market, MN 55054
phone: 952-461-2777 fax: 952-461-2782

MEMORANDUM

TO: PLANNING COMMISSION
FROM: HALEY SEVENING, COMMUNITY DEVELOPMENT INTERN
RENEE CHRISTIANSON, COMMUNITY DEVELOPMENT SPECIALIST
RE: PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING
MARKET
DATE: MAY 28, 2019

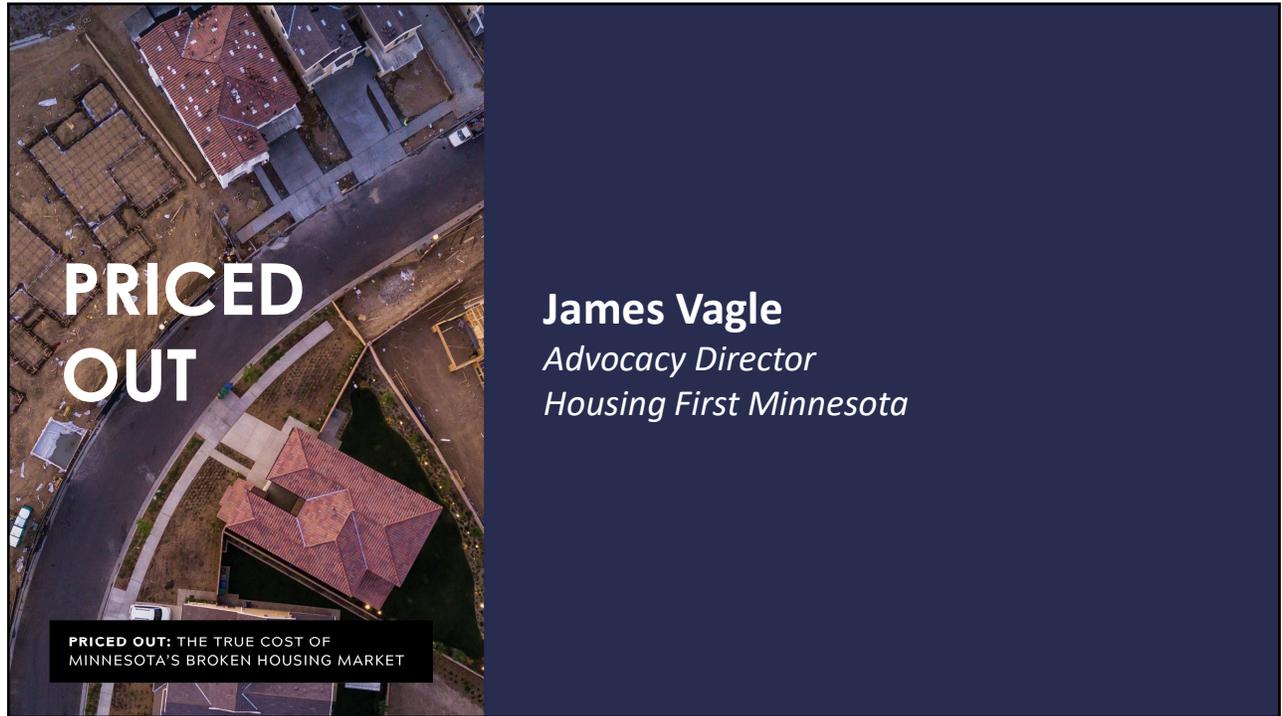
Background / History

In February of 2019, Housing First Minnesota's Housing Affordability Institute released a report titled *Priced Out: The True Cost of Minnesota's Broken Housing Market*. The report argues that local, state, and federal rules and regulations in Minnesota are increasing the cost of housing and making it less affordable for many homebuyers. The report does not suggest that the rules and regulations are inappropriate, but rather highlights the impacts that they have on Minnesota's housing market (as compared to other Midwestern markets) and makes policy recommendations to address the challenge of housing affordability.

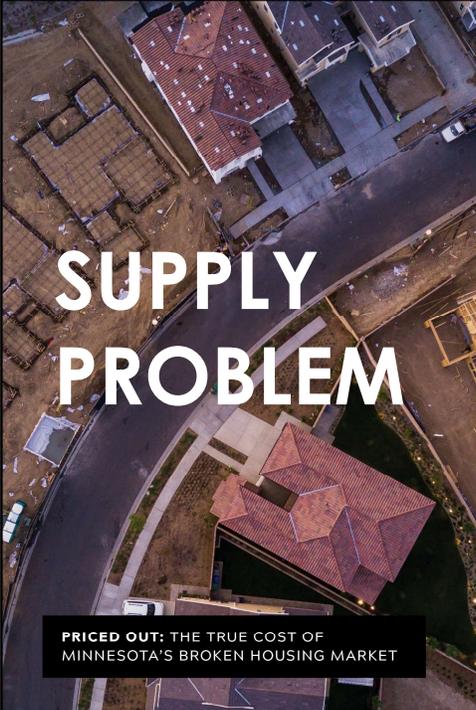
The full report and a summary presentation are attached. Staff do not expect that the entire report be read prior to the meeting, but wanted to share the information with the Planning Commission as it has become popular in the media and is making its way through the Minnesota Legislature. Moreover, the information provides context for future discussions about development fees, housing policy, and housing affordability.



1



2

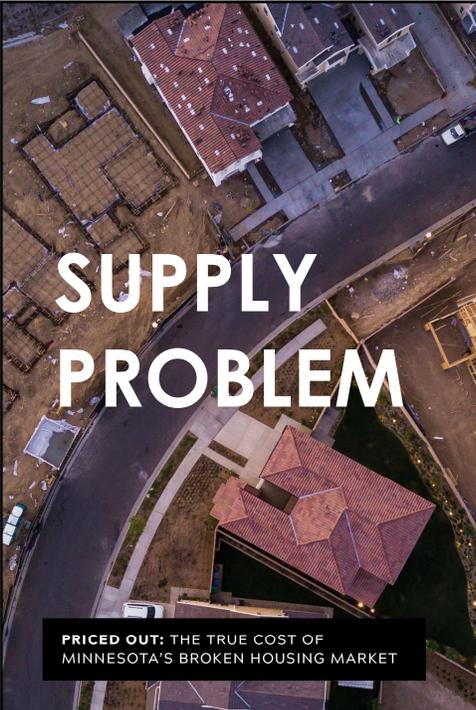


SUPPLY PROBLEM

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- Past Year: Housing costs and interest rate hike equals **18% increase in principal and interest.**
- 2010-2017: Added **83,000 households**, but only **64,000 housing units.**
- 2018 Task Force: **Need to add 30,000 units/year.**
- Met Council: Production of affordable housing (single family & townhome) reached a **new low in 2017**
- Census: **Second lowest vacancy rate** in U.S.

3



SUPPLY PROBLEM

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- Builders can **no longer build** new, entry-level homes.
- Inability to deliver affordable new housing units **increases housing costs for all.**
- Existing home prices rise as buyers struggle to find an existing home with record-low inventory.
- Low Inventory increases demand on rental units, **raising rents.**
- Addressing supply challenge is not possible without **reimagining of all housing policies.**

4

M/I HOMES MIDWEST MARKET COMPARISONS



Findlay Plan

Lakeville, MN
Starting At \$375,990
4-5 Beds
2-3 Baths
2-3-Car Garage
2,400-2,432 q. Ft.



Findlay Plan

Westerville, OH
Starting At \$293,900
4 Beds
2 Baths
2-Car Garage
2,317-2,340 Sq. Ft.
\$82,090 Cost Savings
22% Less



Findlay Slab Plan

Indianapolis, IN
Starting At \$231,990
4 Beds
2 Bath
2-3-Car Garage
2,315-2,336 Sq. Ft.
\$144,000 Cost Savings
38% Less

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

5

M/I HOMES MIDWEST MARKET COMPARISONS



Alexander Plan

Minnetrista, MN
Starting At \$460,990
4 Beds
2 Baths
3-Car Garage
2,792-2,952 q. Ft.



Eastman Plan

<p>Hudson, WI Starting At \$400,900 4 Beds 2 Baths 3-Car Garage 2,792-2,952 q. Ft. \$60,000 Cost Savings 13% Less</p>	<p>Lockport, IL Starting At \$342,990 4 Beds 2 Baths 2-Car Garage 2,783-2,870 Sq. Ft. \$118,000 Cost Savings 25% Less</p>
<p>Shorewood, IL Starting At \$318,990 4 Beds 2 Bath 2-3-Car Garage 2,783-2,870 Sq. Ft. \$144,000 Cost Savings 34% Less</p>	

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

6

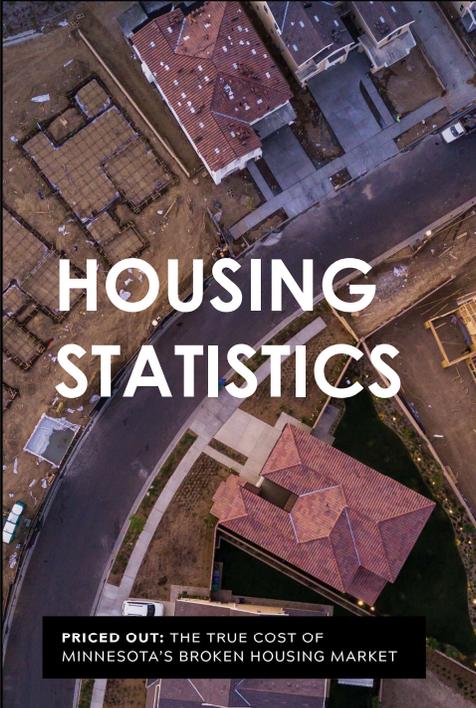


MINNESOTA'S COST PROBLEM

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- **Undeniably** costs too much to build here.
- Land Shortage is a factor of **government policies**.
- Twin Cities has enough sewer capacity.
- **Underutilizing** available sewer capacity.
- Market **overvalues** MUSA land, **undervalues** non-MUSA land.
- Land costs **reward** building farther out.
- More efficient land use requires **increased flexibility**: smaller yards, larger footprint, etc.

7

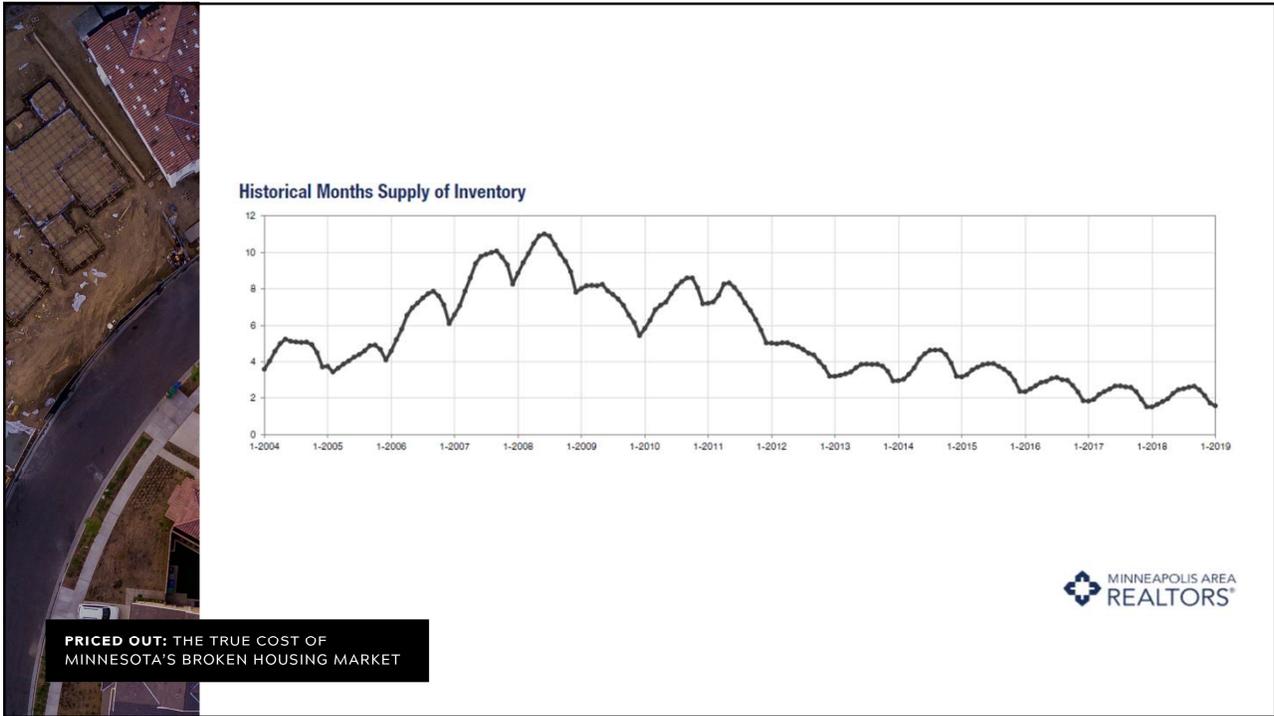


HOUSING STATISTICS

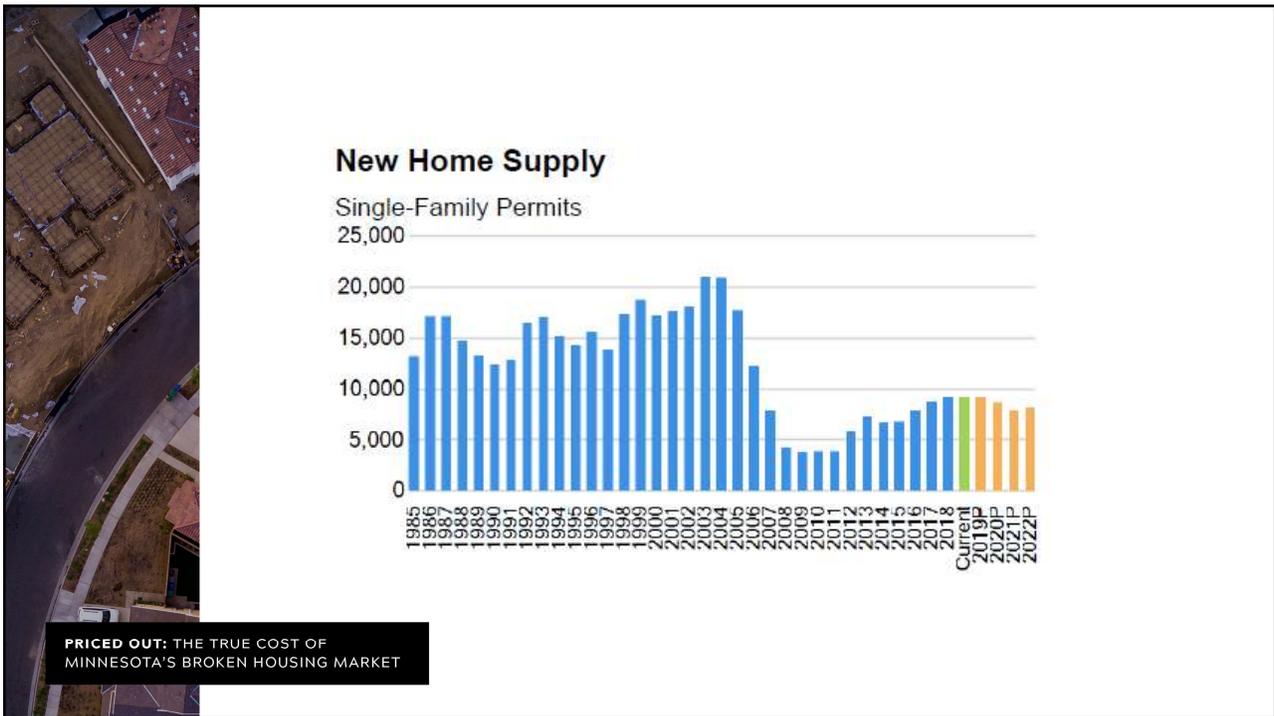
PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

No shortage of indicators of a housing affordability crisis in Minnesota.

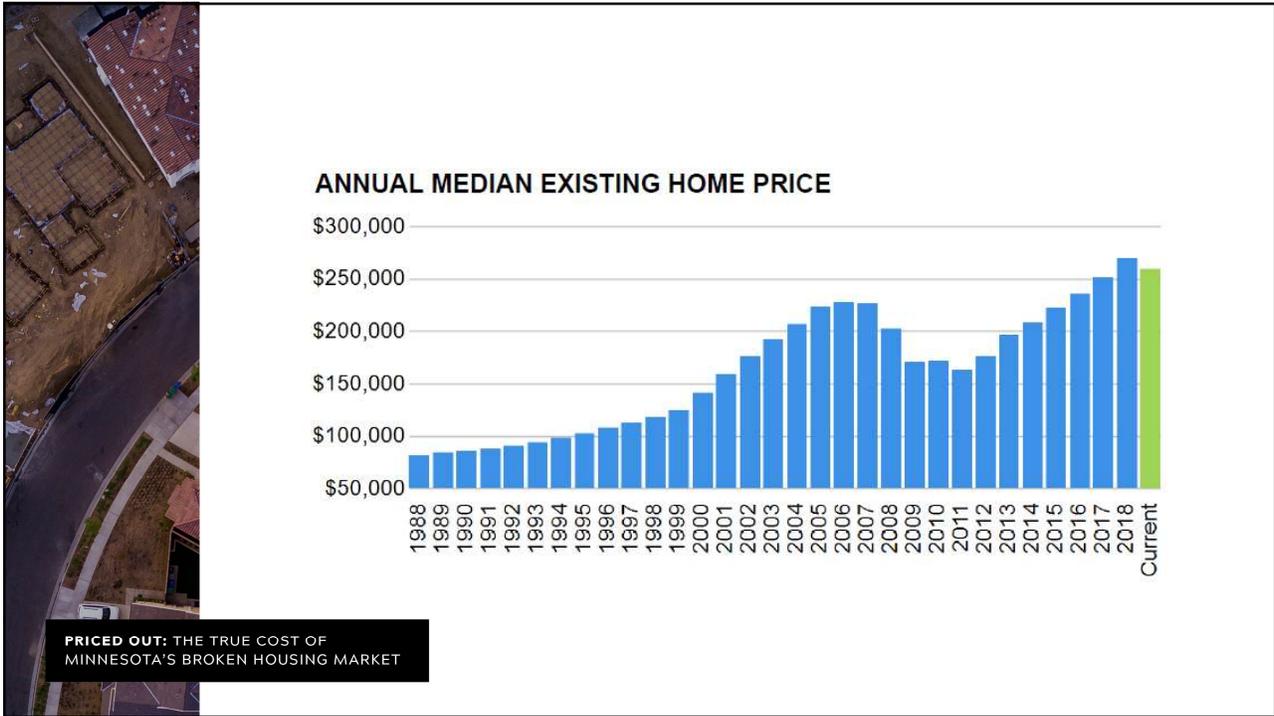
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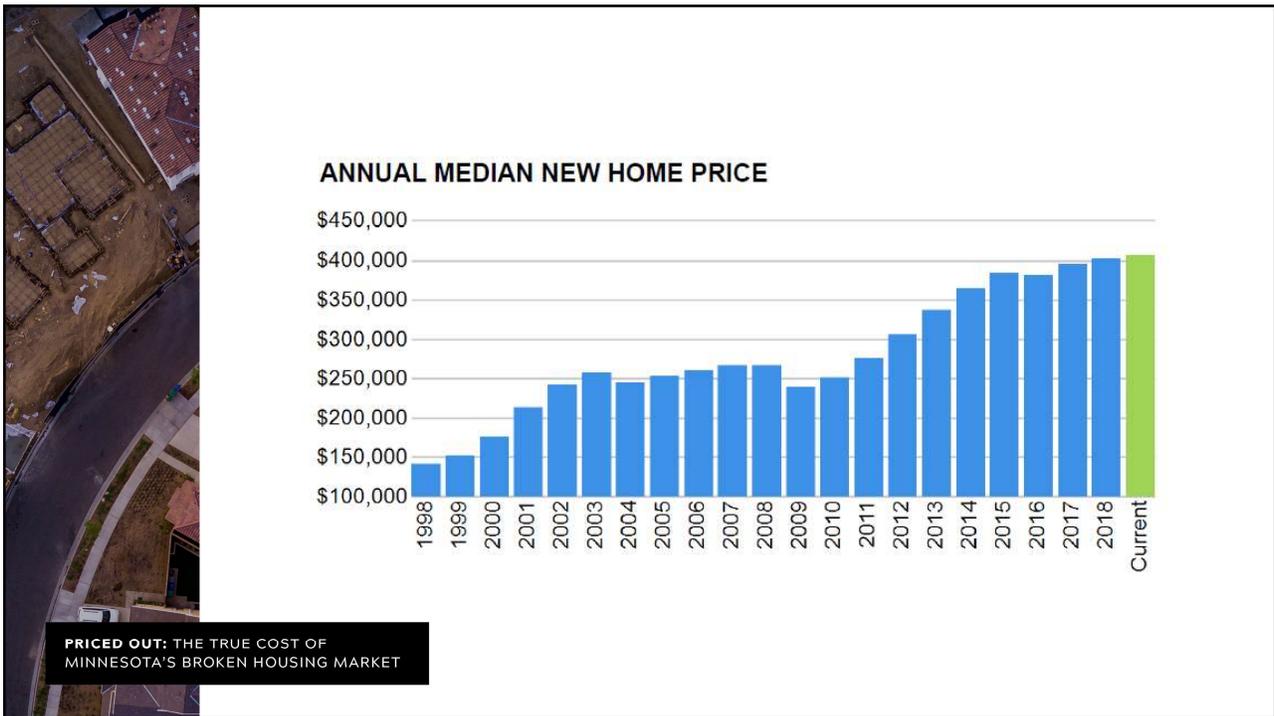
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12



PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

Percentage Who Can Qualify

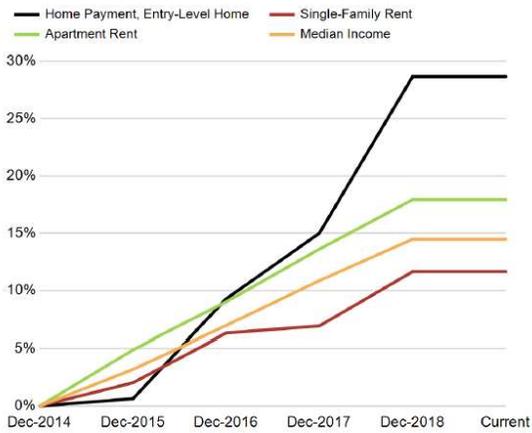


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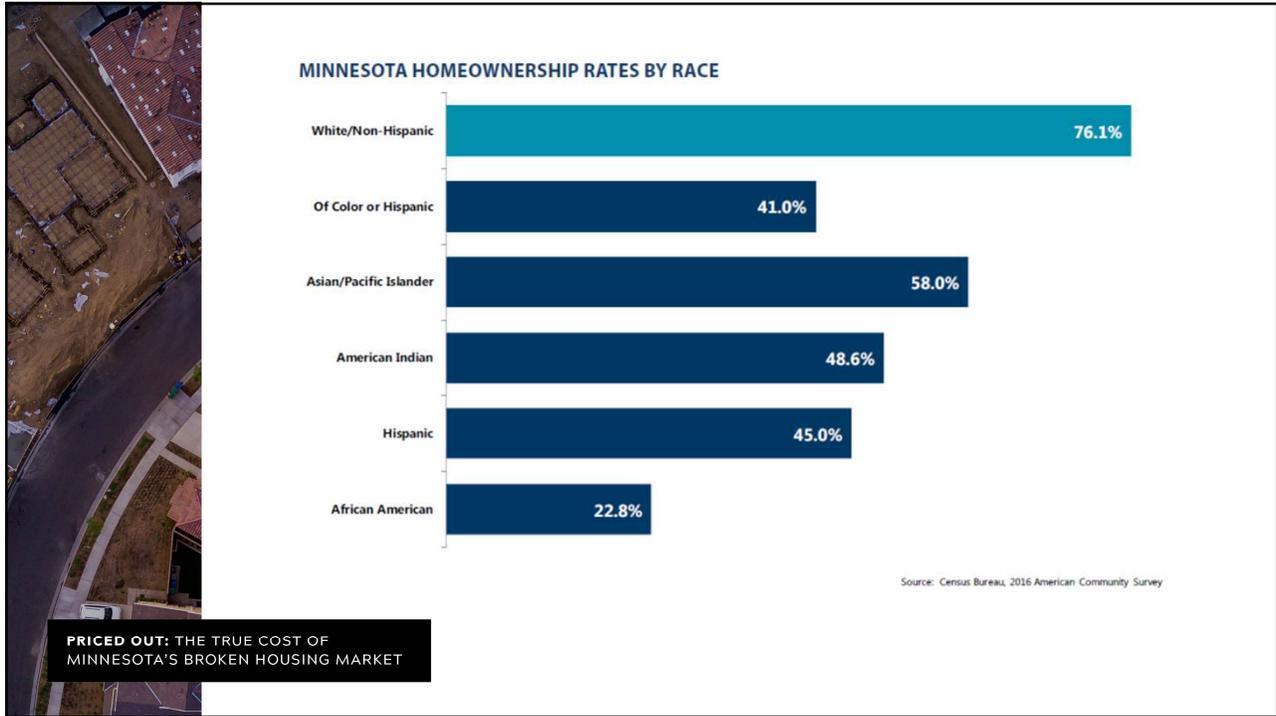
PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

Change in Payment, Rents and Income
(Cumulative Growth From 2014 to Current)

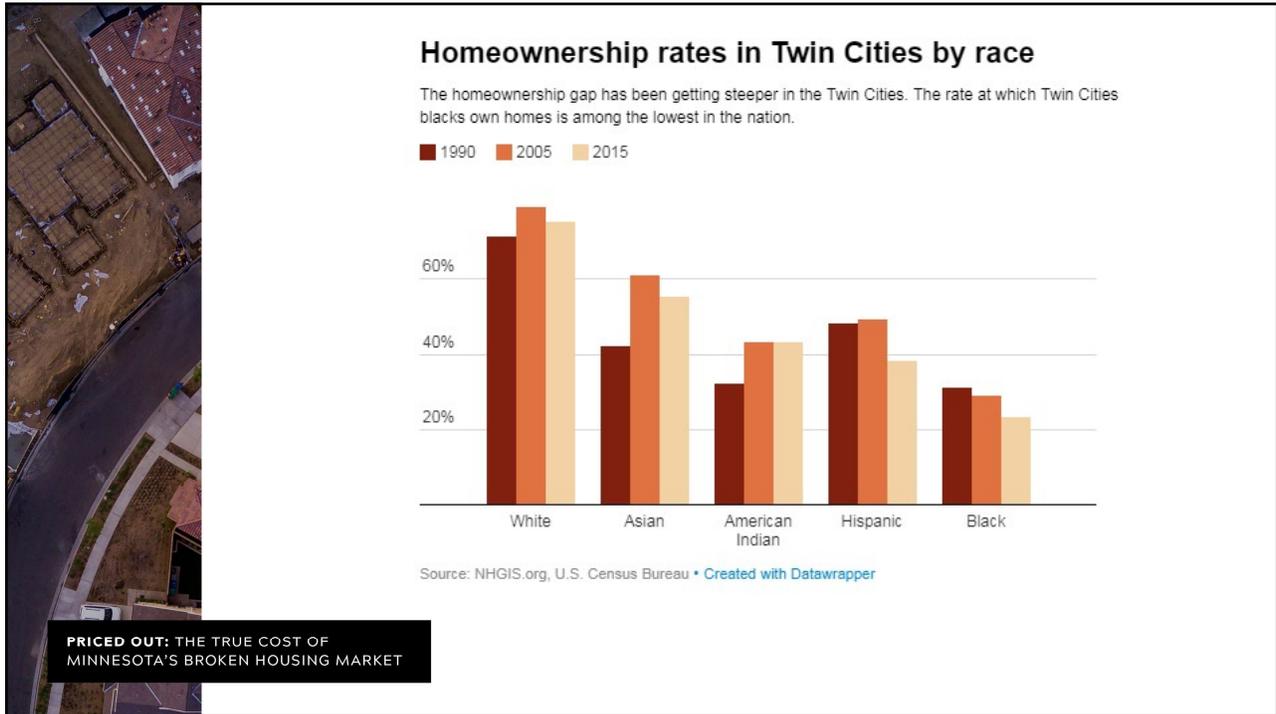


HISTORY: 2014 to Current Cumulative Growth	
Home Payment, Entry-Level Home	29%
Single-Family Rent	12%
Apartment Rent	18%
Median Income	14%

14



15

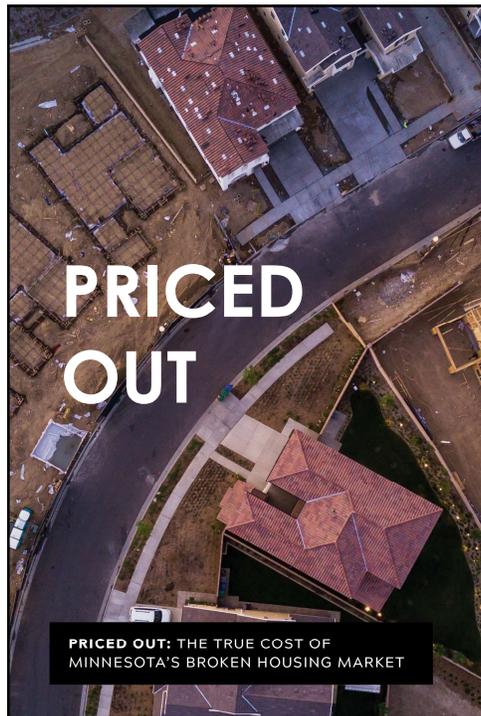


16



- Industry, local, regional and state agencies **must collaborate on reducing housing costs.**
- Place affordability **equal** to local control, safety, durability and resource protections, not pit against.
- Find **innovative ways** to delivery more affordable housing of all types.
- **Increase land** availability.
- Fixing housing requires **increasing supply of affordable homes.**

17



Nicholas Erickson
Regulatory Affairs Manager
Housing First Minnesota

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PRICED OUT

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

Is...	Is Not...
<ul style="list-style-type: none"> • First serious attempt at common language • Is broad inventory of regulatory costs and entities • A call for a fundamental reimagining of policies • First step in a broad-based policy discussion 	<ul style="list-style-type: none"> • A finished product or perfect format • An attack on a any regulator or their policies • A call for reforms of a specific policy or regulation • A conclusion

19

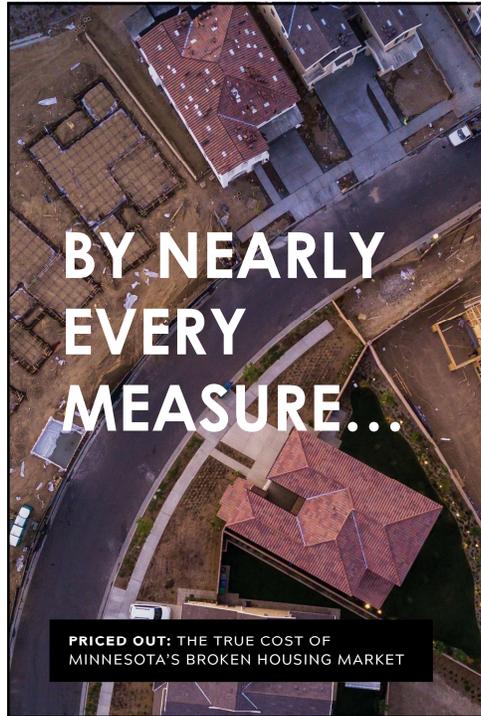


PRICED OUT

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

<ul style="list-style-type: none"> • What goes into the price of a new home in the state's largest housing market? • Why can the price of the same home from the same builder vary from city to city? 	<ul style="list-style-type: none"> • How does the Twin Cities compare to other Midwest markets? • Start the conversation about collaborating on reducing the cost of new housing.
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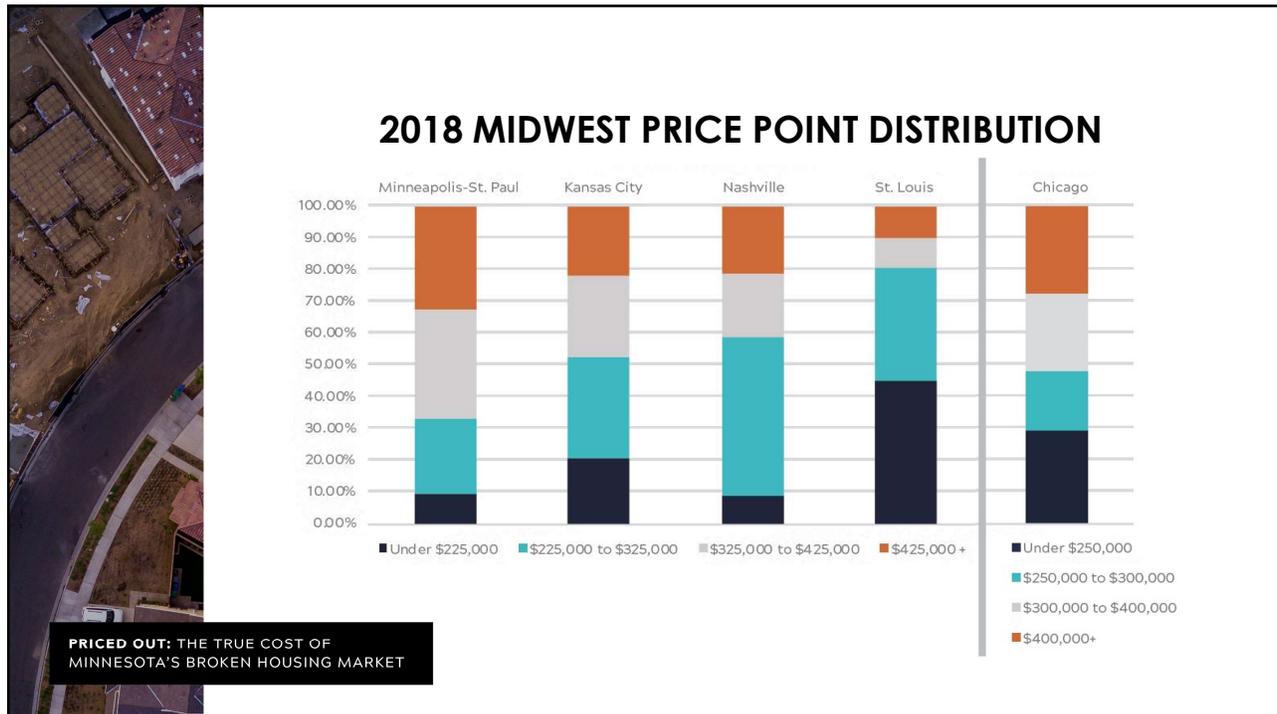
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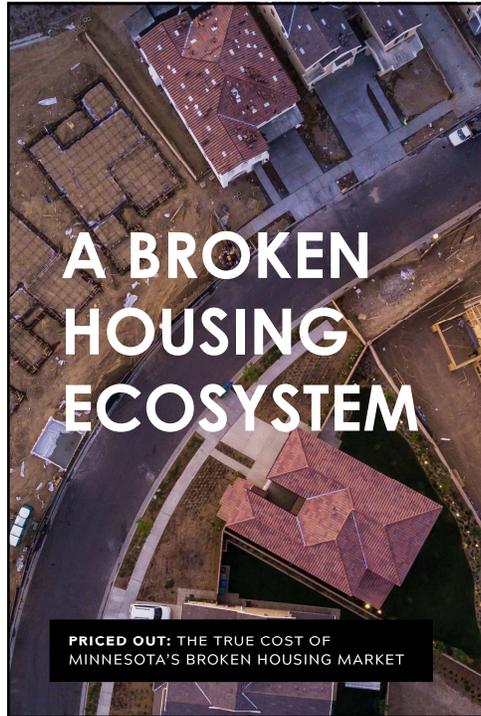
... new homes in the region cost more than in comparable Midwest markets.

- New, entry-level single, family homes have all **but disappeared**.
- Home builders are **unable to deliver** the new, entry-level homes the market demands.
- Minnesota's largest housing market is **no longer capable of supplying new, affordable housing** for the middle class.
- **Priced Out** highlights what driving up new home prices, proposes a path forward.

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22



- One of the highest gaps between new and existing home prices in the nation.
- Up to one-third of a new home's price is attributable to housing polices and regulations.
- Market is critically under-supplied.
- The same home in the eastern Twin Cities costs \$47,000 more than in Hudson, Wisc.
- A new home in the Twin Cities costs up to 25 percent more than a similar home built by the same builder in the southwestern Chicago suburb.

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UNPRECEDENTED CONSENSUS



FEDERAL RESERVE BANK of MINNEAPOLIS



HOUSING FIRST
MINNESOTA
HOUSING AFFORDABILITY
INSTITUTE



Securing Minnesota's Housing Future
The Governor's Task Force on Housing



METROPOLITAN
COUNCIL



NAHB
National
Association
of Home
Builders



JCHS
JOINT CENTER FOR
HOUSING STUDIES
OF HARVARD UNIVERSITY



BROOKINGS
URBAN
INSTITUTE

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

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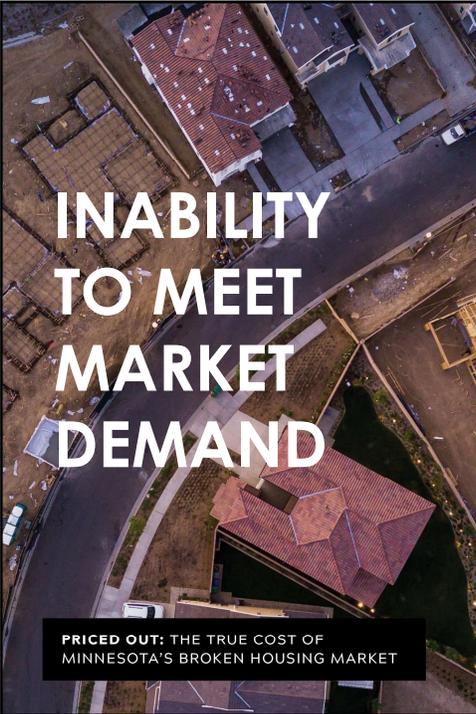


RECEPTION

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- Policy Thought Leaders: **Unprecedented consensus.**
- Legislature: **Strong bipartisan support** and acknowledgement of affordability issues.
- Housing Industry: **Called for reforms and spoke of problem** for years.
- Local Government: Ongoing dialogue.

25

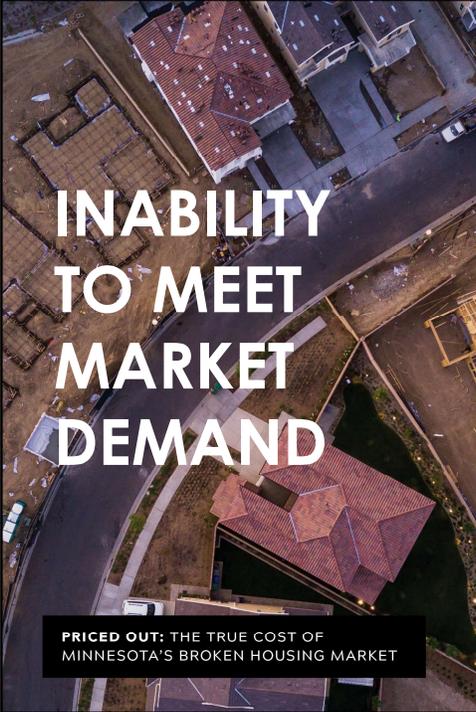


INABILITY TO MEET MARKET DEMAND

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- Builders in the region are **unable to meet the demand** for new, entry-level homes.
- These homes exist in **other Midwest markets.**
- Analyzed data from **four homebuilders in eight Minnesota cities.**
- Corcoran and Lake Elmo, Minn., compared to Hudson, Wisc.
- Blaine, Lakeville and Victoria, Minn., compared to southwest Chicago suburbs.
- Twin Cities and Midwest **comparisons point to cost drivers.**

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INABILITY TO MEET MARKET DEMAND

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- Housing policies and regulations at the center of cost differences.
- **Up to one-third** of a new home's price is attributable to housing polices and regulations.
- **No single entity** is to blame.
- **No single policy** to fix.
- Cost of housing policies is often **secondary to other goals, or not even considered.**
- Little to no awareness of the **cumulative cost** of all housing policies.

27

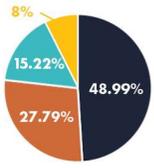


BUILDER A
1,750 SQ. FT. HOME
2 BEDROOMS, NO BASEMENT

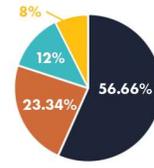
TOPLINE CATEGORIES	CORCORAN, MN	LAKE ELMO, MN	HUDSON, WI
Land Costs	\$103,646.96	\$87,995.00	\$70,219.00
Construction Costs	\$182,745.04	\$213,597.00	\$183,874.00*
Administrative Costs	\$56,758.80	\$45,238.80	\$44,548.00
Profit	\$29,839.20	\$30,159.20	\$31,349.00
Home Price	\$372,990.00	\$376,990.00	\$329,990.00
Efficiency Rating (HERS)	58	54	N/A

*Builder A reported that its Wisconsin homes are constructed almost identical to those built in Minnesota.

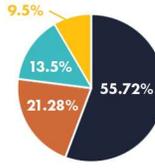
TOTAL HOME COSTS



33.41%
CORCORAN, MN



26.48%
LAKE ELMO, MN



14.86%
HUDSON, WI

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

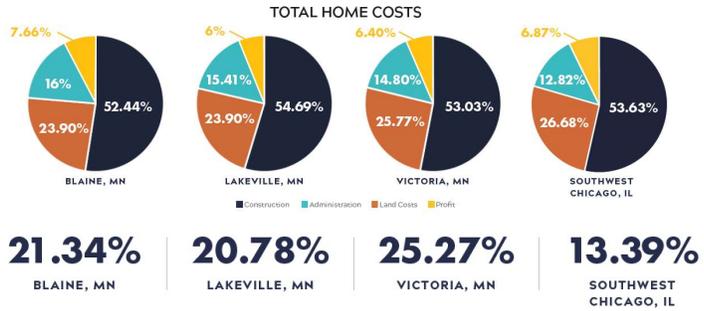
28



PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

BUILDER B
 2,500 SQ. FT. HOME (MN); 2,600 SQ. FT. (IL)
 4 BEDROOMS, UNFINISHED BASEMENT

TOPLINE CATEGORIES	BLAINE, MN	LAKEVILLE, MN	VICTORIA, MN	SOUTHWEST CHICAGO, IL
Land Costs	\$97,214	\$99,271	\$104,799	\$88,584
Construction Costs	\$213,252	\$220,412	\$219,551	\$178,045
Administrative Costs	\$65,067	\$59,128	\$63,145	\$42,572
Profit	\$31,137	\$24,179	\$26,495	\$22,789
Home Price	\$406,670	\$402,990	\$413,990	\$331,990
Efficiency Rating (HERS)	51	51	51	N/A

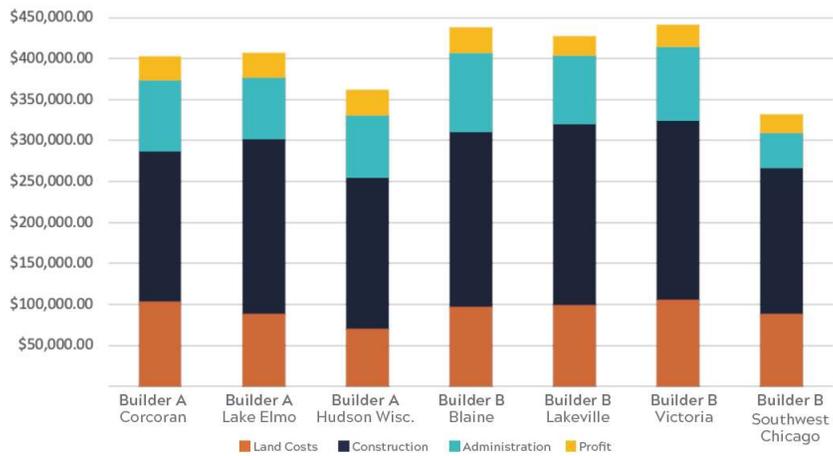


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PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

MIDWEST MARKET COMPARISONS



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WISCONSIN VS. MINNESOTA CONSTRUCTION CODES

Building Code and Related Regulation TOTAL: +\$3,375.01				Energy Code TOTAL: +\$4,777.49			
DESCRIPTION	WISCONSIN COST	MINNESOTA COST	DIFFERENCE	DESCRIPTION	WISCONSIN COST	MINNESOTA COST	DIFFERENCE
FOUNDATION EXCAVATION & PREPARATION	\$6,050.00	\$7,770.00	+\$1,500.00 <small>Passive Radon System Gravel Requirement</small>	LUMBER & TRUSSES	\$47,738.39	\$50,455.88	+\$1,717.49
WINDOWS & WINDOW TRIM	\$11,233.89	\$11,894.49	+\$660.60 <small>Window Fall Protection</small>	HVAC SYSTEM	\$9,410.00	\$11,470.00	+\$2,060.00
SHEETROCK FOR UNFINISHED BASEMENT CEILINGS	\$10,542.60	\$11,757.01	+\$1,214.41 <small>Sheet Rocking Basements</small>	INSULATION	\$7,014.00	\$7,514.00	+\$500.00
				ENERGY TESTING	\$0.00	\$500.00	+\$500.00

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

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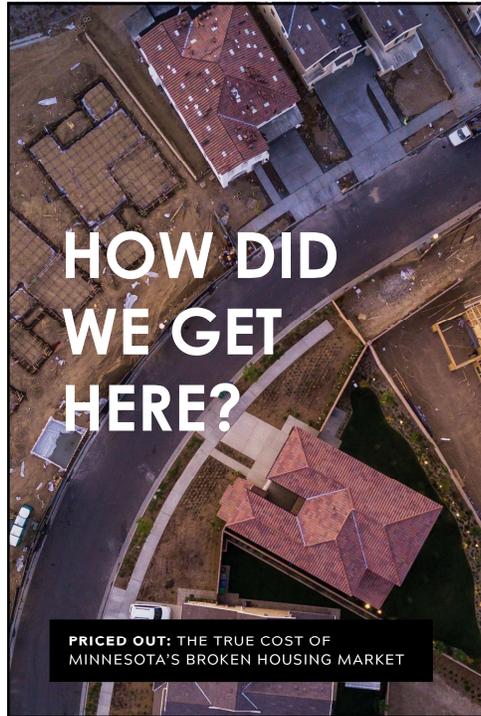


MORE THAN CODES & FEES

- Land Use & Zoning
- Safe Rooms
- Landscape Requirements
- Engineering Requirements
- Infrastructure
- Design Aesthetics
- Sales Tax
- Legal Environment of Business

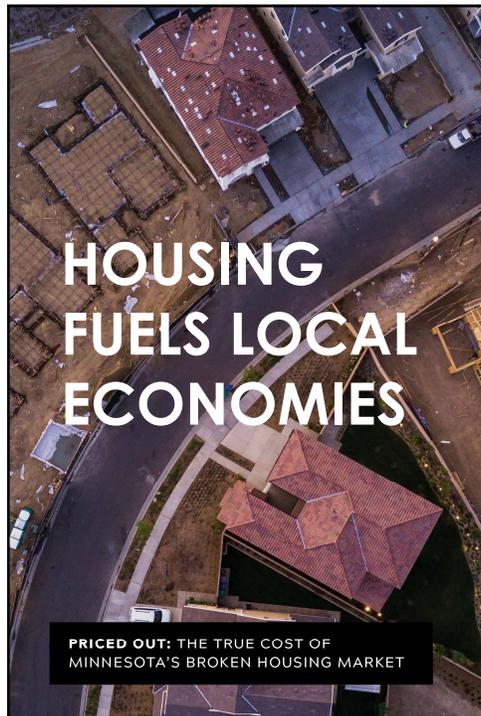
PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

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- **Siloed** rulemaking.
- Inadequate **intergovernmental communication**.
- Policy costs **dismissed as minor**.
- **Focused only on end result** of policy goals.
- **Cumulative** costs not considered.

33



For every 1,000 new Twin Cities homes:

First-Year Activity:

- \$276.9 million in local income
- \$20.6 million in taxes and other local government revenue
- 3,615 local jobs

Ongoing Annual Activity:

- \$39.9 million in local income
- \$8.8 million in taxes and other local government revenue
- 586 local jobs

Source: National Association of Home Builders

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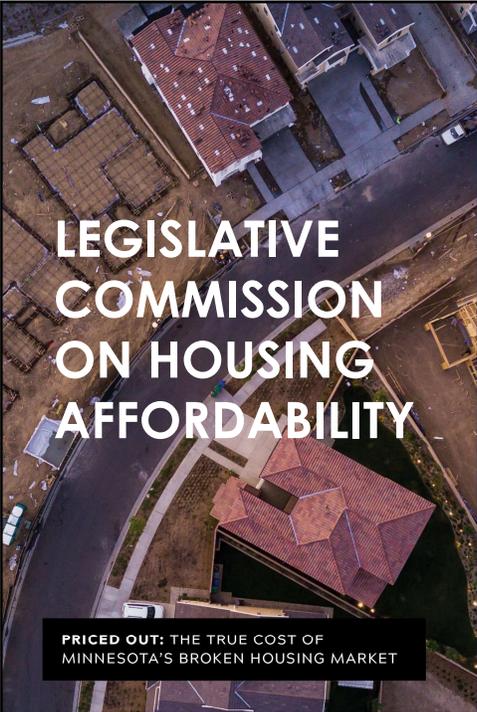


THE TRUE COST

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- Middle class is **priced out** of the new home market.
- Takes **twice the median household income** of \$75,000 to afford a new home.
- **85 percent** cannot afford a new home without taking on too much debt.
- Places added stress on existing homes and rental units, driving up prices for all.

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LEGISLATIVE COMMISSION ON HOUSING AFFORDABILITY

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

- Affordability-centric review of **existing housing policies**.
- Review **new housing policies and regulations**.
- Investigate, address and recommend policies to **reduce homeownership equity gap**.
- Support **innovative approaches** to affordable new housing.
- **Common language and transparency**.

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HOUSING AFFORDABILITY IMPACT STATEMENT

2960 CENTRE POINTE DR., VICTORIA, MN 55386
Prepared using data provided by Builder B for a home in Victoria, Minn.

HOME OVERVIEW

Bedrooms	4
Bathrooms	3
Basement	Unfinished
Garage Status	3
Efficiency Rating (HERS)	51
Lot Size	0.19 Acres

REGULATORY COSTS 25.27%

TOTAL HOME COSTS



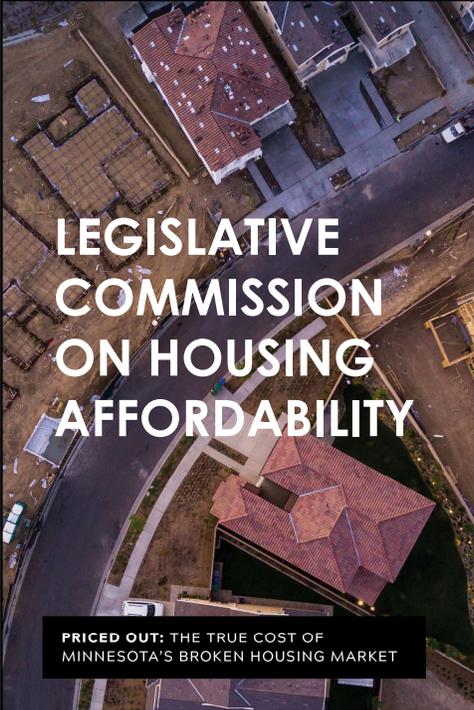


HOME PRICE TOPLINES \$413,990.00

LAND COSTS \$104,799.00	CONSTRUCTION \$219,551.00
ADMINISTRATION \$63,145.00	PROFIT \$26,495.00

LAND COSTS \$104,799.00	CONSTRUCTION \$219,551.00
Raw	\$32,369.00
Necessary Improvements	\$43,419.00
Other Improvements	\$29,012.00
INFRASTRUCTURE \$44,038.00	CODE & REQUIREMENTS CHANGES SINCE 2015 \$10,200.00
Met Council Fees	\$2,485.00
Think & Connection Fees	\$7,080.00
In-Dev Infrastructure	\$16,685.00
Area Wide Improvements	\$7,793.00
Grading	\$10,035.00
ENGINEERING \$12,864.00	PLUMBING CODE: BACKFLOW PREVENTER \$250.00
Plan/Design	\$12,864.00
STORMWATER \$11,049.00	ENERGY CODE \$7,000.00
Construction Stormwater	\$3,700.00
Permanent Treatment	\$7,249.00
GREEN SPACE \$4,844.00	Raking & Tearing \$1,000.00
Plant Dedication	\$3,494.00
Tree Preservation/Landscape	\$1,050.00
Other Open Space	
ADMINISTRATION \$63,145.00	PROFIT \$26,495.00

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LEGISLATIVE COMMISSION ON HOUSING AFFORDABILITY

- **Bipartisan support** in both chambers, legislation introduced following *Priced Out* release.
- Eight legislators: Two members of each caucus; **Equal party and body representation.**

- Like other complex areas, Commission **builds expertise, understanding and produces consensus.**
- **Legislation is advancing** HF1208 (A. Carlson); SF1294 (Draheim)

PRICED OUT: THE TRUE COST OF MINNESOTA'S BROKEN HOUSING MARKET

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RESEARCH PHASE II

**PRICED OUT: THE TRUE COST OF
MINNESOTA'S BROKEN HOUSING MARKET**

- **First single-subject project** is wrapping up.
- Starting a deep dive into **infrastructure** soon.
- **Innovation:** Performance path for construction and development.
- **Broader comparisons,** across Minnesota and Midwest.

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LET'S FIX IT.



40



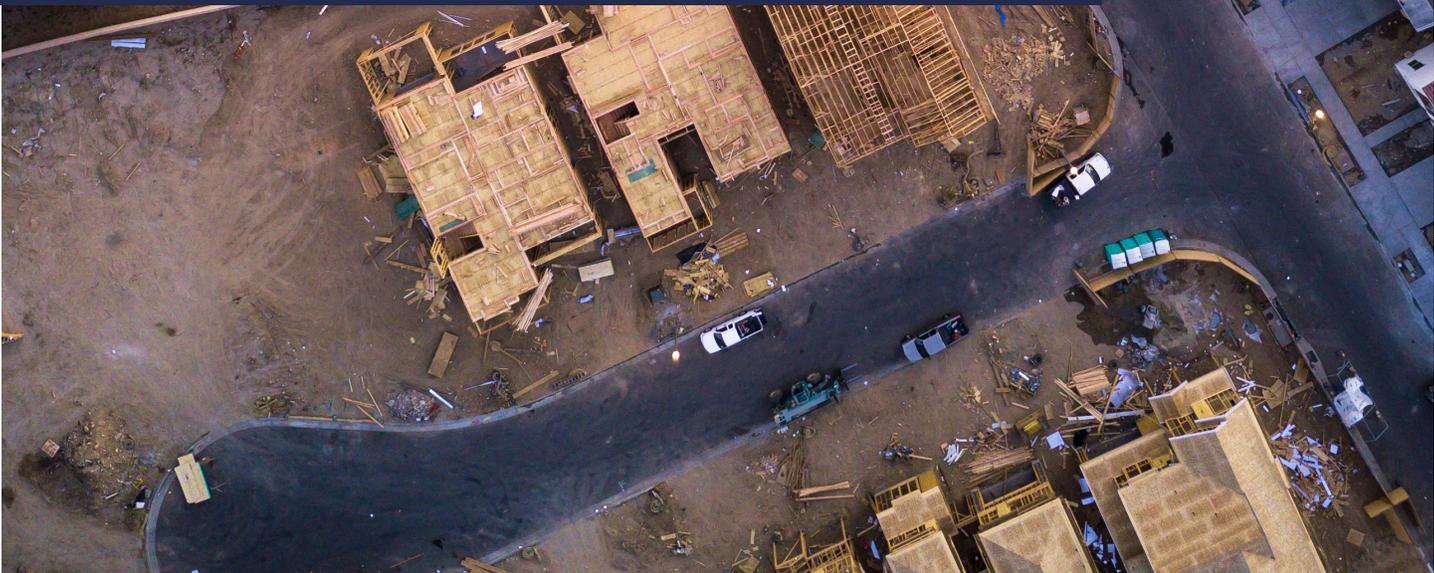
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PRICED OUT:

The True Cost of Minnesota's
Broken Housing Market

HOUSINGAFFORDABILITYINSTITUTE.ORG



PRICED OUT:

The True Cost of Minnesota’s Broken Housing Market

FEBRUARY 2019

Nick Erickson
AUTHOR

Elliot Eisenberg, Ph. D.
PEER REVIEW
EXECUTIVE SUMMARY AUTHOR

Kate Wigley
RESEARCHER

ABOUT HOUSING AFFORDABILITY INSTITUTE

Founded in 2018, the Housing Affordability Institute is a non-profit seeking to increase housing affordability and protect homeownership by producing industry-leading research on homeownership and the cost drivers behind our growing affordability challenges.

ABOUT HOUSING FIRST MINNESOTA

Housing First Minnesota is the leading voice of homebuilders and remodelers and all who are dedicated to building safe, durable homes at a price Minnesotans can afford. Formerly known as the Builders Association of the Twin Cities, Housing First Minnesota represents more than 1,100 builders, remodelers, developers and industry suppliers throughout the state.



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EXECUTIVE SUMMARY

ELLIOT EISENBERG, PH.D.

Over the last few decades housing prices have routinely made headlines, and not always for the right reasons. Early in the first decade of this century, home prices rose dramatically. While the causes were many, they included lax mortgage underwriting, and the widespread – but mistaken – belief that home prices would never decline on a national level. Whatever the reason, the ease with which one could borrow to buy a home papered over a slowly changing regulatory environment that was making it increasingly costly to build a home.

During the Great Recession, December 2007-June 2009, home prices collapsed and concerns about rapidly rising home prices declined. Unfortunately, however, the underlying zoning and environmental regulations that played a key part in the earlier rise in home prices remained in place. It was thus just a matter of time before home prices once again began to increase significantly faster than wages and, in the process, substantially reduce affordability. And, that is where we currently find ourselves.

While there are a multitude of rules and regulations builders and developers must follow, including city ordinances and zoning rules, developer agreements, and various state and federal regulations, rarely, if ever, are the costs of these regulations clearly stated. Moreover, cities and towns often have a strong incentive to keep these costs opaque so that intracity cost comparisons cannot be effectively made. And even when costs are transparent, all too often legislators and regulators convince themselves that the added cost of a new ordinance or fee is

either trivial or will be borne by the homebuilder or developer and will thus have no impact on buyers.

This study disproves these mistaken beliefs and exposes hidden costs. By conducting a quasi-experiment and using standard, jargon-free language that anyone can understand, this study shows how different regulatory burdens across towns and cities are passed on to buyers. It examines homes of different sizes so that a better understanding of the interaction between home size and regulatory costs can be realized. The study compares how regulatory burdens, and thus new home prices, vary between Minnesota and Wisconsin. To ensure that the results are valid and reproduceable, professionals active in each of the cities were intimately involved in the costing out of each example. The results are clear and the belief that regulations don't matter, or that builders and developers absorb regulatory costs is shown to be false.

This report does not suggest that rules and ordinances are not appropriate, nor does it argue that different regulations are inappropriate for different cities. Rather, this study shows how costly building regulations, and the choices that they represent, are. To that end, a series of policy recommendations are made and should be seriously considered. The result of this study is a thought-provoking report that I anticipate will shape housing policy conversations throughout the State of Minnesota, and one that I hope is replicated elsewhere.



ELLIOT EISENBERG, PH.D. is an internationally acclaimed economist who earned a B.A. in economics with first class honors from McGill University in Montreal, as well as a Masters and Ph.D. in public administration from Syracuse University. Eisenberg, a former Senior Economist with the National Association of Home Builders in Washington, D.C., is the creator of the multifamily stock index (the first nationally recognized index to track the total return of public firms principally involved in the ownership and management of apartments), the author of more than eighty-five articles, serves on the Expert Advisory Board of Mortgage Market Guide and is a regular consultant to several large real estate professional associations.

INTRODUCTION

Ten years after the Great Recession, the Twin Cities housing market looks very different than it did before. After a decade of recovery, new, entry-level and moderately priced single-family homes have all but disappeared from the landscape, leaving the Twin Cities with a housing market that is fundamentally broken and ill-equipped to meet the demands of Minnesotans.

The Twin Cities metro area is the epicenter of Minnesota housing where 70 percent of the state's single-family home construction occurs. For generations, the middle class in the Twin Cities could choose between new and existing homes across the seven-county region. Today, the cost of building a new home has made it almost impossible for builders to provide single-family housing stock that costs less than \$375,000.

With too few homebuyers able to afford a new home, the increased pressure on existing homes has raised the cost of housing to a point where too many families struggle to afford a place to live. A variety of factors have created this distortion in the market, but perhaps none more so than decades of housing policy that failed to consider cost and affordability.

A comprehensive review and analysis of data provided by homebuilders, land developers, cities and the State of Minnesota sheds light on the problem:

- By nearly every measure, **new homes in Minnesota cost more than comparable homes** in all other Midwest markets.

- The Twin Cities is home to **one of the highest gaps between new and existing home prices** in the nation.

- The **disparity in homeownership rates** between white and non-white Minnesotans is **the highest in the nation**.

- Up to **one-third of a new home's price in the Twin Cities is due to regulations and policies** from the local, regional and state level.

- **The same home in the eastern Twin Cities costs \$47,000 less in Hudson, Wisc.** – this same home in Wisconsin will be paid off almost seven years faster than its twin in Lake Elmo, Minn.

- **A new home in the Twin Cities costs up to 25 percent more than a similar home** built by the same builder in the southwestern Chicago suburbs, **a difference of \$82,000.**

Priced Out: *The True Cost of Minnesota's Broken Housing Market* reveals a sobering conclusion: We no longer have a housing market capable of supplying affordable new housing. As one homebuilder told researchers, “If I could build a new home for \$300,000, buyers would be lined up around the block, but my hands are tied. We’re struggling to build new homes for less than \$400,000.”

There is no single rule, regulation or policy which alone can be modified or repealed that would solve the region and state’s housing challenges. Nor is there a single entity responsible.

While this research focuses primarily on the Twin Cities, housing affordability is becoming a statewide issue for Minnesota, in particular affecting growing cities like Rochester, Minn., and border cities like Moorhead, Minn.

Priced Out seeks to do more than simply highlight a major cause of the region’s affordability challenges. By presenting an approach that places affordability equal to all other goals, policymakers at all levels have a path to increasing housing affordability, strengthening Minnesota’s economy and enabling more families to achieve the dream of homeownership.

■ ADDING UP THE COSTS

Up to 1/3 of a new home’s price in the Twin Cities comes from regulations and policies from the local, regional and state level.



A BROKEN HOUSING ECOSYSTEM

Like all ecosystems, a housing ecosystem operates most efficiently when it is well balanced.

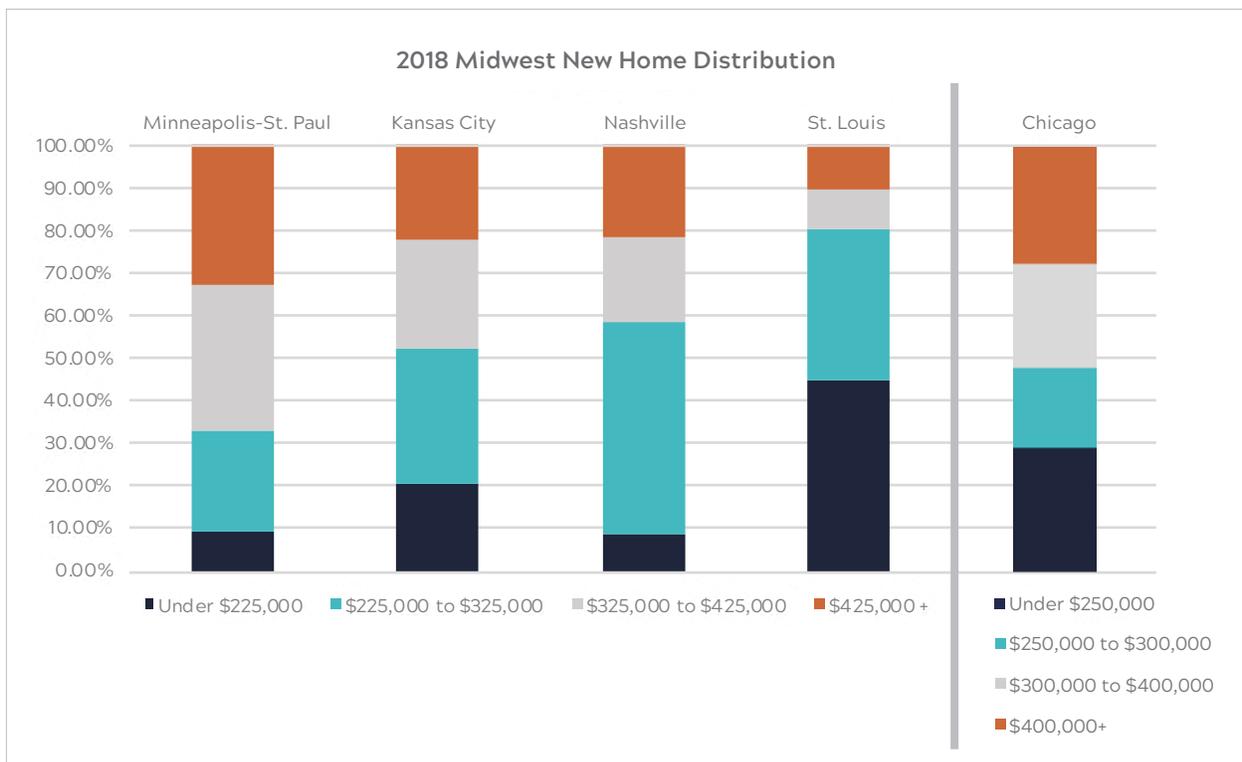
Surveying the Midwest, the Twin Cities region stands alone in its inability to offer affordably priced new homes. This lack of new, entry-level homes is the worst of any major housing market in the Midwest. In healthy housing markets, the majority of new homes built are in the more affordable price points. In the Chicago and Kansas City metro areas for example, roughly 50 percent of the new homes are built at the affordable

price points. In the Nashville metro, almost 60 percent of all new homes are in the affordable price range, while in the St. Louis metro area, 80 percent of all new homes are in the affordable price range.

For the Twin Cities market, it is a much different story. **Less than one-third of all new homes built in the Twin Cities area cost less than \$325,000.** Of the homes falling into this price range, very few are single-family homes. The single-family homes built near this price are often found on the furthest edges of the metro area.

■ ADDING UP THE COSTS

Less than 1/3 of all new homes built in the Twin Cities area cost less than \$325,000.



Note: MetroStudy (Chicago Market) information is tracked at different intervals than Market Graphics (other Midwest Data)

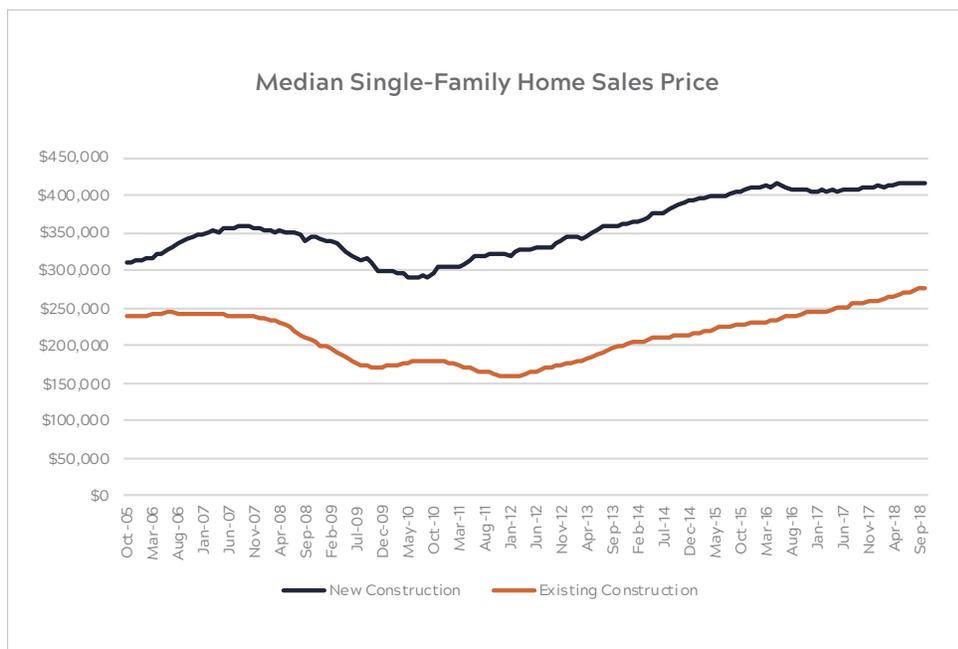
SOURCES: MARKET GRAPHICS (MINNEAPOLIS, KANSAS CITY, NASHVILLE AND ST. LOUIS) AND METROSTUDY (CHICAGO), FIGURE A-2

With large segments of the population unable to enter or move to a new stage of homeownership – first-time homeowners unable to move up and longtime homeowners looking to downsize – added demand on existing homes and rental units is driving up housing prices across the market.

In October 2005, according to the Minneapolis Association of Realtors, the median new single-family home price in the Twin Cities was \$310,500, and the

median existing single-family home price was \$239,000, a difference of \$71,500. Twelve years later, after the recession and subsequent recovery, the median existing price has jumped to \$275,000, while the median new home price has skyrocketed to \$417,000, a difference of \$142,000.

Today, the Twin Cities is home to one of the largest gaps between new and existing home prices in the nation.



■ ACCORDING TO MEYERS RESEARCH

The Twin Cities market has the **fourth-largest gap between new and existing home prices** in the nation.

SOURCE: MINNEAPOLIS AREA ASSOCIATION OF REALTORS

NEEDED: NEW AFFORDABLE SINGLE-FAMILY HOMES

According to the 2018 report from the Minnesota Governor’s Task Force on Housing, the state needs a surge of housing production. Some 300,000 new housing units will need to be constructed by the private sector by 2030 in order to meet population estimates, and the most critical need is an additional 50,000 homes over the next five years above current production levels. Accomplishing this needed surge in production would require 10,000 more housing units per year to catch up with demand.

The high cost of new, single-family homes and the rapid rise in the price of existing homes places limits on where

families can live. The problem isn’t a lack of desire by builders to offer these homes, but rather external forces. Lower-priced, newly-built homes simply cannot be constructed in our marketplace.

Gaining a full understanding of why building affordable new homes has become almost impossible will enable policymakers to address the issues head-on. Only then can the region’s broken housing ecosystem be fixed, in turn strengthening the region’s economy and providing more families an affordable place to call home.

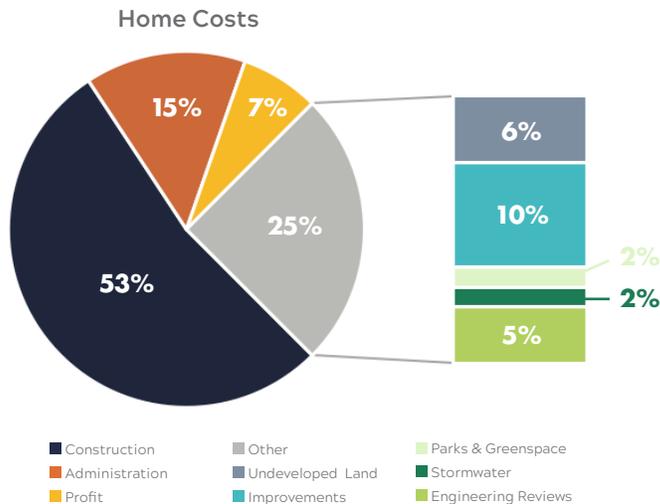
INABILITY TO MEET MARKET DEMAND

To anyone in the market for a new home, it's evident that in the Twin Cities area, new, entry-level, single-family homes are few and far between. Although the new homes being built today may look similar to new homes built over the past 30 years, the final price of new homes far exceeds what buyers paid years ago, even after adjusting for inflation. This disappearance of affordable new homes is not due to a change in buyer or builder preferences, but to homebuilders simply being unable to build at a price that most buyers in the region can afford.

Working with four Twin Cities homebuilders, we were able to take an unprecedented look at all the costs of new homes built in nine cities across the Twin Cities. After a thorough review of building permits, development contracts, and accounting records from builders and their developers, as well as data provided by cities and the State of Minnesota, a clearer picture of why new homes in Minnesota cost as much as they do comes into focus:

\$394,726

AVERAGE PRICE OF HOMES STUDIED (MINNESOTA)



■ BY THE NUMBERS

UP TO 33%

HOME COSTS COME FROM HOUSING POLICIES

\$4.8 MILLION

TOTAL 2017 BUILDING PERMIT PROFIT FOR SEVEN CITIES STUDIED

3.8-12.8x

LAND RATIONING AND SUPPLY ISSUES AFFECT LAND PRICES

+\$47,000

COST TO BUY THE SAME HOME IN LAKE ELMO, MINN., INSTEAD OF HUDSON, WISC.

+24.5%

WHAT A NEW HOME COSTS IN VICTORIA, MINN., VS. SOUTHWEST CHICAGO SUBURBS

COST VARIABLES

LOCAL REGULATIONS

The largest variable in housing costs stemmed from local government regulations and policies across the Twin Cities.

LOCAL & REGIONAL WATER MANAGEMENT

Requirements made by local water management organizations, oftentimes promulgated by appointed officials, can add thousands of dollars to the price of a new home.

LAND SUPPLY CHALLENGES

The Metropolitan Council's growth boundary is unique to the region and has resulted in significantly higher land prices inside the established line. In concert with municipal land decisions, a land shortage

has emerged which has a rationing effect in key areas, driving up prices. Land inside the Metropolitan Council's growth boundary can be 3.8-12.8 times more expensive than comparable land outside of the boundary. In cities around the country that do not have urban growth boundaries, we do not see these kinds of price discrepancies.

STATE REGULATIONS

State-level regulations, including the administration of federal rules, also affects affordability.

Recently enacted state-level regulations in Minnesota have added more than \$13,000 in costs per home.

LOCAL REGULATIONS

- Land Entitlement
- Permits & Fees
- Local Design Standards
- Financing Growth
- Upgrading Infrastructure

LAND RATIONING

- Metropolitan Council
- MUSA Line

STATE REGULATIONS

- Building and Energy Codes
- Water Rules
- Tax Policy

TWIN CITIES PRICE RANGE

\$372,990 - \$376,990

BUILDER A · TWIN CITIES AREA

\$402,990 - \$413,990

BUILDER B · TWIN CITIES AREA

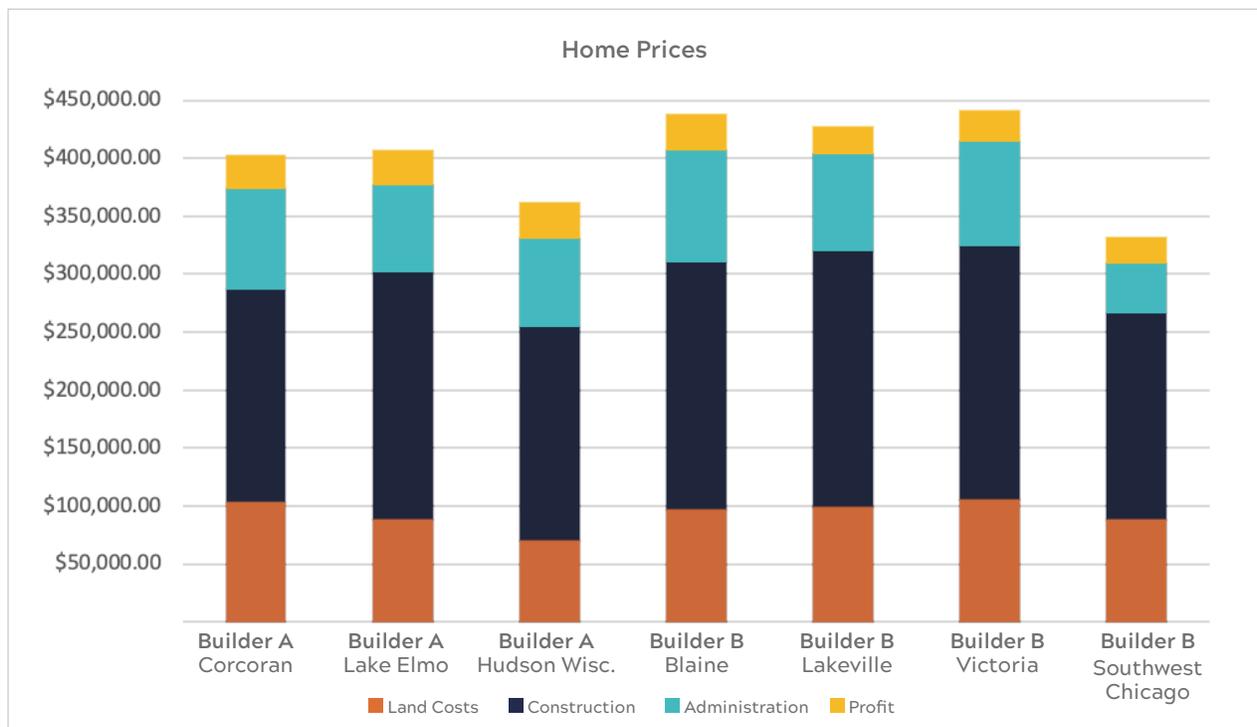
MIDWEST MARKET COMPARISONS

\$329,990

BUILDER A · HUDSON, WISC.

\$331,990

BUILDER B · SOUTHWEST CHICAGO SUBURBS



For an in-depth look at the homes used for the comparative analysis, see Appendix C.

HOME COMPARISON CATEGORIES

Listed here is how our research team, in partnership with developers and builders, allocated costs to specific categories. Not all line items are applicable to each city or builder. There are certain items, such as “plan review” and “plan check,” that have different names, depending on the city or builder.

REGULATORY COSTS

Regulatory costs include items where a government policy has a cost to the homebuyer, including but not limited to, recent changes to Minnesota’s building and energy codes, permits, fees, and any item required in the development contract.

TOPLINE CATEGORIES

LAND COSTS

- Undeveloped Land
- In-Development Infrastructure
- Area-Wide Improvements
- Trunk Charges
- Stormwater and Erosion Control
- Parks and Open Spaces
- Development-Related Fees
- Metropolitan Council Fees

CONSTRUCTION COSTS

- Labor and Materials
- Building Code
- Energy Code
- Plumbing Code
- Electrical Code
- Mechanical Code
- Building Permit-Related Fees
- Per-Unit Connection Fees

ADMINISTRATIVE COSTS

- Sales Staff/Commission/Marketing
- Office Staff
- Taxes
- Other Overhead Costs

PROFIT

SUBCATEGORIES WITH MULTIPLE FACTORS

IN-DEVELOPMENT INFRASTRUCTURE

- City Streets
- Sidewalks
- Curbs
- Street Signs
- Turn Lanes
- Water and Sewer Lines
- Utility Lines and Connections
- Storm Sewers
- Warning Sirens
- Grading
- Lot-Specific Landscaping
- Infrastructure Upgrading

STORMWATER AND EROSION CONTROL

- Land for Permanent Treatment
- Cost of Permanent Treatment
- Construction Stormwater Permit Compliance

AREA-WIDE IMPROVEMENTS

- Traffic Impact Fees
- Street Improvements
- Pumping Stations
- Other Area-Wide Improvements

PARKS AND OPEN SPACES

- Park Land
- Park Dedication Fee (In Lieu Of Land)
- Trails
- Trail Fees
- Out Lot Landscaping
- Tree Preservation
- Landscape Upgrades

TRUNK CHARGES

- Sewer Trunk Charges
- Water Trunk Charges
- Storm Sewer Trunk Charges

DEVELOPMENT RELATED FEES

- Engineering Fees
- Planning/Zoning Fees
- Plat Check Fee
- Mapping Fee
- Recording Fees
- Grading Permit Fees
- Sign Fees
- Plan Review Fee
- Inspection Fee

ADMINISTRATIVE COSTS

- Sales Staff/Commission/Marketing
- Office Staff
- Taxes
- Other Overhead Costs

BUILDER A COMPARISON

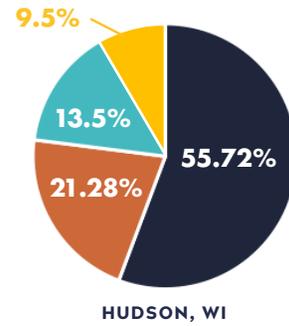
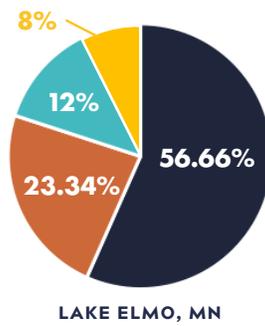
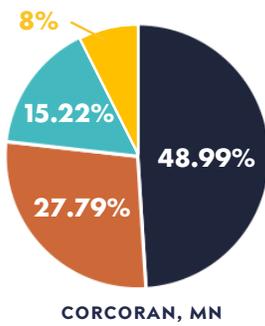
While each of the homes was built by the same general contractor and to the same basic floorplan, subtle differences in construction costs exist for a variety of reasons, including price fluctuations for materials, local design standards and the cost to transport materials to the job site.

HOME OVERVIEW	
Bedrooms	2
Bathrooms	2
Basement	None
Garage Stalls	2
Total Square Footage	1,750

TOPLINE CATEGORIES	CORCORAN, MN	LAKE ELMO, MN	HUDSON, WI
Land Costs	\$103,646.96	\$87,995.00	\$70,219.00
Construction Costs	\$182,745.04	\$213,597.00	\$183,874.00*
Administrative Costs	\$56,758.80	\$45,238.80	\$44,548.00
Profit	\$29,839.20	\$30,159.20	\$31,349.00
Home Price	\$372,990.00	\$376,990.00	\$329,990.00
Efficiency Rating (HERS)	58	54	N/A

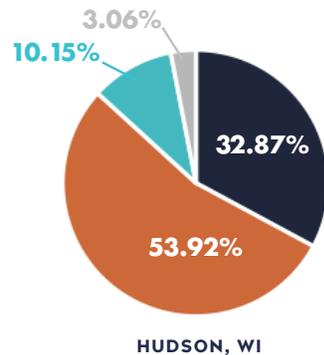
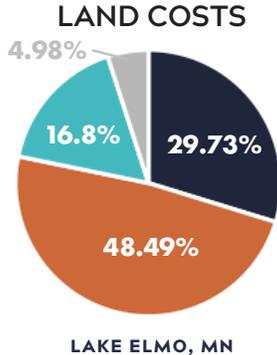
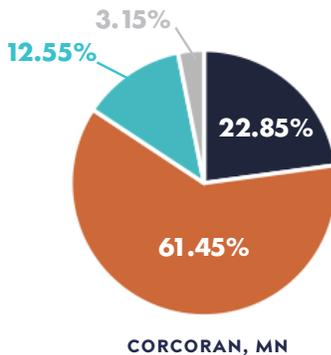
*Builder A reported that its Wisconsin homes are constructed almost identical to those built in Minnesota.

TOTAL HOME COSTS



■ Construction ■ Administration ■ Land Costs ■ Profit

LAND COSTS



■ Raw Land ■ Improvements ■ Parks & Greenspace ■ Stormwater Management

REGULATORY SHARE OF HOME

33.41%
CORCORAN, MN

26.48%
LAKE ELMO, MN

14.86%
HUDSON, WI

BUILDER B COMPARISON

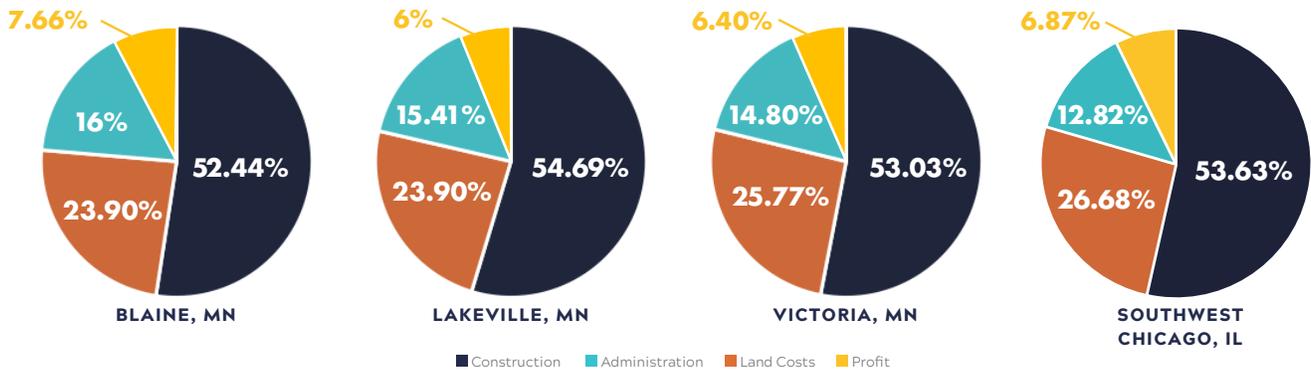
While each of the homes were built by the same general contractor and to the same basic floorplan, subtle differences in construction costs exist for a variety of reasons, including price fluctuations for materials, local design standards and the cost to transport materials to the job site.

HOME OVERVIEW

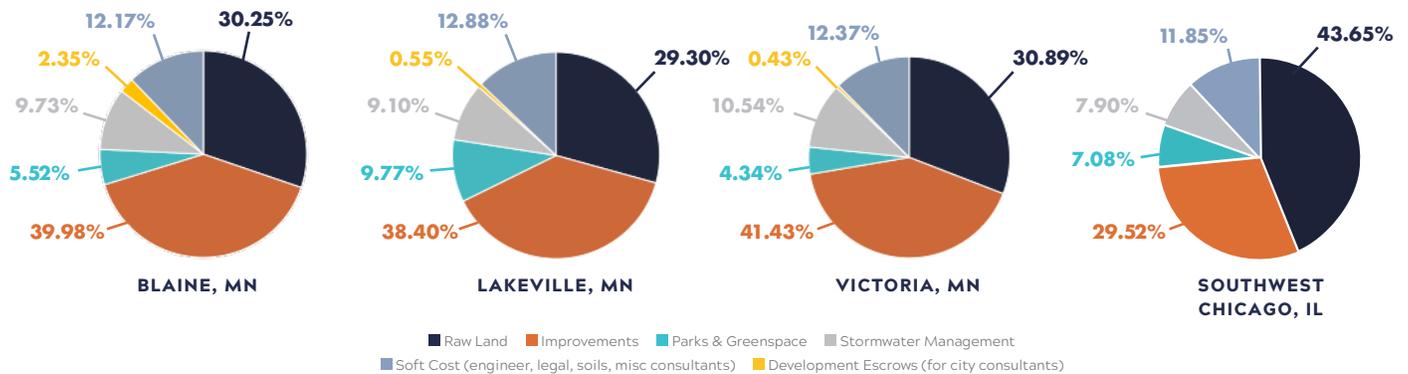
Bedrooms	4
Bathrooms	3
Basement	Unfinished
Garage Stalls	3
Total Square Footage	2,500 MN / 2,600 IL

TOPLINE CATEGORIES	BLAINE, MN	LAKEVILLE, MN	VICTORIA, MN	SOUTHWEST CHICAGO, IL
Land Costs	\$97,214	\$99,271	\$104,799	\$88,584
Construction Costs	\$213,252	\$220,412	\$219,551	\$178,045
Administrative Costs	\$65,067	\$59,128	\$63,145	\$42,572
Profit	\$31,137	\$24,179	\$26,495	\$22,789
Home Price	\$406,670	\$402,990	\$413,990	\$331,990
Efficiency Rating (HERS)	51	51	51	N/A

TOTAL HOME COSTS



LAND COSTS



REGULATORY SHARE OF HOME



LOCAL REGULATIONS

PERMITS AND FEES

One item that varied between cities studied was the building permit, which is required when building any permanent structure in code-enforced regions of Minnesota. These are fees-for-service, with the costs meant to cover the city's permitting and inspection expenses.

Each city's building permit examined was different in several aspects. There were consistent line items across all permits, notably the general building permit fee and connection fees, as well as the plan review and state surcharge. Other charges existed in some cities and not others. The cost for certain line items also differed in each city.

As Builder A saw in Washington County, a building permit can almost double in cost, depending on which city issues the permit.

Hugo and Lake Elmo illustrate just how much a building permit can fluctuate in price from one city to another. Hugo's permit fee is all inclusive, covering plumbing and HVAC permitting, and yet is one-third less than the total permit, base fee plus HVAC and plumbing permits, in nearby Lake Elmo. The base permit fee is used to calculate the State Surcharge, which accounts for the higher State Surcharge in Lake Elmo. Hugo's plan check fee, which covered the cost of reviewing the building plans, is one-third of Lake Elmo's plan review fee.

Hugo charges a total of \$1,568 for non-Metropolitan Council connection and trunk charges, while Lake Elmo charges \$2,420 at the time of permitting. Additionally, several escrow and review charges in Lake Elmo total nearly an additional \$2,500.

Some cities, like Lakeville and Lake Elmo, have begun to incorporate "Similar Plan Review" fees on home designs already approved by cities. Lakeville sets its plan review fee at 65 percent of the building permit fee, but drops the fee to 25 percent, when the local building official has already reviewed a similar plan. Other cities charge the full cost, 65 percent of the permit fee on all plan reviews, even when that same plan has been previously reviewed and approved by the local building official sometimes already dozens of times.

■ BUILDING PERMIT: BUILDER A

HUGO, MINNESOTA

BUILDER A

Building Permit Fee	\$1,695.50
Plan Check *	\$423.88
State Surcharge	\$103.50
Other / Driveway	\$55.00
Met Council SAC *	\$2,485.00
WAC/Water Meter *	\$300.00
Water Trunk Fee *	\$680.00
Sewer Trunk Fee *	\$588.00

TOTAL: **\$6,330.88**

LAKE ELMO, MINNESOTA

BUILDER A

Building Permit Fee	\$2,199.15
Plan Review *	\$1,429.45
State Surcharge	\$125.00
Driveway	\$70.00
Met Council SAC*	\$2,485.00
WAC *	\$1,000
Water Meter Fee *	\$360.50
HVAC	\$180.00
Plumbing	\$180.00
City SAC *	\$1,000.00
Sewer and Water *	\$60.00
Escrow (Residential) **	\$2,000.00
Surface Water Review	\$137.50
Construction Escrow Admin Fee	\$100.00
Planning and Zoning Review	\$100.00

TOTAL: **\$11,426.60**

*These items were not placed into the building permit category for comparison use.

**The escrow is returned to the builder after the home's landscaping meets city requirements.

A BUILDING PERMIT COSTS

**\$5,096.72
MORE**

FOR THE SAME HOME, DIFFERENT CITY

SOURCE : BUILDER A

LOCAL REGULATIONS (CONTINUED)

For example, if Builder B builds the same home twice in a community, the Building Code does not require the City to conduct another plan review, and cities should not be charging this fee twice.

Across each city reviewed, the cost of building permits varied. Data supplied by the cities, either to the Housing Affordability Institute or the Minnesota Department of Labor & Industry under the Minn. Statute 326B.145 filing requirement, show that permit fees can serve as sources of significant net revenue for cities, despite being designed as fee-for-service in which the cost of the permits are meant to cover the costs of the service provided.

Building Permit Income and Expenditures, As Reported By Cities To Department of Labor & Industry

CITY	2016 PERMIT FEE REVENUE	2016 PERMIT ASSOCIATED SPENDING	2016 NET PERMIT FEE INCOME	2017 PERMIT FEE REVENUE	2017 PERMIT ASSOCIATED SPENDING	2017 NET PERMIT FEE INCOME
Blaine	\$ 2,752,635	\$2,173,489	\$579,146	\$1,570,472	\$1,035,820	\$534,652
Dayton	-	-	-	-	-	-
Hugo	\$508,712	\$554,471	-\$45,759	\$580,442	\$613,727	-\$33,285
Lake Elmo	\$1,750,666	\$235,479	\$1,515,187	\$2,070,920	\$349,054	\$1,721,866
Lakeville	\$2,755,042	\$1,822,946	\$932,096	\$3,035,322	\$1,960,374	\$1,074,948
Prior Lake	\$959,377	\$661,772	\$297,605	\$603,808	\$276,632	\$327,176
Victoria	\$701,174	\$316,141	\$385,033	\$1,080,020	\$419,104	\$660,916

Note: At the time of publication, Dayton had not filed 326B.1145 disclosures for 2016 and 2017 and had not submitted the requested information to the research team.

SOURCE: MINNESOTA DEPARTMENT OF LABOR & INDUSTRY AS SUBMITTED BY CITIES. FIGURE B-4.

Building and Development Expenditures, As Reported By Corcoran

CITY	2016 FEE REVENUE	2016 EXPENDITURE	2016 NET INCOME	2017 FEE REVENUE	2017 EXPENDITURE	2017 NET INCOME
Corcoran	\$747,641.56	\$343,757.12	\$403,884.44	\$1,064,264.84	\$529,054.84	\$535,210.00

SOURCE: THE CITY OF CORCORAN. FIGURE B-5.

The City of Corcoran provided total building and development-related fee collection and expenditures in a data request with the research team.

In interviews and in written correspondence with the Housing Affordability Institute, cities reported that any net revenue associated with permit fees is rolled into that city's general fund. With some self-reporting cities receiving six times more in permit fees than their costs, further research in collaboration with the cities may be necessary. The City of Victoria reported that any net revenue from building permits, \$660,000 in 2017, is used to pay for sewer and water infrastructure.

DEVELOPMENT AGREEMENTS

Development agreements, also known as subdivision agreements, are widely used as a tool for builders and developers to obtain project approvals from municipalities. These agreements benefit builders by ensuring that subsequent changes to zoning ordinances and regulations will not affect the property that is subject to the agreement. Cities also benefit from the agreements as they often contain requirements to provide specific exactions such as land dedication and fees. All parties benefit from a measure of project-specificity as well as flexibility afforded by development contracts, such as density, etc.

Reliance on development contracts has also produced incidents of unfair requirements for fees and other improvements which are not related to the project, or not authorized by statute or law. Oftentimes the final version of a development contract

is not presented to applicants in a timely manner, maximizing leverage for municipalities. The Minnesota Supreme Court recently weighed in on the inappropriateness of a city utilizing a subdivision agreement to require an illegal street impact fee under the guise of a ‘voluntary agreement’ by the applicant builder:

“Put another way, the pearl of great price here is approval of the subdivision agreement. A developer who fails to make a “voluntary” payment in an amount Woodbury finds acceptable faces the prospect of denial of the subdivision application. The infrastructure charge is thus a requirement and Harstad is correct that there is nothing voluntary about it.”

– Justice G. Barry Anderson

As policymakers study housing costs and work toward greater housing affordability, development agreements must be prominently included in the discussion.

■ PER HOME COST OF AREA-WIDE IMPROVEMENTS AS REQUIRED BY DEVELOPMENT AGREEMENT

BUILDER B · CORCORAN

\$2,898.69

PER HOME

BUILDER B · LAKE ELMO

\$7,545.00

PER HOME

BUILDER C · BLAINE

\$16,875.00

PER HOME

BUILDER C · LAKEVILLE

\$2,614.00

PER HOME

BUILDER C · VICTORIA

\$7,753.00

PER HOME

■ DEVELOPER'S PERSPECTIVE

“It used to be, years ago, that land development followed a simple formula ... Now, you honestly have no idea what it’ll cost. Thirty minutes before you go before the city council for approval, you’re handed the final development agreement and **you’re left with two options: take it or leave it.**”

LOCAL REGULATIONS (CONTINUED)

LOCAL DESIGN STANDARDS

Minnesota’s zoning statutes grant local government entities the authority to determine land use in order to protect the public health, safety and general welfare. In recent years, these regulations have moved far beyond protecting the public health and safety and now seek to regulate aesthetics of a project and the architecture of homes. While these questionable regulations move beyond protecting the public health and safety, they without doubt drive up the cost of new homes.

In recent years, these local requirements have become design requirements that mandate the use of higher cost materials. As Builder A found in Corcoran, local design standards can add \$5,000 to the cost of new homes.

The City of Corcoran, in Section 1040 of its city code, outlines the design requirements for all new homes in the city, including materials used on the façade of homes, percentage of varying materials for the home, architectural styles, the percentage of the garage on the front elevation and garage door designs, just to name a few.

Builders, in interviews with the researchers, said these requirements have three effects:

- Potential homebuyers are priced out of the market
- Consumers’ choices on exterior finishes are limited
- Homebuilders’ ability to respond to a changing market are limited

■ REQUIREMENTS OVERVIEW DICTATED BY CITY OF CORCORAN

Front Elevation Requirements

Materials Uses

Architectural Elements

Design Styles

Garage Size

Roof Materials and Overhangs

Side and Rear Elections (For Street-and Park-Facing Homes)

CITY OF CORCORAN MUNICIPAL
CODE 1040.040, SUBD. 8.

■ ADDING UP THE COSTS

At a time when affordability of new homes is challenged, **every builder interviewed said questions arise as to whether the visual aesthetics of the home should be mandated at the local level**, especially when it adds significant costs to the construction of new homes.

FINANCING GROWTH

A new development brings new residents, which in turn brings added tax revenue but also increased demand on city services. There are many ways cities in Minnesota approach paying for growth not already paid for by new development, residential or otherwise. In interviews with city finance officials and reviewing city budgets, Minnesota cities have long relied on special assessments, general fund dollars or impact fees to cover their portion of infrastructure costs.

Impact fees, such as in Prior Lake and Dayton, are utilized by cities to fund road improvements outside of the

development footprint. The practice of imposing impact fees on developers, and ultimately new-homebuyers, has twice been struck down by the Minnesota Supreme Court in the past 21 years, first in *Country Joe v. City of Eagan* (1997) and again in *Harstad v. Woodbury* (2018).

Infrastructure spending isn’t limited to roads. Every city examined as part of this study lies within the Metropolitan Council’s Urban Services Area, which requires a per home Sewer Availability Connection (SAC) of \$2,485. These SAC fees, as the Council calls them, are to cover the costs of the coordinated sanitary sewer

infrastructure. Additional cost for sewer and water infrastructure, and trunk charges, varied from \$477 to \$8,466.19 per home.

Park fees and parkland dedication, land purchased by the developer and given to the city for free, were other areas in which there were large swings in the cost to homebuyers. Park fees and the value of land given to Minnesota cities for parks ranged from \$3,303 per home to \$4,600 per home.

In interviews and in written responses to questions, the needs of cities as it relates to parks varied. Some cities had a greater need for park land than park funds, and vice-versa. Some cities reported that they had a need for both.

With wide variances in the cost of park fees and the amount of money spent from cities, further research may be necessary.



Park-Related Income Paid By Developers and City-Paid Park Expenditures

CITY	2016 PARK FEE REVENUE	2016 PARK EXPENDITURES	2016 PARK NET REVENUE INCOME	2017 PARK FEE REVENUE	2017 PARK EXPENDITURES	2017 PARK NET REVENUE INCOME
Blaine	\$1,570,472	\$1,035,820	\$534,652	\$1,199,860	\$1,269,277	-\$69,417
Dayton	-	-	-	-	-	-
Hugo	\$100,800	\$100,126	\$674	\$271,368	\$42,903	\$228,465
Lake Elmo	\$171,708	\$146,441	\$25,267	\$265,783	\$607,076	-\$341,293
Lakeville	\$2,458,140	\$1,870,776	\$587,364	\$1,029,127	\$649,355	\$379,772
Prior Lake	\$790,150	\$496,258	\$293,892	\$603,808	\$276,632	\$327,176
Victoria	\$500,195	\$480,742	\$19,453	\$513,629	\$530,535	-\$16,906

Note: At the time of printing, Dayton had not filed 326B.1145 disclosures for 2016 and 2017 and had not submitted the requested information to the research team.

SOURCE: MINNESOTA DEPARTMENT OF LABOR & INDUSTRY, THROUGH DATA REPORTED BY EACH CITY. FIGURE B-4

Parkland Given To Cities By Developers In Lieu Of Park Fees

CITY	PARK LAND 2016	PARK LAND 2017
Lakeville	\$85,954	\$125,361
Victoria	\$116,700	\$686,271

SOURCE: MINNESOTA DEPARTMENT OF LABOR & INDUSTRY, THROUGH DATA REPORTED BY EACH CITY. FIGURE B-4

LOCAL REGULATIONS (CONTINUED)

UPGRADING INFRASTRUCTURE

During interviews with land developers, another cost passed onto new homebuyers was most often referred to as “infrastructure upgrades.” These charges are not located on any fee schedule or outlined explicitly in the development agreements, but were cited by every developer interviewed.

Appearing in development agreements and related documents often in terms similar to “as outlined by the City Engineer,” these charges were described by builders and developers as upgrading city-owned infrastructure.

For example, in Victoria Builder B was required to waterproof pipe connections in a manner that is not required under any state regulation. Also in Victoria, Builder B was required to add six inches of drain tile to both sides of the street, even when the topography did not necessitate its use. The cost of this upgrading was \$1,812 per home. This cost, combined with sewer and water oversizing, brought the total infrastructure upgrading costs to more than \$12,000 per home.

LOCAL AND REGIONAL WATER MANAGEMENT

In the State of Minnesota, the Minnesota Pollution Control Agency (MPCA) oversees construction stormwater management and administers the federal National Pollutant Discharge Elimination System permit program.

Local and regional entities also can regulate aspects of home construction in Minnesota. The state has 46 formal watershed districts charged with managing surface water and groundwater. In addition to watershed districts, there are many more water management organizations. Both sets of organizations, which are recognized as units of government, have members appointed to set policies for the organization and staff that facilitate the regulations.

The broad authority of water management organizations and watershed districts were discussed as a source of frustration in conversations with land developers, builders and city officials. Developers and builders in a few cities reported that the local water management organizations’ rules have not properly evaluated the cost versus the benefit of their regulations.

In Victoria, both Builder B and Builder C were required to add 6 inches of topsoil to their entire developments. The six-inch requirement was set to promote plant growth and infiltration of stormwater.

Some water management organizations have very onerous requirements, while others take more cost-effective approaches. Extensive engineering studies are often required to understand and determine the cost of stormwater regulations.

■ ADDING UP THE COSTS

**SIX INCHES OF
TOP SOIL ADDED**
\$1,600
PER HOME
FOR BUILDER B

■ ACCORDING TO CHAPTER 153.60 OF CARVER COUNTY CODE OF ORDINANCES:

“A minimum of 6 inches of topsoil must be provided in all green space areas of the project. Topsoil shall meet one of the topsoil standards described in §153.60(1) below. When available onsite, topsoil shall be managed to protect and/or restore soil permeability to non-compacted soil conditions following construction.”

LAND RATIONING EFFECTS

The Metropolitan Urban Services Area (MUSA) line dictates where there is coordinated sewer services in the greater Twin Cities area and serves as the unofficial boundary of residential development. Intended to ensure orderly growth, the line has unintended consequences. With a stark difference between land prices on either side of the line, the MUSA line has at times encouraged development outside the line, where land is much more affordable. While land generally becomes more affordable the further out from an urban center, the Twin Cities, unlike other cities, has an artificial boundary beyond which land become much more affordable.

By limiting the supply of land, the Metropolitan Council and local governments have inadvertently impacted the availability and cost of undeveloped land within the MUSA. Higher land prices have provided an incentive for developers to “leapfrog” over the MUSA line to where land is much more affordable. Homebuilders, land developers and the Metropolitan Council all want to avoid leapfrogging, but when land costs inside the MUSA line are so high due to regulated supply, the housing market will naturally flow to areas where new-homebuyers can afford to build their homes.

- BETWEEN 2010 AND 2030, SOME 429,475 RESIDENTS WILL NEED HOUSING THAT DID NOT EXIST IN 2010.

1,871,035

2010 POPULATION

2,300,510

2030 POPULATION

△ 429,475

NEW RESIDENTS

- AFTER ACCOUNTING FOR PARKS AND OPEN SPACES (10 PERCENT OF LAND), PERMANENT STORMWATER TREATMENT (8 PERCENT OF LAND) AND ROADWAYS (5 PERCENT), THESE NEW TWIN CITIANS WILL NEED:

**45,745
ACRES**

EST. TOTAL AVAILABLE
RESIDENTIAL DEVELOPMENT

**35,223
ACRES**

EST. AVAILABLE RESIDENTIAL
LAND LESS IMPROVEMENTS

**12.4
PEOPLE**

PER NEW
RESIDENTIAL ACRE

SOURCE: CIVIL METHODS REPORT TO HOUSING FIRST MINNESOTA, FIGURE A-6

Of the 102 cities and townships in the report, only 32 had the ability to meet the 0.08 acres per new resident estimate.

According to a 2016 study by Civil Methods Civil Engineers prepared for Housing First Minnesota, there is a growing land shortage within the MUSA line. Using GIS data from the State of Minnesota and other publicly accessible geospatial data, Civil Methods analyzed the expected amount of land to be available for residential development through 2030, reflecting the previous round of comprehensive planning undertaken by the Metropolitan Council and local governments. In the conclusion of the study, author Kent Brander, PE, noted:

“[There] is a developing shortage of land available for residential construction in the Twin Cities Metro Area, given the growth in the region ... [the] results suggest that limited space designated for residential development, combined with statutory requirements that further reduce land availability, will make it difficult for residential construction to keep up with population growth. This circumstance would exacerbate the challenge of having adequate affordable housing accessible in the marketplace.”

LAND RATIONING EFFECTS (CONTINUED)

Nothing better encapsulates this concept than a marketing slogan of a builder and developer selling homes a decade and a half ago. Billboards adorned the interstate advertising communities outside of the MUSA, saying, “Drive 15 minutes, save \$50,000.”

A review of recent land transactions provided by several land developers shows, quite clearly, developable land for home building outside the MUSA line is far more affordable than similar land within the MUSA.

The per-acre cost of undeveloped residential land inside the MUSA can be as much as 13 times more than comparable land outside of the MUSA. For example, in

Anoka County on the northern border of the MUSA line, consider the communities of Ham Lake, outside of the MUSA, and Blaine, inside of the MUSA. Undeveloped residential land in Ham Lake, based off recent sales, costs \$6,250 per acre. Similar land in Blaine, only miles away, can run up to \$80,000 per acre, nearly 13 times more.

Adequate land supply requires infrastructure strategies by both the Metropolitan Council and local governments where growth is occurring. Given the importance of land costs in the broader picture of housing affordability, this factor must be a substantial part of housing policy discussion.

■ Anoka County: Blaine vs. Ham Lake

Blaine and Ham Lake are adjacent communities.

BLAINE, MN

**\$65,000-\$80,000
PER ACRE**

LAND WITHIN & NEAR MUSA LINE

HAM LAKE, MN

**\$6,200
PER ACRE**

LAND OUTSIDE & NEAR MUSA LINE

■ Scott County: Prior Lake vs. Credit River Township

Prior Lake and Credit River Township are adjacent communities.

PRIOR LAKE, MN

**\$80,000-\$125,000
PER ACRE**

LAND WITHIN & NEAR MUSA LINE

CREDIT RIVER TOWNSHIP

**\$21,000
PER ACRE**

LAND OUTSIDE & NEAR MUSA LINE

■ Washington County: Lake Elmo vs. Grant

Lake Elmo and Grant are adjacent communities.

LAKE ELMO, MN

**\$80,000-\$90,000
PER ACRE**

LAND WITHIN & NEAR MUSA LINE

GRANT, MN

**\$12,825-\$23,000
PER ACRE**

LAND OUTSIDE & NEAR MUSA LINE

■ Washington County: Woodbury vs. Afton

Woodbury and Afton are adjacent communities.

WOODBURY, MN

**\$85,000-\$100,000
PER ACRE**

LAND WITHIN & NEAR MUSA LINE

AFTON, MN

**\$10,000-24,000
PER ACRE**

LAND OUTSIDE & NEAR MUSA LINE

SOURCE: RECENT LAND SALE COMP DATA
PROVIDED BY TWIN CITIES RESIDENTIAL
LAND DEVELOPERS, FIGURE A-7

STATE MANDATES

The information supplied by Builders A and D for both Minnesota and Wisconsin and Builder B for three Twin Cities communities and the southwest Chicago area provide an excellent opportunity to compare how different state regulations affect the price of homes.

Each of these three states has its own building, energy, plumbing, mechanical and electrical codes, as well as administering the Environmental Protection Agency’s National Pollutant Discharge Elimination System permit locally. Each state, however, implements its own version of each regulation.

Minnesota, for example, has what is viewed as a progressive energy code. Minnesota also had the fourth best Home Energy Rating Score⁽¹⁾ (HERS) in 2017 at 51, according to the Residential Energy Services

Network. Wisconsin had an average HERS number of 61 and Illinois’s 2017 average HERS was 59. However, achieving increased energy efficiency is not without its costs.

The homes examined in Minnesota and in Hudson, Wisconsin were all within climate zone 6, with the home examined in the southwest Chicago area in climate zone 5. Despite being in different climate zones, the average temperatures in the Minneapolis and Chicago areas are similar, relatively equal in the summer months and as much as eight degrees different in the winter months.

The cost of complying with Minnesota’s current energy code, according to the builders surveyed was \$4,777.49 more than in Wisconsin.

■ ADDING UP THE COSTS

**MINNESOTA’S ENERGY CODE VS.
WISCONSIN’S ENERGY CODE**

+\$4,777.49 PER 1% INCREASE
IN EFFICIENCY

■ **HERS COMPARISON**

STATE RANKING	HERS RATING	2017 HOMES TESTED
1. VERMONT	43	311
2. MAINE	46	13
3. MONTANA	49	95
4. MINNESOTA	51	6,261
5. HAWAII	52	426
24. ILLINOIS (TIE)	59	2,565
30. WISCONSIN	61	2,389

SOURCE: RESNET

⁽¹⁾HERS Index is the nationally recognized scoring system for measuring a home’s energy performance. A standard new home is awarded a rating of 100. A home with a HERS Index Score of 50 is 50% more energy efficient than a standard new home and home with a HERS Index Score of 130 is 30% less efficient than a standard new home.

■ **AVERAGE TEMPERATURE (DEGREES FAHRENHEIT)**

	CHICAGO	MINNEAPOLIS	DIFFERENCE
JAN.	23.8	15.6	8.2
FEB.	27.7	20.8	6.9
MAR.	37.9	32.8	5.1
APR.	48.9	47.5	1.4
MAY.	59.1	59.1	0
JUN.	68.9	68.8	0.1
JUL.	74	73.8	0.2
AUG.	72.4	71.2	1.2
SEPT.	64.6	62	2.6
OCT.	52.5	48.9	3.6
NOV.	40.3	33.7	6.6
DEC.	27.7	19.7	8
AVG.	49.8	46.3	3.6

SOURCE: WEATHERBASE

STATE TO STATE COMPARISON

MINNESOTA VS. WISCONSIN

6.2% HIGHER LABOR AND MATERIALS COST
312% MORE STORMWATER PERMIT COMPLIANCE

Information supplied by Builders A and D provides a great comparison of how different state regulations affect the price of a home.

Despite being only minutes apart, the construction costs for the same home are \$15,522.83 more in Minnesota than the identical home in Hudson, Wisc., a 6.2 percent increase. The cost to comply with state-administered National Pollution Discharge Elimination System (NPDES) permitting (Construction Stormwater Permit in Minnesota) was 312 percent higher in Minnesota than in Wisconsin, when averaged across all builders surveyed.

■ **BUILDER A TWIN CITIES HOME COST COMPARISON TO WISCONSIN**

+\$3,375.01 **+\$1,400.33**
 BUILDING CODE SALES TAX

+\$4,777.49 **+\$2,850.00**
 ENERGY CODE STORMWATER COMPLIANCE

+\$470.00
 PLUMBING & ELECTRICAL CODES

SOURCE: BUILDERS A, B AND D

Building Code and Related Regulations

DESCRIPTION	WISCONSIN COST	MINNESOTA COST	DIFFERENCE	NOTES
FOUNDATION EXCAVATION & PREPARATION	\$6,050.00	\$7,770.00	+\$1,500.00 Passive Radon System Gravel Requirement	The Minnesota Department of Health requires a passive radon mitigation system be installed in new homes. Part of the requirement is four inches of clean aggregate (gravel) laid at the base of the foundation.
WINDOWS & WINDOW TRIM	\$11,233.89	\$11,894.49	+\$660.60 Window Fall Protection	In 2015, the Minnesota Legislature added a window fall protection requirement for second floor windows.
SHEETROCK FOR UNFINISHED BASEMENT CEILINGS	\$10,542.60	\$11,757.01	+\$1,214.41 Sheet Rocking Basements	Minnesota added the requirement of fire barrier in the ceilings of unfinished basements in its 2015 Building Code.

TOTAL: **+\$3,375.01**

PLUMBING CODE

Builder D reported a \$250.00 difference in the cost of complying with the plumbing code in Minnesota relative to Wisconsin. The difference is attributable to the air-gap requirement placed on residential dishwashers in 2016.

ELECTRICAL CODE

In Minnesota, compliance with the state's electrical code is \$220.00 more expensive than the cost of complying with the Wisconsin Electrical Code. Both states have adopted the 2017 National Electrical Code, but Wisconsin has delayed its implementation until January 2020. This price difference is due to the expanded GFCI requirements in the 2017 National Electric Code.

Energy Code

DESCRIPTION	WISCONSIN COST	MINNESOTA COST	DIFFERENCE	NOTES
LUMBER & TRUSSES	\$47,738.39	\$50,455.88	+\$1,717.49	This variance is due to having to use different truss heights to accommodate the mechanical and insulation requirements, and taxes.
HVAC SYSTEM	\$9,410.00	\$11,470.00	+\$2,060.00	Minnesota's requirement for sealing of air ducts as well as its balanced ventilation requirement.
INSULATION	\$7,014.00	\$7,514.00	+\$500.00	Differences in insulation requirements between the two states.
ENERGY TESTING	\$0.00	\$500.00	+\$500.00	Minnesota's Building Energy Code requires new homes to be rated and tested for energy efficiency.

TOTAL: **+\$4,777.49**

SALES TAX

While not a direct housing regulation, different sales tax policies between Minnesota and Wisconsin account for nearly 10 percent of the labor and materials cost differences between the states.

Of the \$1,400.33 that sales tax adds to the cost of a new home in Minnesota relative to Wisconsin, taxes on doors, cabinets and finished carpentry account for \$1,221.99. Lighting and appliance-related taxes account for the remaining \$178.34.

EROSION CONTROL

Construction stormwater compliance costs in Wisconsin are much lower than in Minnesota, with the final expense being 312 percent higher in the Twin Cities.

■ **THE COST OF CONSTRUCTION STORMWATER MANAGEMENT:**

\$3,500
MINNESOTA

\$850
HUDSON, WISC.

STATE TO STATE COMPARISON

MINNESOTA VS. ILLINOIS

22.63 % HIGHER LABOR AND MATERIALS
67.85 % HIGHER TOTAL DEVELOPMENT COSTS

Builder B's similar homes in the Twin Cities and in a southwest Chicago suburb provide another look at how local and state policies affect home costs.

■ **BUILDER B VICTORIA, MN HOME PRICE COST**
COMPARISON TO SOUTHWEST CHICAGO SUBURBS

+24.7% MORE EXPENSIVE
IN MINNESOTA SOURCE: BUILDER B

LAND DEVELOPMENT

While the cost of the undeveloped land was higher in the southwest Chicago area, the total cost to develop the property was far lower in Illinois.

Builder B reported the reason for the large development cost differences was the city's "open-minded" approach to negotiating connection charges and development fees. The soft costs of development (engineering, escrows for city consultants) grading and upgrading city infrastructure were comparable to that of Minnesota. Builder B's infrastructure costs were far lower than in Minnesota, with a \$1,400 capitol improvement impact fee covering the costs for infrastructure.

Connection fees, totaling \$6,859, were higher in Minnesota for Builder B.

Another area of savings in Illinois relative to Minnesota was the amount paid in impact fees. One fee shared across all of Builder B's homes was a park fee, which totaled \$1,271.36 for Builder B's project in the southwest Chicago area. In Minnesota, the park fees paid by Builder B ranged from \$3,494 to \$4,320 per home.

Illinois, unlike Minnesota, has an expansive list of other impact fees, including schools, fire departments, municipal capital improvement and library fees. These fees not charged in Minnesota accounted for more than \$6,000 of the price of the home in Illinois, nearly 2 percent of the home's final sales price.

Land Development Costs

COSTS	SOUTHWEST CHICAGO	BLAINE, MN	LAKEVILLE, MN	VICTORIA, MN
UNDEVELOPED LAND	\$38,655	\$29,404	\$29,086	\$32,369
FINAL LOT PRICE	\$80,454	\$97,214	\$99,271	\$104,799
TOTAL IMPROVEMENT COSTS	\$41,799	\$67,810	\$70,185	\$72,430

Impact Fees

IMPACT FEE	SOUTHWEST CHICAGO	BLAINE, MN	LAKEVILLE, MN	VICTORIA, MN
CAPITOL IMPROVEMENT	\$1,400	-	-	-
FIRE IMPACT	\$1,125	-	-	-
SCHOOL IMPACT: GRADE SCHOOL	\$1,429	-	-	-
SCHOOL IMPACT: HIGH SCHOOL	\$658	-	-	-
SCHOOL IMPACT CASH CONTRIBUTION: GRADE SCHOOL	\$711.40	-	-	-
SCHOOL IMPACT CASH CONTRIBUTION: HIGH SCHOOL	\$322.77	-	-	-
LIBRARY	\$425	-	-	-
PARK	\$1,271.36	\$4,320	\$3,781	\$3,494
TOTAL IMPACT FEES	\$7,345.53	\$4,320	\$3,781	\$3,494

CONSTRUCTION COSTS

Some of the cost differences between the homes examined in the Twin Cities and the home in southwest Chicago area have to do with the different energy code requirement. The region of the Chicago metropolitan area studied uses the Illinois Energy Conservation Code which, like Minnesota, is an amended version of the International Energy Conservation Code.

The greater Chicago region, with a slight temperature variation from the Twin Cities region, falls into Climate Zone 5, creating different

efficiency and construction requirements from the Twin Cities region, which falls into Climate Zone 6.

Both states also have requirements for ventilation, with tables outlining the air exchange requirements based on the total conditioned space (including unfinished basements) and the number of bedrooms in a home.

Construction Costs				
COSTS	SOUTHWEST CHICAGO	BLAINE, MN	LAKEVILLE, MN	VICTORIA, MN
TOTAL CONSTRUCTION COSTS	\$178,045	\$213,252	\$220,412	\$219,551

Requirements: Illinois Energy Conservation Code and Minnesota Residential Energy Code

	FENESTRATION U-FACTOR	CEILING R-VALUE	WOOD FRAME R-VALUE ^a	MASS WALL R-VALUE ^b	FLOOR R-VALUE	BASEMENT WALL R-VALUE	SLAB DEPTH AND R-VALUE
Illinois	.32	49	20, 13+5	13/17	30	10/13 ^c	10, 2 ft
Minnesota (Zone 6)	.32	49	20, 13+5	15/20	30	15 or 10 ^d	10, 3.5 ft
Minnesota Difference	None	None	None	+2/+3	None	Exterior +5 or None, depending on air exchange	None, +1.5 ft

a: The first value is cavity insulation; the second value is continuous insulation.

b: The second R-value applies when more than half the insulation is on the interior of the mass wall.

c: "10/13" means R-10 continuous insulation on the interior or exterior of the home or R-13 cavity insulation at the interior of the basement wall.

d: In Minnesota Zone 6, if the home is proven to meet the air exchange rate requirement, basement wall R-value can be reduced to 10.

THE TRUE COST: THE MIDDLE CLASS & THE NEW HOME MARKET

With record low housing supply and too few affordable new homes, the Twin Cities region's affordability challenges are pricing people out of the new home market at an alarming rate.

Today, based on the \$417,000 median price of a new single-family home, with an average 6 percent down payment and an interest rate of 4.5 percent, a couple seeking to buy a new home in the Twin Cities would need an annual household income of \$150,000. In other words, in order to afford a new home, homebuyers without a substantial down-payment need to earn twice the median household income of \$75,000.

To put this in perspective, based on standard mortgage lending calculations:

- **Two teachers**, with an average salary of \$60,000 each, **would be unable to purchase an average newly built home**

- More broadly, **85 percent of Twin Cities households are unable to afford an average newly constructed home**

For much of the middle class in the Twin Cities, buying a newly built home is all but impossible.

Increasing the supply of newly built homes is vital. Equally important is ensuring that this new housing in Minnesota is affordable for the greatest number of buyers. Increasing the production of affordably priced homes will only be possible if policymakers address the factors that have created the affordability challenge.

MORE THAN JUST A HOME

Research from Lawrence Yun, Ph.D., and Nadia Evenglou in “Social Benefits of Homeownership and Stable Housing” show that stable housing has tremendous societal benefits. In addition to the economic benefits of homeownership, those with stable housing:

- Are **happier and healthier**

- Have **higher educational outcomes**

- Are more **civically engaged**

- Experience a **lower rate of crime**

As the region grapples with a shortage of affordable homes, the societal costs of the lack of affordable housing must be acknowledged.

HOUSING AFFORDABILITY CHALLENGES HARM MINNESOTA'S ECONOMIC COMPETITIVENESS

HOUSING IS AN ECONOMIC DRIVER

Housing plays an integral role in the Twin Cities' economy. Housing's annual contribution to the Gross Domestic Product (GDP) is generally 15-18 percent, which includes both residential investment and consumption spending on housing services. The benefits of a strong housing market are both broad and direct. The wide range of workers and associated businesses engaged throughout the homebuilding process provides a catalyst for growth and stability.

In addition to the raw economic power housing drives for Minnesota, it serves an equally important role in both individual lives and in the identity of a region. Housing competitiveness is a key issue for all regional stakeholders, including employers, schools, and local and state governments.

■ ECONOMIC DRIVER

HOUSING PROVIDES
15-18%
OF THE REGION'S GDP

State leaders have called for a surge in new home building over the next 11 years. Not all of these will be single-family homes, but a strong portion must be to steady the housing ecosystem and meet market demand. Finding an affordable pathway to meet this demand will not only benefit individual homeowners and enhance competitiveness for employers attempting to attract and retain talent, it will provide enormous economic growth for our state and region.

HOUSING FUELS LOCAL ECONOMIES

Home building generates substantial local economic activity, including new income and jobs for residents, and additional revenue for local governments. In 2010 the National Association of Home Builders (NAHB) utilized their proprietary model to capture the effect of the construction activity itself, the ripple impact that occurs when income earned from construction activity is spent and recycles in the local economy, and the ongoing impact that results from new homes becoming occupied by residents who pay taxes and buy locally produced goods and services. In order to fully appreciate the positive impact residential construction has on

a community, it's important to understand the ripple effects and the ongoing benefits.

NAHB's research is based on a home price of \$434,500. While the average price may vary slightly given the gap in years, the substance of the analysis remains valid today.

The estimated one-year local impacts of building 1,000 single-family homes in the Twin Cities include:

- \$276.9 million in local income
- \$20.6 million in taxes and other revenue for local governments
- 3,615 local jobs

These are local impacts, representing income and jobs for residents of the Twin Cities, and taxes (and other sources of revenue, including permit fees) for all local jurisdictions within the metro area. They are also one-year impacts that include both the direct and indirect impact of the construction activity itself, and the impact of local residents who earn money from the construction activity, spending part of it within the local area. Local jobs are measured in full time equivalents.

HOUSING FUELS LOCAL ECONOMIES (CONTINUED)

The additional, annually recurring impacts of building the 1,000 single-family homes include:

- \$39.9 million in local income
- \$8.8 million in taxes and other revenue for local governments
- 586 local jobs

These are ongoing, annual local impacts that result from the new homes being occupied, and the occupants paying taxes and otherwise participating in the local economy year after year. The ongoing impacts also include the effect of increased property taxes, based on the difference between the value of raw land and the value

of a completed housing unit on a finished lot, assuming that raw land would be taxed at the same rate as the completed housing unit.

As a sector of the economy, housing is uniquely positioned to lead the state's economic competitiveness. When the housing ecosystem is healthy and in balance, it's reasonable to expect that the vast economic contributions to the state will lift the overall GDP and competitiveness. Conversely, when the housing ecosystem is broken and imbalanced, the economy and regional competitiveness are threatened.

■ **FOR EVERY 1,000
HOMES BUILT, THE LOCAL
ECONOMY BENEFITS FROM**

\$276.9 MILLION

IN ONE-TIME LOCAL INCOME

\$20.6 MILLION

IN ONE-TIME LOCAL
TAXES & REVENUED

\$8.8 MILLION

IN ANNUAL LOCAL TAXES
& REVENUE

POLICYMAKERS: ADDRESSING THE TRUE COST

Housing policy issues present policymakers and community leaders with an inherent challenge given the multitude of intersecting regulatory requirements and the plethora of local, regional, state, and federal government agencies enforcing each of them. However, because of housing's immense impact on individual lives, and its driving force impacting the economy and regional competitiveness, housing affordability is a challenge that must be met with purpose and priority.

Today, Minnesota's housing market is broken. Our market fails to construct an adequate supply of entry-level and affordably priced homes, which affects the ecosystem of rental units and the price of existing homes.

Move-up homes depend on a consistent, adequate supply of new homes. This lack of production is occurring not by homebuilder and developer choice, but rather by the regulatory costs that make affordable construction unattainable.

This study brings a level of transparency to housing costs and demonstrates how they are passed onto homeowners. With greater awareness of the regulatory impacts on affordability and the housing market as a whole, Minnesota enters a new era of housing policy considerations. The following formal recommendations represent a start.

AFFORDABILITY LOST IN HOUSING POLICY CREATION

There is no single entity to blame or single regulation to modify that would solve Minnesota's housing affordability problem rapidly. Newly built homes in Minnesota cost as much as they do in large part due to the compounding effect of multiple regulations from local, regional and state government entities. Nearly all of these regulations are well-intentioned and have merit, yet when taken in total, it becomes clear that action is needed to ensure affordability is not lost forever.

The manner in which the State of Minnesota, regional entities such as the Metropolitan Council and watershed districts, as well as local governments regulate housing in Minnesota has a demonstrable impact on the cost of homes, driving up our region in comparison to other Midwest markets.

In 2018, the Minnesota Governor's Task Force on Housing said what housing experts in Minnesota have said for years, Minnesota needs an increase in housing supply of all types. This sustained surge in new home production, 300,000 by 2030, can only be realized if greater affordability is achieved.

Minnesota is at a turning point.

We believe there are five key steps that must be taken to address this challenge:

- 1** | Transparency in housing costs emanating from local government must be addressed.
- 2** | The effects of land rationing must be considered.
- 3** | We must complete a cost-benefit evaluation of existing housing regulations. New housing regulations should consider the cumulative effect all regulations have on affordability.
- 4** | We need to enable homebuilders to innovate, thus creating less expensive ways to build homes while ensuring safety and resource protection.
- 5** | Government must partner with the housing industry on ways to reduce the regulatory costs of housing.

POLICYMAKERS: ADDRESSING THE TRUE COST (CONTINUED)

■ RECOMMENDATION

CREATE A LEGISLATIVE COMMISSION ON HOUSING AFFORDABILITY

Housing is a complicated mosaic of oversight and requirements from multiple government agencies at all levels. Local governments have the most direct impact on housing costs, but a decentralized approach to analyze and seek regulatory efficiencies on a per-city basis is not feasible. The legislature stands out as the best of the available options for this oversight. It has the broadest sight lines and connections with the other government agencies. A legislative commission is the logical forum to create common language for housing policy discussions, oversee affordability-centric conversations, and issue guidance to achieve the safety, durability and affordability necessary for a healthy housing market.

COMMISSION TASK 1

AFFORDABILITY-CENTRIC REVIEW OF EXISTING HOUSING POLICIES

While many specific housing policies and regulations are vital to safety and durability, others are not and have an adverse effect on housing affordability. Reviewing and evaluating existing housing regulations through an affordability lens would demonstrate that the state is serious about tackling affordability issues. The aforementioned Governor's Housing Task Force included this recommendation in its report. The Minnesota Legislative Commission on Housing Affordability would be the natural fit for such review.

Existing housing regulations and policies from the State of Minnesota, regional entities like the Metropolitan Council, as well as from local governments, including cities and watersheds, would all be reviewed.

COMMISSION TASK 2

REVIEW OF NEW HOUSING REGULATIONS AND POLICIES

With no central entity responsible for reviewing and understanding the cumulative impact of housing-related rules and regulations enacted by multiple agencies, the new Minnesota Legislative Commission on Housing Affordability would be the proper body to conduct oversight. With the potential of multiple rules and regulations being enacted in any given year, the threshold for review should be any new rule, regulation or requirement that adds \$1,000 or more to the price of a new housing unit, or to remodel an existing housing unit.

COMMISSION TASK 3

INVESTIGATE, ADDRESS, AND RECOMMEND POLICIES TO IMPROVE THE HOMEOWNERSHIP EQUITY GAP

Minnesota's disparity in homeownership between white and non-white Minnesotans is the highest in the nation. The underlying reasons that homeownership rates differ are complex and require a focused policy approach within the broader effort to increase housing affordability, which lifts homeownership opportunities for all Minnesotans.

COMMISSION TASK 4

SUPPORT INNOVATIVE APPROACHES TO AFFORDABLE NEW HOUSING

Technology and innovation have long outpaced the governments' ability to adapt and respond. For housing, the most recent example is the proliferation of tiny homes, with cities looking into zoning policies after these homes became popular.

As companies are working on the 3-D printing of homes, with autonomous machines able to install drywall and the proliferation of prefabrication of home components, there is both a need and opportunity to embrace innovative construction methods. Additionally, homebuilders in the Twin Cities are actively working on a performance-based pathway for home construction that reduces the cost of construction while maintaining the protections that exist today.

The commission has an opportunity to partner with the industry on a proactive approach to incorporating innovative construction methods that increase housing affordability.

The State of Minnesota should authorize an innovation challenge to the housing industry to see what innovation, technology and performance-based home construction can yield. This innovation challenge would allow and encourage a new way of approaching land development and new home construction in Minnesota.

Homes participating in this pilot project would need to be constructed in a manner that meets predetermined performance standards of construction safety, home durability and resource protections. Throughout the construction process, inspectors from the appropriate state agencies would monitor the progress.

A successful completion of the pilot program would allow for the State of Minnesota and local government entities to consider which rules and regulations could be modified, leading to greater efficiency in the overall cost of construction, thereby increasing affordability.

COMMISSION TASK 5

COMMON LANGUAGE AND TRANSPARENCY

The true cost of local housing regulations is not as straightforward as homeowners expect it to be. In addition to each home's share of roads, utilities and other necessary infrastructure, city requirements can account for more than 10 percent of the total home cost. Several local costs, such as building permits, park fees and connection charges are easily located on city fee schedules. Others, including unpublished impact fees and improvements required by a city for project development and approval are complex and often invisible, and can even vary within the same city from project to project.

To help the commission and policymakers at all levels discuss the cost of housing policies and regulations, a common language and a dashboard that presents these charges on a per-housing-unit basis are needed. The cost of local housing regulations can and should be far more transparent, empowering the Legislative Commission on Housing Affordability, local elected officials, policymakers and most importantly, homeowners, to see the true impact of local housing regulations in a clear and standard format. This reporting should be presented in the form of a Housing Affordability Impact Statement, made available to the buyer of any new home at the time of closing.

A sample Housing Affordability Impact Statement can be found on the following page.

■ ADDING UP THE COSTS

The cost for housing across all price points and all housing types is rising faster than wages, a dangerous trend that cannot continue. **The time for action is now.**

HOUSING AFFORDABILITY IMPACT STATEMENT

2960 CENTRE POINTE DR., VICTORIA, MN 55386

Prepared using data provided by Builder B for a home in Victoria, MInn.



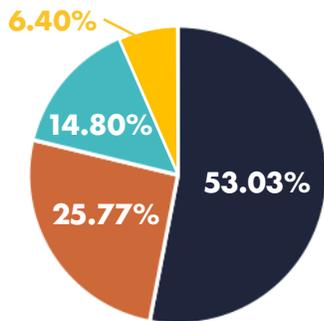
HOME PRICE TOPLINES		\$413,990.00	
LAND COSTS	\$104,799.00	CONSTRUCTION	\$219,551.00
ADMINISTRATION	\$63,145.00	PROFIT	\$26,495.00

HOME OVERVIEW

Bedrooms	4
Bathrooms	3
Basement	Unfinished
Garage Stalls	3
Efficiency Rating (HERS)	51
Lot Size	0.19 Acres

REGULATORY COSTS 25.27%

TOTAL HOME COSTS



■ Construction ■ Administration
■ Land Costs ■ Profit

LAND COSTS	\$104,799.00
Raw	\$32,369.00
Necessary Improvement	\$43,418.00
Other Improvements	\$29,012.00

INFRASTRUCTURE	\$44,038.00
Met Council Fees	\$2,485.00
Trunk & Connection Fees	\$7,080.00
In-Dev Infrastructure	\$16,685.00
Area Wide Improvements	\$7,753.00
Grading	\$10,035.00

ENGINEERING	\$12,964.00
Plan/Design	\$12,964.00

STORMWATER	\$11,049.00
Construction Stormwater	\$3,700.00
Permanent Treatment	\$7,349.00

GREEN SPACE	\$4,544.00
Park Dedication	\$3,494.00
Tree Preservation/Landscape	\$1,050.00
Other Open Space	

ADMINISTRATION	\$63,145.00
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CONSTRUCTION	\$219,551.00
Labor & Materials	\$206,921.00
Permitting	\$12,630.00

CODE & REQUIREMENTS CHANGES SINCE 2015 \$10,200.00

BUILDING CODE	\$2,950.00
Window Fall Protection	\$450.00
Basement Rocking	\$1,000.00
Passive Radon	\$1,500.00
Misc.	

PLUMBING CODE: BACKFLOW PREVENTER	\$250.00
--	-----------------

ENERGY CODE	\$7,000.00
Rating & Testing	\$1,000.00
Ext. Foundation Insulation	\$2,000.00
Balanced Ventilation	\$2,500.00
Rigid Ducting	\$1,500.00

CITY INSPECTION/REVIEW	\$10,145.00
Building Permit Fees (Less SAC & WAC)	\$8,037.00
Plan Review	\$2,108.00
Inspections (10)	

PROFIT	\$26,495.00
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CONCLUSION

By nearly every measure, new homes in the Twin Cities cost more than they do in other Midwest markets. As the compounding costs of housing policies have not been appropriately considered, more and more potential homebuyers have been priced out of the market. This does not need to be a permanent condition. Bold action is needed now.

With up to one-third of a new home's price coming from housing policies, prioritizing housing affordability will make new homes in this state more attainable

Minnesota is at a turning point. The public and policymakers are calling for increased housing affordability for all Minnesotans, a goal that can only be achieved if policymakers begin to focus more on the factors driving up housing costs. Homebuilders and all levels of government can partner together to deliver safe, durable homes that Minnesotans can afford.

Fixing Minnesota's housing ecosystem requires a new approach, one where safety, durability, and affordability are given equal emphasis in housing policy considerations.

CREATING A LEGISLATIVE COMMISSION ON HOUSING AFFORDABILITY

The compounding effect of housing policies and regulations has led to the affordability issues the state is grappling with today. Bold action is needed at the state level to review and to provide oversight against future housing cost increases.

USING A COMMON LANGUAGE TO SPEAK ABOUT HOUSING COSTS

Utilizing the common language for costs of housing policies, the Housing Affordability Impact Statement provides policymakers a pathway to review, understand, and balance housing policy costs in a way previously unseen. Demand for transparency has never been greater from all housing stakeholders to not only see what homes cost, but why.

■ CONCLUSION

Restructuring Minnesota's housing ecosystem requires **bold action** from policymakers at all levels. Enacting an affordability-centric approach will **reduce home prices and strengthen Minnesota's economy.**

APPENDIX A

MARKET INFORMATION AND STATISTICS

FIGURE A-1: FORECASTED 2006 NEW, SINGLE-FAMILY HOME PRICES, (MIDWEST MSA) 2018

TWIN CITIES METRO, MN & WI (13 COUNTIES)

2006 Dollar Volume of Homes

Price Range	% Based on Starts
Under \$225,000	35.42%
\$225,000 to \$325,000	37.13%
\$325,000 to \$425,000	12.91%
\$425,000 +	14.54%
TOTAL	100%

SOURCE: MARKET GRAPHICS

FIGURE A-2: FORECASTED 2018 NEW, SINGLE-FAMILY HOME PRICES, (MIDWEST MSA) 2018

TWIN CITIES METRO, MN & WI (13 COUNTIES)

2018 Dollar Volume Forecast of Homes and The Average Price of Housing

Price Range	Forecasted Starts	% Based on Starts	Average Price of Homes
Under \$175,000	262	3.41%	\$140,000
\$175,000 to \$225,000	447	5.82%	\$200,000
\$225,000 to \$275,000	767	9.98%	\$250,000
\$275,000 to \$325,000	1072	13.96%	\$300,000
\$325,000 to \$425,000	2629	34.22%	\$375,000
\$425,000 to \$625,000	1528	19.89%	\$525,000
\$625,000 to \$925,000	717	9.34%	\$775,000
Over \$925,000	261	3.40%	\$1,075,000
TOTAL	7,682	100%	

Forecast average price of new homes: \$424,822

NASHVILLE METRO, TN (11 COUNTIES)

Price Range	Forecasted Starts	% Based on Starts	Average Price of Homes
Under \$175,000	98	0.71%	\$140,000
\$175,000 to \$225,000	1075	7.78%	\$200,000
\$225,000 to \$275,000	3583	25.93%	\$250,000
\$275,000 to \$325,000	3370	24.38%	\$300,000
\$325,000 to \$425,000	2732	19.77%	\$375,000
\$425,000 to \$625,000	1825	13.20%	\$525,000
\$625,000 to \$925,000	752	5.44%	\$775,000
Over \$925,000	386	2.80%	\$1,075,000
TOTAL	13,821	100%	

Forecast average price of new homes: \$370,157

KANSAS CITY METRO, KS & MO (9 COUNTIES)

Price Range	Forecasted Starts	% Based on Starts	Average Price of Homes
Under \$175,000	746	11.21%	\$140,000
\$175,000 to \$225,000	610	9.16%	\$200,000
\$225,000 to \$275,000	1023	15.36%	\$250,000
\$275,000 to \$325,000	1121	16.84%	\$300,000
\$325,000 to \$425,000	1705	25.60%	\$375,000
\$425,000 to \$625,000	994	14.93%	\$525,000
\$625,000 to \$925,000	348	5.22%	\$775,000
Over \$925,000	112	1.69%	\$1,075,000
TOTAL	6,659	100%	

Forecast average price of new homes: \$355,927

ST. LOUIS REGION, MO & IL (10 COUNTIES)

Price Range	Forecasted Starts	% Based on Starts	Average Price of Homes
Under \$175,000	1107	22.72%	\$140,000
\$175,000 to \$225,000	1075	22.06%	\$200,000
\$225,000 to \$275,000	1038	21.29%	\$250,000
\$275,000 to \$325,000	700	14.35%	\$300,000
\$325,000 to \$425,000	461	9.46%	\$375,000
\$425,000 to \$625,000	237	4.86%	\$525,000
\$625,000 to \$925,000	143	2.93%	\$775,000
Over \$925,000	113	2.32%	\$1,075,000
TOTAL	4,874	100%	

Forecast average price of new homes: \$280,906

SOURCE: MARKET GRAPHICS

CHICAGO, IL (10 COUNTIES)

Price Range	Number of Homes	Percentage of Homes
\$0-199,999	811	11.5%
\$200,000-249,999	1,271	18.0%
\$250,000-299,999	1,317	18.7%
\$300,000-349,999	1,012	14.4%
\$350,000-399,999	700	9.9%
\$400,000-499,999	670	9.5%
\$500,000-749,999	628	8.9%
\$750,000+	636	9.0%

SOURCE: METROSTUDY

FIGURE A-3: NEW, SINGLE-FAMILY HOME STARTS, REGIONAL (2007-2017)

City	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Minneapolis St. Paul Region	7,581	4,161	3,629	3,805	3,756	5,750	7,174	6,685	6,770	7,889	8,782
Chicago Region	18,095	7,637	4,383	4,244	4,145	5,658	7,261	7,723	7,676	8,032	8,416

SOURCE: UNITED STATES CENSUS BUILDING PERMIT SURVEY

FIGURE A-4: NEW VS. EXISTING HOME CLOSING PRICES (2018)

City	Average New Home Closing Price	Average Existing Home Price	Difference
Minneapolis/St. Paul Region	\$282,490	\$236,992	19.20%
Blaine	\$412,710	\$238,010	73.40%
Corcoran	\$521,990	\$346,827	50.50%
Dayton	\$427,119	\$305,028	40.03%
Hugo	\$438,945	\$290,932	50.88%
Lake Elmo	\$468,322	\$388,993	20.39%
Lakeville	\$444,666	\$334,077	33.10%
Prior Lake	\$431,609	\$344,016	25.46%
Victoria	\$464,120	\$360,446	28.76%
Woodbury	\$498,158	\$347,105	43.52%
Hudson	\$360,896	\$272,038	32.66%

SOURCE: ZONDA

FIGURE A-5: HOUSING AFFORDABILITY INDEX (2018)

City	New Home Affordability	Existing Home Affordability	Difference
Minneapolis-St. Paul Region	50.30%	49.60%	-0.70%
Blaine	45.70%	70.80%	25.10%
Corcoran	47.30%	70.30%	23.00%
Dayton	52.60%	55.90%	3.30%
Hugo	44.10%	65.00%	20.90%
Lake Elmo	56.00%	75.50%	19.50%
Lakeville	52.20%	62.70%	10.50%
Prior Lake	47.90%	57.50%	9.60%
Victoria	66.00%	71.90%	5.90%
Woodbury	54.00%	65.40%	11.40%
Hudson	39.60%	58.30%	18.70%

ZONDA

FIGURE A-6: 2016 ANALYSIS OF LAND AVAILABILITY FOR FUTURE RESIDENTIAL CONSTRUCTION (CIVIL METHODS INC.)

The following table provides the detailed results from the GIS analysis, for cities within the study area (it does not include cities outside the MUSA 2030 boundary). The top line provides summary information for all cities in the table. The cities are listed in the order of most projected available land.

Several columns were added to arrive at a more accurate estimate of space actually available for home construction. Major roadways, stormwater management, and parks are three of the main requirements associated with residential construction that prevent otherwise developable land from becoming part of a lot. Other requirements or considerations not included in this table will also tend to reduce the amount of available land (e.g., the fact that not all land will be on the market at a given time).

City	Estimated Avail. Acres per Analysis	Pop. 2010	Pop. 2030	New People (2010-2030)	Acres for Major Roadways (5%)	Acres for Stormwater Management (8%)	Acres for Parks (10%)	Remaining Acres	Acres per New Person
TOTALS	45,745	1,871,035	2,300,510	429,475	2,287	3,660	4,574	35,223	0.08
Dayton	3,778	4,617	7,900	3,283	189	302	378	2,909	0.89
Lakeville	3,283	55,954	74,600	18,646	164	263	328	2,528	0.14
Woodbury	2,957	61,961	80,500	18,539	148	237	296	2,277	0.12
Corcoran	2,819	5,379	8,900	3,521	141	226	282	2,171	0.62
Dahlgren Twp.	2,446	1,331	870	-461	122	196	245	1,884	-4.09
Rogers	2,236	1,1197	18,400	7,203	112	179	224	1,722	0.24
Hugo	2,199	13,332	22,800	9,468	110	176	220	1,693	0.18
Cottage Grove	1,740	34,589	42,200	7,611	87	139	174	1,340	0.18
Laketown Twp.	1,736	2,243	640	-1,603	87	139	174	1,337	-0.83
Watertown Twp.	1,434	1,204	1,120	-84	72	115	143	1,104	-13.14
Lino Lakes	1,300	20,216	26,900	6,684	65	104	130	1,001	0.15
Belle Plaine Twp.	1,195	878	820	-58	60	96	119	920	-15.86
Rosemount	1,177	21,874	31,700	9,826	59	94	118	906	0.09
Lake Elmo	1,146	8,061	14,100	6,039	57	92	115	883	0.15
Forest Lake	999	18,377	25,200	6,823	50	80	100	769	0.11
Farmington	982	21,086	28,300	7,214	49	79	98	756	0.10
East Bethel	922	11,626	15,400	3,774	46	74	92	710	0.19
Empire Twp.	833	2,444	3,990	1,546	42	67	83	641	0.41
Chaska	789	23,770	32,000	8,230	39	63	79	608	0.07
Young America Twp.	776	715	660	-55	39	62	78	597	-10.86
Ramsey	764	23,668	30,700	7,032	38	61	76	588	0.08
Prior Lake	747	22,796	33,900	11,104	37	60	75	575	0.05
Brooklyn Park	691	75,781	91,800	16,019	35	55	69	532	0.03
Medina	643	4,892	7,300	2,408	32	51	64	495	0.21
Belle Plaine	636	6661	10,100	3,439	32	51	64	490	0.14
St. Francis	571	7,218	10,400	3,182	29	46	57	440	0.14
Chanhassen	519	22,952	31,700	8,748	26	42	52	400	0.05

City	Estimated Avail. Acres per Analysis	Pop. 2010	Pop. 2030	New People (2010-2030)	Acres for Major Roadways (5%)	Acres for Stormwater Management (8%)	Acres for Parks (10%)	Remaining Acres	Acres per New Person
Shakopee	486	37,076	52,800	15,724	24	39	49	375	0.02
Blaine	410	57,186	76,700	19,514	20	33	41	315	0.02
Inver Grove Heights	391	33,880	42,000	8,120	20	31	39	301	0.04
Cologne	373	1,519	2,940	1,421	19	30	37	287	0.20
St. Paul Park	337	5,273	7,000	1,727	17	27	34	260	0.15
Minnetrista	334	6,384	9,800	3,416	17	27	33	257	0.08
Andover	334	30,598	38,200	7,602	17	27	33	257	0.03
Savage	307	26,911	37,400	10,489	15	25	31	236	0.02
Waconia Twp.	297	1,228	1,430	202	15	24	30	229	1.13
Victoria	285	7,345	12,600	5,255	14	23	28	219	0.04
Elko New Market	263	4,110	8,600	4,490	13	21	26	202	0.05
Camden Twp.	184	922	860	-62	9	15	18	141	-2.28
Norwood Young America	170	3,549	7,200	3,651	8	14	17	131	0.04
Blakely Twp.	165	418	390	-28	8	13	17	127	-4.54
Coon Rapids	143	61,476	68,400	6,924	7	11	14	110	0.02
Greenfield	140	2,777	3,460	683	7	11	14	108	0.16
Hastings	137	22,172	26,000	3,828	7	11	14	105	0.03
Columbus	120	3,914	4,950	1,036	6	10	12	92	0.09
New Germany	118	372	590	218	6	9	12	91	0.42
Carver	117	3,724	10,300	6,576	6	9	12	90	0.01
Independence	116	3,504	4,040	536	6	9	12	89	0.17
Apple Valley	94	49,084	59,200	10,116	5	8	9	73	0.01
Stillwater Twp.	86	2,364	2,560	196	4	7	9	66	0.34
Mayer	86	1,749	2,520	771	4	7	9	66	0.09
Centerville	85	3,792	3,930	138	4	7	8	65	0.47
Champlin	83	23,089	24,200	1111	4	7	8	64	0.06
Eagan	81	64,206	69,800	5,594	4	6	8	62	0.01
Maplewood	72	38,018	45,600	7,582	4	6	7	56	0.01
Eden Prairie	67	60,797	75,200	14,403	3	5	7	52	0.00
Newport	53	3,435	4,050	615	3	4	5	41	0.07
Jordan	51	5,470	8,300	2,830	3	4	5	39	0.01
Watertown	51	4,205	6,200	1,995	3	4	5	39	0.02
Waconia	47	10,697	20,600	9,903	2	4	5	36	0.00
Orono	45	7,437	8,800	1,363	2	4	4	34	0.03
North Oaks	42	4,469	5,000	531	2	3	4	33	0.06
Maple Grove	36	61,567	80,500	18,933	2	3	4	27	0.00
Oakdale	33	27,401	29,500	2,099	2	3	3	25	0.01
Vadnais Heights	32	12,302	13,800	1,498	2	3	3	25	0.02

City	Estimated Avail. Acres per Analysis	Pop. 2010	Pop. 2030	New People (2010-2030)	Acres for Major Roadways (5%)	Acres for Stormwater Management (8%)	Acres for Parks (10%)	Remaining Acres	Acres per New Person
TOTALS	45,745	1,871,035	2,300,510	429,475	2,287	3,660	4,574	35,223	0.08
Dayton	3,778	4,617	7,900	3,283	189	302	378	2,909	0.89
Lakeville	3,283	55,954	74,600	18,646	164	263	328	2,528	0.14
Woodbury	2,957	61,961	80,500	18,539	148	237	296	2,277	0.12
Corcoran	2,819	5,379	8,900	3,521	141	226	282	2,171	0.62
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Cottage Grove	1,740	34,589	42,200	7,611	87	139	174	1,340	0.18
Laketown Twp.	1,736	2,243	640	-1,603	87	139	174	1,337	-0.83
Watertown Twp.	1,434	1,204	1,120	-84	72	115	143	1,104	-13.14
Lino Lakes	1,300	20,216	26,900	6,684	65	104	130	1,001	0.15
Belle Plaine Twp.	1,195	878	820	-58	60	96	119	920	-15.86
Rosemount	1,177	21,874	31,700	9,826	59	94	118	906	0.09
Lake Elmo	1,146	8,061	14,100	6,039	57	92	115	883	0.15
Forest Lake	999	18,377	25,200	6,823	50	80	100	769	0.11
Farmington	982	21,086	28,300	7,214	49	79	98	756	0.10
East Bethel	922	11,626	15,400	3,774	46	74	92	710	0.19
Empire Twp.	833	2,444	3,990	1,546	42	67	83	641	0.41
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Prior Lake	747	22,796	33,900	11,104	37	60	75	575	0.05
Brooklyn Park	691	75,781	91,800	16,019	35	55	69	532	0.03
Medina	643	4,892	7,300	2,408	32	51	64	495	0.21
Belle Plaine	636	6661	10,100	3,439	32	51	64	490	0.14
St. Francis	571	7,218	10,400	3,182	29	46	57	440	0.14
Chanhassen	519	22,952	31,700	8,748	26	42	52	400	0.05
Shakopee	486	37,076	52,800	15,724	24	39	49	375	0.02
Blaine	410	57,186	76,700	19,514	20	33	41	315	0.02
Inver Grove Heights	391	33,880	42,000	8,120	20	31	39	301	0.04
Cologne	373	1,519	2,940	1,421	19	30	37	287	0.20
St. Paul Park	337	5,273	7,000	1,727	17	27	34	260	0.15
Minnetrissa	334	6,384	9,800	3,416	17	27	33	257	0.08
Andover	334	30,598	38,200	7,602	17	27	33	257	0.03
Savage	307	26,911	37,400	10,489	15	25	31	236	0.02
Waconia Twp.	297	1,228	1,430	202	15	24	30	229	1.13
Victoria	285	7,345	12,600	5,255	14	23	28	219	0.04
Elko New Market	263	4,110	8,600	4,490	13	21	26	202	0.05

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Camden Twp.	184	922	860	-62	9	15	18	141	-2.28
Norwood Young America	170	3,549	7,200	3,651	8	14	17	131	0.04
Blakely Twp.	165	418	390	-28	8	13	17	127	-4.54
Coon Rapids	143	61,476	68,400	6,924	7	11	14	110	0.02
Greenfield	140	2,777	3,460	683	7	11	14	108	0.16
Hastings	137	22,172	26,000	3,828	7	11	14	105	0.03
Columbus	120	3,914	4,950	1,036	6	10	12	92	0.09
New Germany	118	372	590	218	6	9	12	91	0.42
Carver	117	3,724	10,300	6,576	6	9	12	90	0.01
Independence	116	3,504	4,040	536	6	9	12	89	0.17
Apple Valley	94	49,084	59,200	10,116	5	8	9	73	0.01
Stillwater Twp.	86	2,364	2,560	196	4	7	9	66	0.34
Mayer	86	1,749	2,520	771	4	7	9	66	0.09
Centerville	85	3,792	3,930	138	4	7	8	65	0.47
Champlin	83	23,089	24,200	1111	4	7	8	64	0.06
Eagan	81	64,206	69,800	5,594	4	6	8	62	0.01
Maplewood	72	38,018	45,600	7,582	4	6	7	56	0.01
Eden Prairie	67	60,797	75,200	14,403	3	5	7	52	0.00
Newport	53	3,435	4,050	615	3	4	5	41	0.07
Jordan	51	5,470	8,300	2,830	3	4	5	39	0.01
Watertown	51	4,205	6,200	1,995	3	4	5	39	0.02
Waconia	47	10,697	20,600	9,903	2	4	5	36	0.00
Orono	45	7,437	8,800	1,363	2	4	4	34	0.03
North Oaks	42	4,469	5,000	531	2	3	4	33	0.06
Maple Grove	36	61,567	80,500	18,933	2	3	4	27	0.00
Oakdale	33	27,401	29,500	2,099	2	3	3	25	0.01
Vadnais Heights	32	12,302	13,800	1,498	2	3	3	25	0.02
Anoka	25	17,142	20,000	2,858	1	2	2	19	0.01
Gem Lake	21	393	500	107	1	2	2	16	0.15
Little Canada	20	9,773	10,300	527	1	2	2	15	0.03
White Bear Twp.	15	10,949	11,400	451	1	1	1	12	0.03
Burnsville	12	60,306	66,000	5,694	1	1	1	9	0.00
Plymouth	10	70,576	80,200	9,624	0	1	1	8	0.00
Baytown Twp.	8	1,617	1,790	173	0	1	1	6	0.04
Stillwater	8	18,227	21,800	3,573	0	1	1	6	0.00
Vermillion	6	419	420	1	0	0	1	5	4.77
Afton	5	2,886	3,120	234	0	0	1	4	0.02
Roseville	5	33,660	34,000	340	0	0	0	4	0.01
Hampton	5	689	710	21	0	0	0	4	0.17

City	Estimated Avail. Acres per Analysis	Pop. 2010	Pop. 2030	New People (2010-2030)	Acres for Major Roadways (5%)	Acres for Stormwater Management (8%)	Acres for Parks (10%)	Remaining Acres	Acres per New Person
Shoreview	5	25,043	25,500	457	0	0	0	4	0.01
Bloomington	4	82,893	89,400	6,507	0	0	0	3	0.00
Falcon Heights	2	5,321	5,300	-21	0	0	0	2	-0.08
Loretto	2	650	680	30	0	0	0	2	0.05
Hamburg	2	513	550	37	0	0	0	1	0.04
Shorewood	2	7,307	7,500	193	0	0	0	1	0.01
St. Paul	1	285,068	329,200	44,132	0	0	0	1	0.00
Jackson Twp.	1	1,464	1,440	-24	0	0	0	1	-0.03
Bethel	0	466	520	54	0	0	0	0	0.01
Maple Plaine	0	1,768	2,090	322	0	0	0	0	0.00
Osseo	0	2,430	2,940	510	0	0	0	0	0.00
Ham Lake	0	15,296	17,700	2,404	0	0	0	0	0.00
Oak Park Heights	0	4,445	5,300	855	0	0	0	0	0.00
St. Bonifacius	0	2,283	2,150	-133	0	0	0	0	0.00
Benton Twp.	0	786	720	-66	0	0	0	0	0.00
Spring Lake Twp.	0	3,631	4,130	499	0	0	0	0	0.00
Mound	0	9,052	9,300	248	0	0	0	0	0.00
Grey Cloud Island Twp.	0	295	280	-15	0	0	0	0	0.00
Grant	0	4,094	4,160	66	0	0	0	0	0.00
St. Lawrence Twp.	0	483	670	187	0	0	0	0	0.00
Credit River Twp.	0	5,096	5,500	404	0	0	0	0	0.00
Castle Rock Twp.	0	1,342	1,300	-42	0	0	0	0	0.00
Rockford	0	426	550	124	0	0	0	0	0.00
Nininger Twp.	0	950	960	10	0	0	0	0	0.00
West Lakeland Twp.	0	4,054	4,110	56	0	0	0	0	0.00

FIGURE A-7: 2016 COMARABLE LAND SALES

Undeveloped Residential Land Sales Prices - Per Acre

	Low Range	High Range	MUSA
Anoka County			
Blaine	\$65,000	\$80,000	IN
Ham Lake	\$6,250	\$6,250	OUT
MUSA Factor	10.40	12.80	
Scott County			
Prior Lake	\$80,000	\$125,000	IN
Credit River Township	\$21,000	\$21,000	OUT
MUSA Factor	3.81	5.95	
Washington County			
Lake Elmo	\$80,000	\$90,000	IN
Grant	\$12,825	\$23,000	OUT
MUSA Factor	6.24	3.91	
Washington County			
Woodbury	\$85,000	\$100,000	IN
Afton	\$10,000	\$24,000	OUT
MUSA Factor	8.50	4.17	
Washington County			
Lake Elmo	\$80,000	\$90,000	IN
Grant	\$12,825	\$23,000	OUT
MUSA Factor	6.24	3.91	

APPENDIX B

BUILDING COST DATA

FIGURE B-1: BUILDER-SUPPLIED COST DATA

		Builder A			Builder B			
		Corcoran	Lake Elmo	Hudson	Blaine	Lakeville	Victoria	Southwest Chicago
Home Profile	Sales Price	\$372,990	\$376,990.00	\$329,990.00	\$406,670	\$402,990	\$413,990	\$331,990
	Finished Sq Footage	1750	1750	1750	2,500	2,500	2,500	2,600
	Bedrooms	2	2	2	4	4	4	4
	Bathrooms	2	2	2	3	3	3	3
	Basement	no	no	no	-	-	-	-
	Garage Stalls	2	2	2	3	3	3	3
	Efficiency Rating (HERS)	58	54	-	51	51	51	-
	Lot Size (acres)	0.17	0.17	0.17	0.19	0.20	0.19	0.25
Totals	Construction Costs	\$182,745.04	\$213,597.00	\$183,874.00	\$213,252.00	\$220,412.00	\$219,551.00	\$178,045.00
	Administrative	\$86,598.00	\$75,398.00	\$75,897.00	\$96,204.00	\$83,307.00	\$89,640.00	\$63,860.00
	Finished Lot	\$103,646.96	\$87,995.00	\$70,219.00	\$97,214.00	\$99,271.00	\$104,799.00	\$80,454.00
	Sales Price	\$372,990.00	\$376,990.00	\$329,990.00	\$406,670.00	\$402,990.00	\$413,990.00	\$331,990.00
Permitting & Inspection	Building Permit Fees (Less SAC & WAC, Plan Review)	\$2,013.25	\$2,502.90	\$2,000.00	\$3,148.00	\$7,738.00	\$8,037.00	\$3,167.00
	Plan Review	\$1,308.61	\$1,626.89	\$0.00	\$1,414.00	\$596.00	\$2,109.00	\$200.00
	Number of Inspections	16	20	16	10	10	10	10
	Met Council Fees	\$2,485.00	\$2,485.00	\$0.00	\$4,287.00	\$2,485.00	\$2,485.00	\$6,774.00
	Misc & Landscape Escrow (Building Permit)					\$3,000.00		
	Total Fees	\$5,806.86	\$6,614.79	\$2,000.00	\$8,850.00	\$13,819.00	\$12,630.00	\$10,141.00
Code Changes Since 2015	Building Code:	\$2,950.00			\$2,950.00			
	Window Fall Protection	\$450.00			\$450.00			
	Basement Rocking	\$1,000.00			\$1,000.00			
	Passive Radon	\$1,500.00			\$1,500.00			
	Plumbing Code: Backflow Preventer	\$475.00			\$250.00			
	Energy Code:	\$7,350.00			\$7,000.00			
	Rating and Testing	\$1,000.00			\$1,000.00			
	Ext. Foundation Insulation	\$2,000.00			\$2,000.00			
	Balanced Ventilation	\$2,500.00			\$2,500.00			
	Rigid Ducting	\$1,500.00			\$1,500.00			
Other Energy Code Changes	\$350.00							
Total	\$10,300.00			\$10,200.00				

	Builder A			Builder B				
	Corcoran	Lake Elmo	Hudson	Blaine	Lakeville	Victoria	Southwest Chicago	
Land Improvements	Connection Fees	\$2,186.00	\$2,000.00	\$2,581.00	-	\$785.00	\$3,380.00	\$ 6,859.00
	In-Dev Transportation	\$38,972.15	\$31,674.00	\$22,939.00	\$5,197.00	\$8,966.00	\$16,685.00	-
	Area Wide Improvements	\$2,898.69	\$7,545.00	\$2,434.00	\$16,875.00	\$2,614.00	\$7,753.00	\$1,400.00
	Trunk Charges	\$8,466.19	\$6,000.00	\$0.00	\$2,910.00	\$447.00	\$3,700.00	-
	Infrastructure Upgrading	\$1,500.00	\$1,700.00	\$3,259.00	\$5,929.00	\$8,923.00	\$12,901.00	\$8,140.00
	Grading	\$21,155.44	\$5,402.00	\$3,259.00	\$4,375.00	\$7,863.00	\$10,035.00	\$9,749.00
	Total	\$75,178.47	\$54,321.00	\$34,472.00	\$35,286.00	\$29,598.00	\$54,454.00	\$26,148.00
Parks & Green Space	Park Dedication	\$3,970.00	\$4,600.00	\$822.00	\$4,320.00	\$3,781.00	\$3,494.00	\$1,271.00
	Tree Preservation/Landscape	\$3,263.16	\$5,272.00	\$3,497.00	\$1,050.00	\$300.00	\$1,050.00	-
	Other open space	\$726.00	\$1,100.00	\$0.00		\$5,614.00		\$5,000.00
	Total	\$7,959.16	\$10,972.00	\$4,319.00	\$5,370.00	\$9,695	\$4,544.00	\$6,271.00
Admin	Admin. Overhead	\$50,242.00	\$50,722.80	\$45,082.00	\$65,067.00	\$59,128.00	\$63,145.00	\$42,378.00
	Profit	\$29,839.20	\$30,159.20	\$31,349.00	\$31,137.00	\$24,179.00	\$26,495.00	\$21,482.00
	Total	\$80,081.20	\$80,882.00	\$76,431.00	\$96,204	\$83,307	\$89,640	\$63,860
Escrow	Escrow	\$5,071.33	\$5,909.00	\$1,049.00	\$2,276.00	\$550.00	\$455.00	\$0.00
Storm-water	Temporary Stormwater	\$1,000.00	\$1,500.00	\$650.00	\$3,400.00	\$4,000.00	\$3,700.00	\$2,500.00
	Permanent Treatment	\$1,000.00	\$1,750.00	\$650.00	\$6,062.00	\$5,034.00	\$7,349.00	\$4,500.00
	Total	\$2,000.00	\$3,250.00	\$1,300.00	\$9,462.00	\$9,034.00	\$11,049.00	\$7,000.00
Land	Raw Land	\$14,488.00	\$19,418.00	\$13,986.00	\$29,404.00	\$29,086.00	\$32,369.00	\$38,665.00
	Improvements	\$38,972.15	\$31,674.00	\$22,939.00	\$38,866.00	\$38,120.00	\$43,418.00	\$19,289.00
	Park and greenspace	\$7,959.16	\$10,972.00	\$4,319.00	\$5,370.00	\$9,695.00	\$4,544.00	\$5,000.00
	Stormwater management	\$2,000.00	\$3,250.00	\$1,300.00	\$9,462.00	\$9,034.00	\$11,049.00	\$7,000.00
	Other				\$14,111.00	\$13,336.00	\$13,419.00	\$10,500.00
	Total	\$103,646.96	\$87,995.00	\$70,219.00	\$97,214.00	\$99,271.00	\$104,799.00	\$80,454.00

FIGURE B-2: HOME COST DIFFERENCES, MINNESOTA AND ILLINOIS (BUILDER B)

	Southwest Chicago	Blaine, Minn.	Lakeville, Minn.	Victoria, Minn.
Undeveloped Land	\$38,665.00	\$29,404.00	\$29,086.00	\$32,369.00
Final Lot Price	\$80,454.00	\$97,214.00	\$99,271.00	\$104,799.00
Total Improvement Costs	\$41,789.00	\$67,810.00	\$70,185.00	\$72,430.00

Land Improvements: Twin Cities +62.27-73.32%

Impact Fee	Southwest Chicago	Blaine, Minn.	Lakeville, Minn.	Victoria, Minn.
Capitol Improvement Fee	\$1,400.00	-	-	-
Fire Impact Fee	\$1,125.00	-	-	-
School Impact Fee: Grade School	\$1,429.00	-	-	-
School Impact Fee: High School	\$658.00	-	-	-
School Impact Cash Contribution: Grade School	\$711.40	-	-	-
School Impact Cash Contribution: High School	\$322.77	-	-	-
Library Fee	\$425.00	-	-	-
Park Fee	\$1,271.36	\$4,320.00	\$3,781.00	\$3,494.00
Total	\$7,345.53	\$4,320.00	\$3,781.00	\$3,494.00

Impact Fees: Twin Cities -41.19-52.43%

Costs	Southwest Chicago	Blaine, Minn.	Lakeville, Minn.	Victoria, Minn.
Total Construction Costs	\$178,045.00	\$213,252.00	\$220,412.00	\$219,551.00

Construction Costs: Twin Cities +19.77-23.80%

FIGURE B-3: CONSTRUCTION COST DIFFERENCES, MINNESOTA AND WISCONSIN (BUILDER D)

Item	Minnesota	Illinois	Difference	Note	Classification
Passive Radon System: Rock Requirement (MN)	\$7,550.00	\$6,050.00	\$1,500.00		Building Code
Windows	\$6,342.49	\$5,931.89	\$410.60	Window Fall Protection	Building Code
Drywall	\$11,757.01	\$10,542.60	\$1,214.41	Basement Rocking - Fire Protection	Building Code
Interior Window Trim Labor	\$5,552.00	\$5,302.00	\$250.00	Window Fall Protection	Building Code
Total Home Electrical	\$7,771.00	\$7,551.00	\$220.00		Electrical Code
Lumber and Trusses	\$50,455.88	\$48,738.39	\$1,717.49	20 Foot Trusses, Energy Code Compliance	Energy Code
HVAC	\$11,470.00	\$9,410.00	\$2,060.00	ERV	Energy Code
Insulation	\$7,514.00	\$7,014.00	\$500.00	MN Req v WI	Energy Code
Energy Testing	\$500.00	\$0.00	\$500.00	Rating and Testing	Energy Code
Building Permit and Escrow Charges	\$10,000.00	\$4,500.00	\$5,500.00		Local
Total Home Plumbing	\$14,231.00	\$13,981.00	\$250.00	Back Flow Preventer	Plumbing Code
Roofing Supplies	\$4,141.45	\$4,078.63	\$62.82	Taxes	Sales Tax
Siding	\$15,919.24	\$15,818.07	\$101.17	Taxes	Sales Tax
Exterior Doors	\$559.19	\$522.00	\$37.19	Taxes	Sales Tax
Interior Doors and Millwork	\$7,647.65	\$7,139.00	\$508.65	Taxes	Sales Tax
Cabinets and Hardware	\$7,313.41	\$6,827.00	\$486.41	Taxes	Sales Tax
Appliances	\$2,852.74	\$2,663.00	\$189.74	Taxes	Sales Tax
Lighting	\$945.70	\$931.35	\$14.35	Taxes	Sales Tax
Total	\$172,522.76	\$156,999.93	\$15,522.83		

FIGURE B-4: MUNICIPAL CONSTRUCTION AND DEVELOPMENT FEE REVENUE AND EXPENSES ANNUAL REPORTS (326B.145)

Submitted to The Minnesota Department of Labor & Industry by Cities

2016	City	2016 Permit Fee Revenue	2016 Permit Associated Spending	2016 Net Permit Fee Income	2016 Park Fee Revenue	2016 Park Expenditures	2016 Park Net Income
	Blaine	\$ 2,752,635	\$2,173,489	\$579,146	\$1,570,472	\$1,035,820	\$534,652
	Dayton	-	-	-	-	-	-
	Hugo	\$508,712	\$554,471	-\$45,759	\$100,800	\$100,126	\$674
	Lake Elmo	\$1,750,666	\$235,479	\$1,515,187	\$171,708	\$146,441	\$25,267
	Lakeville	\$2,755,042	\$1,822,946	\$932,096	\$2,458,140	\$1,870,776	\$587,364
	Prior Lake	\$959,377	\$661,772	\$297,605	\$790,150	\$496,258	\$293,892
	Victoria	\$701,174	\$316,141	\$385,033	\$500,195	\$480,742	\$19,453

2017	City	2017 Permit Fee Revenue	2017 Permit Associated Spending	2017 Net Permit Fee Income	2017 Park Fee Revenue	2017 Park Expenditures	2017 Park Net Income
	Blaine	\$4,305,524	\$ 2,505,128	\$1,800,396	\$1,199,860	\$1,269,277	-\$69,417
	Dayton	-	-	-	-	-	-
	Hugo	\$580,442	\$613,727	-\$33,285	\$271,368	\$42,903	\$228,465
	Lake Elmo	\$2,070,920	\$349,054	\$1,721,866	\$265,783	\$607,076	-\$341,293
	Lakeville	\$3,035,322	\$1,960,374	\$1,074,948	\$1,029,127	\$649,355	\$379,772
	Prior Lake	\$1,067,239	\$939,215	\$128,024	\$603,808	\$276,632	\$327,176
	Victoria	\$1,080,020	\$419,104	\$660,916	\$513,629	\$530,535	-\$16,906

FIGURE B-5: CITY OF CORCORAN MUNICIPAL CONSTRUCTION AND DEVELOPMENT FEE REVENUE AND EXPENSES

	2016	2017
Income		
Building Permit Fees	\$733,474.97	\$1,032,731.96
Mechanical Permit Fees	\$12,469.79	\$12,579.83
Plumbing Permit Fees	\$1,423.80	\$18,953.05
Total Permit Fees	\$747,368.56	\$1,064,264.84
Expenditures		
Permit and Inspections (Professional Services)	\$104,835.06	\$214,578.97
State Surcharges	\$12,752.63	\$17,591.69
Parks	\$24,240.00	\$55,429.18
Development Costs	\$56,668.91	\$49,093.77
Operating Supplies	\$515.53	\$291.77
Met Council SAC	\$130,437.65	\$174,670.65
Water Meters	\$14,307.34	\$17,398.81
Total Expenses	\$343,757.12	\$529,054.84
Net To General Revenue	\$403,611.44	\$535,210.00

APPENDIX C

COMPARATIVE ANALYSIS

“How is a new home’s price determined?” should be a relatively straightforward question. In reality it is a complex question which relies on a host of variable factors and can create many more questions.

The research undertaken in this study addresses many of these unanswered questions about new housing developments: What did the developer pay for the undeveloped land? What are the cost impacts related to required infrastructure (roads, sidewalks utility connections, water and sewer)? What other amenities were required by the city? How energy efficient is the new home? How durable is the new home? Did the city require cosmetic enhancements? What did it cost

to follow proper environmental protections? Were there additional local environmental regulations? What does the building code require, or the plumbing and electrical codes? Do other state agencies have requirements for new homes?

Answering these questions requires thorough review of development contracts, building permits, invoices, purchase agreements and discussion and review with cities, builders and construction experts. But that’s just the start.

Importantly, it also requires a uniform display format to lay out information across each home, builder, and city.

METHODOLOGY

Housing Affordability Institute partnered with homebuilders with operations in the Minneapolis-St. Paul, Minn., market (Twin Cities) to research why the cost of new home construction is more expensive in the Twin Cities metro area. Participating homebuilders provided Housing Affordability Institute with detailed itemized costs for the same standard-option home models they build in communities across the Twin Cities, with two builders also providing information for Chicago and Hudson, Wisc., respectively.

Housing Affordability Institute consulted with the construction managers and land developers for the participating homebuilders as well as construction stormwater, building and energy code experts to determine and account for differences across the three states researched. The participating builders also supplied development agreements and

permitting information. Of the four participating builders, two provided the researchers with a thorough accounting of the total construction costs of homes built in select cities.

Any information that would identify a builder and specific development used for the study has been redacted. Cities selected for the study were determined after reviewing the communities in which participating companies were building homes. Communities from across the Twin Cities were selected by the research team prior to builders submitting any information.

Home to 70 percent of the state’s single-family home construction, the Twin Cities was chosen as the focus of the study. The Twin Cities market was also home to builders operating in western Wisconsin and in the Chicago area, which enabled a comparative analysis across markets.

HOME COMPARISON CATEGORIES

Listed here is how our research team, in partnership with developers and builders, allocated costs to specific categories. Not all line items are applicable to each city or builder. There are certain items, such as “plan review” and “plan check,” that have different names, depending on the city or builder.

REGULATORY COSTS

Regulatory costs include items where a government policy has a cost to the homebuyer, including but not limited to, recent changes to Minnesota’s building and energy codes, permits, fees, and any item required in the development contract.

TOPLINE CATEGORIES

LAND COSTS

- Undeveloped Land
- In-Development Infrastructure
- Area-Wide Improvements
- Trunk Charges
- Stormwater and Erosion Control
- Parks and Open Spaces
- Development-Related Fees
- Metropolitan Council Fees

CONSTRUCTION COSTS

- Labor and Materials
- Building Code
- Energy Code
- Plumbing Code
- Electrical Code
- Mechanical Code
- Building Permit-Related Fees
- Per-Unit Connection Fees

ADMINISTRATIVE COSTS

- Sales Staff/Commission/Marketing
- Office Staff
- Taxes
- Other Overhead Costs

PROFIT

SUBCATEGORIES WITH MULTIPLE FACTORS

IN-DEVELOPMENT INFRASTRUCTURE

- City Streets
- Sidewalks
- Curbs
- Street Signs
- Turn Lanes
- Water and Sewer Lines
- Utility Lines and Connections
- Storm Sewers
- Warning Sirens
- Grading
- Lot-Specific Landscaping
- Infrastructure Upgrading

STORMWATER AND EROSION CONTROL

- Land for Permanent Treatment
- Cost of Permanent Treatment
- Construction Stormwater Permit Compliance

AREA-WIDE IMPROVEMENTS

- Traffic Impact Fees
- Street Improvements
- Pumping Stations
- Other Area-Wide Improvements

PARKS AND OPEN SPACES

- Park Land
- Park Dedication Fee (In Lieu Of Land)
- Trails
- Trail Fees
- Out Lot Landscaping
- Tree Preservation
- Landscape Upgrades

TRUNK CHARGES

- Sewer Trunk Charges
- Water Trunk Charges
- Storm Sewer Trunk Charges

DEVELOPMENT RELATED FEES

- Engineering Fees
- Planning/Zoning Fees
- Plat Check Fee
- Mapping Fee
- Recording Fees
- Grading Permit Fees
- Sign Fees
- Plan Review Fee
- Inspection Fee

ADMINISTRATIVE COSTS

- Sales Staff/Commission/Marketing
- Office Staff
- Taxes
- Other Overhead Costs

BUILDER A COMPARISON

While each of the homes was built by the same general contractor and to the same basic floorplan, subtle differences in construction costs exist for a variety of reasons, including price fluctuations for materials, local design standards and the cost to transport materials to the job site.

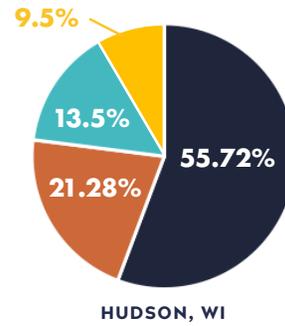
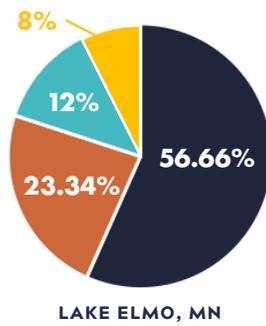
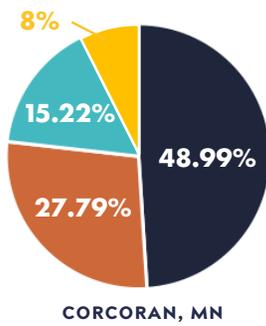
HOME OVERVIEW

Bedrooms	2
Bathrooms	2
Basement	None
Garage Stalls	2
Total Square Footage	1,750

TOPLINE CATEGORIES	CORCORAN, MN	LAKE ELMO, MN	HUDSON, WI
Land Costs	\$103,646.96	\$87,995.00	\$70,219.00
Construction Costs	\$182,745.04	\$213,597.00	\$183,874.00*
Administrative Costs	\$56,758.80	\$45,238.80	\$44,548.00
Profit	\$29,839.20	\$30,159.20	\$31,349.00
Home Price	\$372,990.00	\$376,990.00	\$329,990.00
Efficiency Rating (HERS)	58	54	N/A

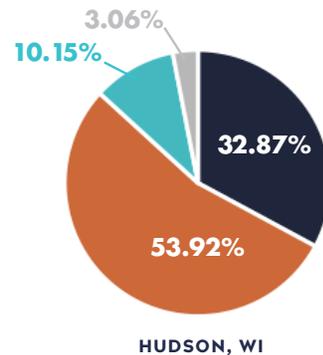
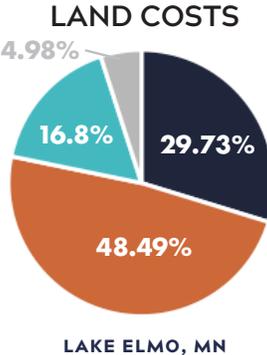
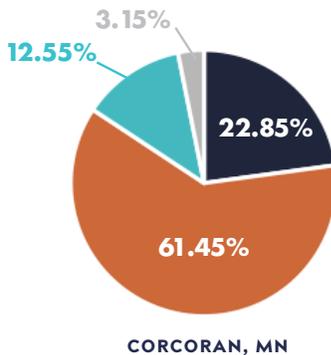
*Builder A reported that its Wisconsin homes are constructed almost identical to those built in Minnesota.

TOTAL HOME COSTS



Construction Administration Land Costs Profit

LAND COSTS



Raw Land Improvements Parks & Greenspace Stormwater Management

REGULATORY SHARE OF HOME

33.41%
CORCORAN, MN

26.48%
LAKE ELMO, MN

14.86%
HUDSON, WI

BUILDER A

CORCORAN, MN | 1,750 SQ FT | \$372,990 SALES PRICE

For the City of Corcoran in the northwest metro, Builder A provided information on a phased development, with the costs of infrastructure paid at the initial phase allocated across the lot in the final development.

Per the agreement with the city, the developer was responsible for off-site street improvements outside of the development, as well as the standard improvements of streets and utilities within the development. The City of Corcoran's design requirements added \$5,000 to the price of the home examined.



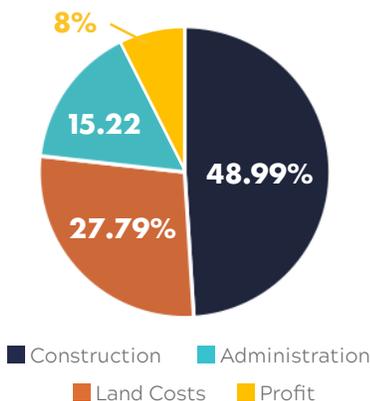
HOME PRICE TOPLINES		\$372,990.00	
LAND COSTS	\$103,646.96	CONSTRUCTION	\$182,745.04
ADMINISTRATION	\$56,759.00	PROFIT	\$29,839.00

HOME OVERVIEW

Bedrooms	2
Bathrooms	2
Basement	None
Garage Stalls	2
Efficiency Rating (HERS)	N/A
Lot Size	0.17 Acres

REGULATORY COSTS 33.41%

TOTAL HOME COSTS



LAND COSTS \$103,646.96

Raw	\$14,488.00
Necessary Improvement	\$38,972.15
Other Improvements	\$50,186.81

INFRASTRUCTURE \$73,977.47

Met Council Fees	\$2,485.00
Trunk & Connection Fees	\$8,466.19
In-Dev Infrastructure	\$38,972.15
Area Wide Improvements	\$2,898.69
Grading	\$21,155.44

STORMWATER \$2,000.00

Construction Stormwater	\$1,000.00
Permanent Treatment	\$1,000.00

GREEN SPACE \$7,959.16

Park Dedication	\$3,970.00
Tree Preservation/Landscape	\$3,263.16
Other Open Space	\$726.00

ADMINISTRATION \$56,759.00

CONSTRUCTION \$182,745.04

Labor & Materials	\$179,423.08
Permitting	\$3,321.86

CODE & REQUIREMENTS CHANGES SINCE 2015 \$10,300.00

BUILDING CODE \$2,950.00

Window Fall Protection	\$450.00
Basement Rocking	\$1,000.00
Passive Radon	\$1,500.00

PLUMBING CODE: BACKFLOW PREVENTER \$475

ENERGY CODE \$7,350.00

Rating & Testing	\$1,000.00
Ext. Foundation Insulation	\$2,000.00
Balanced Ventilation	\$2,500.00
Rigid Ducting	\$1,500.00
Other Energy	\$350.00

CITY INSPECTION/REVIEW \$2,013.25

Building Permit Fees (Less SAC & WAC)	\$2,013.25
Plan Review	\$1,308.61
Inspections (16)	

PROFIT \$29,839.20

BUILDER A

LAKE ELMO, MN | 1,750 SQ FT | \$376,990 SALES PRICE

For the City of Lake Elmo in the east metro, Builder A provided information on a phased development, with the costs of infrastructure paid at the initial phase allocated across the lot in the final development.

Per the agreement with the city, the developer was responsible for off-site street improvements outside of the development, as well as the standard improvements of streets and utilities within the development. Builder A established this community as only having upgraded siding, which accounts for the added construction costs.



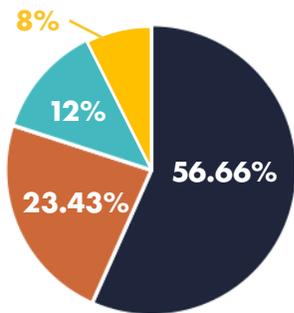
HOME PRICE TOPLINES		\$376,990.00	
LAND COSTS	\$87,995.00	CONSTRUCTION	\$213,597.00
ADMINISTRATION	\$45,239.00	PROFIT	\$30,159.20

HOME OVERVIEW

Bedrooms	2
Bathrooms	2
Basement	None
Garage Stalls	2
Efficiency Rating (HERS)	N/A
Lot Size	0.17 Acres

REGULATORY COSTS **26.48%**

TOTAL HOME COSTS



■ Construction ■ Administration
■ Land Costs ■ Profit

LAND COSTS **\$87,995.00**

Raw	\$19,418.00
Necessary Improvement	\$31,674.00
Other Improvements	\$36,903.00

INFRASTRUCTURE **\$55,106.00**

Met Council Fees	\$2,485.00
Trunk & Connection Fees	\$8,000.00
In-Dev Infrastructure	\$31,674.00
Area Wide Improvements	\$7,545.00
Grading	\$5,402.00

STORMWATER **\$3,250.00**

Construction Stormwater	\$1,500.00
Permanent Treatment	\$1,750.00

GREEN SPACE **\$10,972.00**

Park Dedication	\$4,600.00
Tree Preservation/Landscape	\$5,272.00
Other Open Space	\$1,100.00

ADMINISTRATION **\$45,239.00**

CONSTRUCTION **\$213,597.00**

Labor & Materials	\$209,467.21
Permitting	\$4,129.79

CODE & REQUIREMENTS CHANGES SINCE 2015 **\$10,300.00**

BUILDING CODE **\$2,950.00**

Window Fall Protection	\$450.00
Basement Rocking	\$1,000.00
Passive Radon	\$1,500.00

PLUMBING CODE: BACKFLOW PREVENTER **\$475.00**

ENERGY CODE **\$7,350.00**

Rating & Testing	\$1,000.00
Ext. Foundation Insulation	\$2,000.00
Balanced Ventilation	\$2,500.00
Rigid Ducting	\$1,500.00
Other Energy	\$350.00

CITY INSPECTION/REVIEW **\$4,129.79**

Building Permit Fees (Less SAC & WAC)	\$2,502.90
Plan Review	\$1,626.89
Inspections (20)	

PROFIT **\$30,159.20**

BUILDER A

HUDSON, WI | 1,750 SQ FT | \$329,990 SALES PRICE

In the City of Hudson, Wisc., which rests across the St. Croix River from Minnesota along I-94, Builder A built the home to closer to Minnesota’s construction codes, as they meet and exceed Wisconsin’s requirements, but did not include several provisions, including an air gap on the dishwasher and basement sheet rock. Due to the small amount of Wisconsin homebuilding Builder A undertakes, Builder A reported that it was not worth reconfiguring its supply chain and list of subcontractors.

The cost of land and improvements were lower than Builder A reported in Minnesota.



HOME PRICE TOPLINES

\$329,990.00

LAND COSTS	\$70,219.00
ADMINISTRATION	\$45,082.00

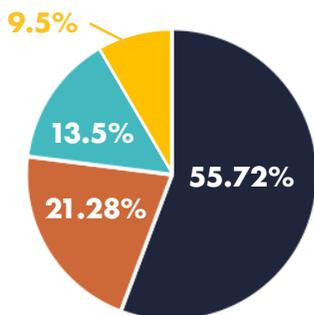
CONSTRUCTION	\$183,874.00
PROFIT	\$31,349.00

HOME OVERVIEW

Bedrooms	2
Bathrooms	2
Basement	None
Garage Stalls	2
Efficiency Rating (HERS)	N/A
Lot Size	0.17 Acres

REGULATORY COSTS 14.86%

TOTAL HOME COSTS



■ Construction ■ Administration
■ Land Costs ■ Profit

LAND COSTS \$70,219.00

Raw	\$13,986.00
Necessary Improvement	\$22,939.00
Other Improvements	\$33,294.00

INFRASTRUCTURE \$31,213.00

Met Council Fees	\$0.00
Trunk & Connection Fees	\$2,581.00
In-Dev Infrastructure	\$22,939.00
Area Wide Improvements	\$2,434.00
Grading	\$3,259.00

STORMWATER \$1,300.00

Construction Stormwater	\$650.00
Permanent Treatment	\$650.00

GREEN SPACE \$4,319.00

Park Dedication	\$822.00
Tree Preservation/Landscape	\$3,497.00
Other Open Space	\$0.00

CONSTRUCTION \$183,874.00

Labor & Materials	\$181,874.00
Permitting	\$2,000.00

CITY INSPECTION/REVIEW \$2,000.00

Building Permit Fees (Less SAC & WAC)	\$2,000.00
Plan Review	\$0.00
Inspections (16)	

ADMINISTRATION \$45,082.00

PROFIT \$31,349.00

BUILDER B COMPARISON

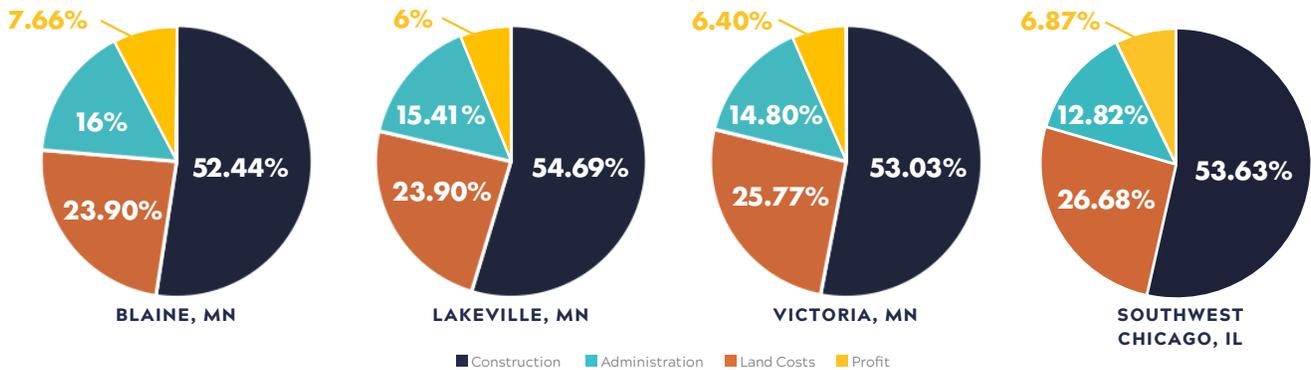
While each of the homes were built by the same general contractor and to the same basic floorplan, subtle differences in construction costs exist for a variety of reasons, including price fluctuations for materials, local design standards and the cost to transport materials to the job site.

HOME OVERVIEW

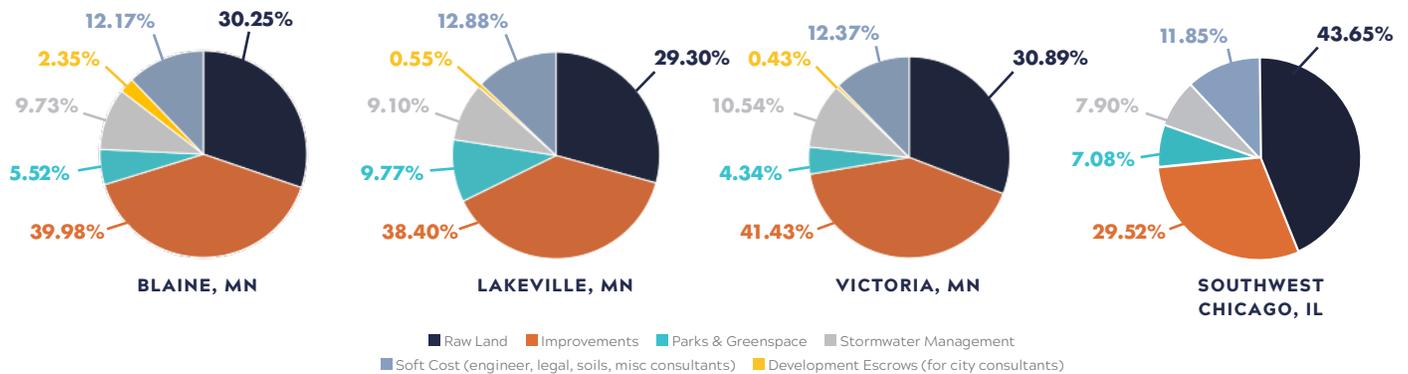
Bedrooms	4
Bathrooms	3
Basement	Unfinished
Garage Stalls	3
Total Square Footage	2,500 MN / 2,600 IL

TOPLINE CATEGORIES	BLAINE, MN	LAKEVILLE, MN	VICTORIA, MN	SOUTHWEST CHICAGO, IL
Land Costs	\$97,214	\$99,271	\$104,799	\$88,584
Construction Costs	\$213,252	\$220,412	\$219,551	\$178,045
Administrative Costs	\$65,067	\$59,128	\$63,145	\$42,572
Profit	\$31,137	\$24,179	\$26,495	\$22,789
Home Price	\$406,670	\$402,990	\$413,990	\$331,990
Efficiency Rating (HERS)	51	51	51	N/A

TOTAL HOME COSTS



LAND COSTS



REGULATORY SHARE OF HOME



BUILDER B

BLAINE, MN | 2,500 SQ FT | \$406,670 SALES PRICE

For the City of Blaine in the north metro, Builder B provided information on a phased development, with the costs of infrastructure paid at the initial phase allocated across the lot in the final development.

Per the agreement with the city, the developer was responsible for off-site street improvements outside of the development, adding up to \$16,825 per home, as well as the standard improvements of streets and utilities within the development. Trails were also included in the development agreement and the builder and developer were given partial credit for park fees already paid. Distributed soil areas were required to include four inches of topsoil. Oversizing sewer and water lines added \$5,929 per home.

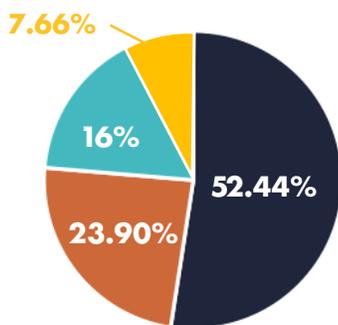


HOME OVERVIEW

Bedrooms	4
Bathrooms	3
Basement	Unfinished
Garage Stalls	3
Efficiency Rating (HERS)	51
Lot Size	0.19 Acres

REGULATORY COSTS 21.34%

TOTAL HOME COSTS



■ Construction ■ Administration
■ Land Costs ■ Profit

HOME PRICE TOPLINES

\$406,670.00

LAND COSTS	\$97,214.00
ADMINISTRATION	\$65,067.00

CONSTRUCTION	\$213,252.00
PROFIT	\$31,137.00

LAND COSTS \$97,214.00

Raw	\$29,404.00
Necessary Improvement	\$45,006.00
Other Improvements	\$22,804.00

INFRASTRUCTURE \$33,644.00

Met Council Fees	\$4,287.00
Trunk & Connection Fees	\$2,910.00
In-Dev Infrastructure	\$5,197.00
Area Wide Improvements	\$16,875.00
Grading	\$4,375.00

ENGINEERING \$11,835.00

Plan/Design	\$11,835.00
Other	\$0.00
Wetland	\$0.00

STORMWATER \$9,462.00

Construction Stormwater	\$3,400.00
Permanent Treatment	\$6,062.00

GREEN SPACE \$5,370.00

Park Dedication	\$4,320.00
Tree Preservation/Landscape	\$1,050.00
Other Open Space	\$0.00

ADMINISTRATION \$65,067.00

CONSTRUCTION \$213,252.00

Labor & Materials	\$204,402.00
Permitting	\$8,805.00

CODE & REQUIREMENTS CHANGES SINCE 2015 \$10,200.00

BUILDING CODE \$2,950.00

Window Fall Protection	\$450.00
Basement Rocking	\$1,000.00
Passive Radon	\$1,500.00
Misc.	

PLUMBING CODE: BACKFLOW PREVENTER \$250.00

ENERGY CODE \$7,000.00

Rating & Testing	\$1,000.00
Ext. Foundation Insulation	\$2,000.00
Balanced Ventilation	\$2,500.00
Rigid Ducting	\$1,500.00

CITY INSPECTION/REVIEW \$4,562.00

Building Permit Fees (Less SAC & WAC)	\$3,148.00
Plan Review	\$1,414.00
Inspections (10)	

PROFIT \$31,137.00

BUILDER B

LAKEVILLE, MN | 2,500 SQ FT | \$402,990 SALES PRICE

For the City of Lakeville in the south metro, Builder B provided information on a phased development, with the costs of infrastructure paid at the initial phase allocated across the lot in the final development. This development included a private pool for the Homeowners Association, which added \$5,614 to the home.

Per the agreement with the city, the developer was responsible for the standard improvements of streets and utilities within the development, as well as offsite improvements to a local road, which cost \$2,614 per home. Trails were also included in the development agreement and the developer was given partial credit for park fees already paid. Oversizing sewer and water lines added \$8,923 per home.

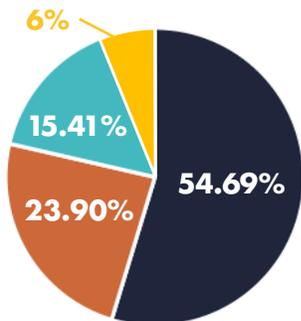


HOME OVERVIEW

Bedrooms	4
Bathrooms	38
Basement	Unfinished
Garage Stalls	3
Efficiency Rating (HERS)	51
Lot Size	0.20 Acres

REGULATORY COSTS 20.78%

TOTAL HOME COSTS



■ Construction ■ Administration
■ Land Costs ■ Profit

HOME PRICE TOPLINES

\$402,990.00

LAND COSTS	\$99,271.00	CONSTRUCTION	\$220,412.00
ADMINISTRATION	\$59,128.00	PROFIT	\$24,179.00

LAND COSTS \$99,271.00

Raw	\$29,086.00
Necessary Improvement	\$48,638.00
Other Improvements	\$21,990.00

INFRASTRUCTURE \$27,260.00

Met Council Fees	\$6,585.00
Trunk & Connection Fees	\$1,232.00
In-Dev Infrastructure	\$8,966.00
Area Wide Improvements	\$2,614.00
Grading	\$7,863.00

ENGINEERING \$12,876.00

Plan/Design	\$12,786.00
Other	
Wetland	

STORMWATER \$9,034.00

Construction Stormwater	\$4,000.00
Permanent Treatment	\$5,034.00

GREEN SPACE \$9,695.00

Park Dedication	\$3,781.00
Tree Preservation/Landscape	\$300.00
Other Open Space	\$5,614.00

ADMINISTRATION \$59,128.00

CONSTRUCTION \$220,412.00

Labor & Materials	\$209,593.00
Permitting	\$10,819.00

CODE & REQUIREMENTS

CHANGES SINCE 2015 \$10,200.00

BUILDING CODE \$2,950.00

Window Fall Protection	\$450.00
Basement Rocking	\$1,000.00
Passive Radon	\$1,500.00
Misc.	

PLUMBING CODE: BACKFLOW PREVENTER \$250.00

ENERGY CODE \$7,000.00

Rating & Testing	\$1,000.00
Ext. Foundation Insulation	\$2,000.00
Balanced Ventilation	\$2,500.00
Rigid Ducting	\$1,500.00

CITY INSPECTION/REVIEW \$7,830.00

Building Permit Fees (Less SAC & WAC)	\$7,234.00
Plan Review	\$596.00
Inspections (10)	

PROFIT \$24,179.00

BUILDER B

VICTORIA, MN | 2,500 SQ FT | \$413,990 SALES PRICE

For the City of Victoria in the west metro, Builder B provided information on a phased development, with the costs of infrastructure paid at the initial phase allocated across the lot in the final development.

Per the agreement with the city, the developer provided parkland in lieu of a park fee. The developer was responsible for the standard improvements of streets and utilities within the development as well as an off-site street project that added \$7,753 to the home's final price. Carver County Watershed regulations required 6 inches of topsoil be placed on the final graded land, which combined with the natural topography of the land, accounts for the high grading costs. Oversizing sewer and water lines added \$12,901 per home.



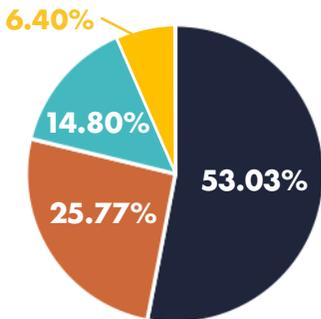
HOME PRICE TOPLINES		\$413,990.00	
LAND COSTS	\$104,799.00	CONSTRUCTION	\$219,551.00
ADMINISTRATION	\$63,145.00	PROFIT	\$26,495.00

HOME OVERVIEW

Bedrooms	4
Bathrooms	3
Basement	Unfinished
Garage Stalls	3
Efficiency Rating (HERS)	51
Lot Size	0.19 Acres

REGULATORY COSTS **25.27%**

TOTAL HOME COSTS



■ Construction ■ Administration
■ Land Costs ■ Profit

LAND COSTS **\$104,799.00**

Raw	\$32,369.00
Necessary Improvement	\$43,418.00
Other Improvements	\$29,012.00

INFRASTRUCTURE **\$44,038.00**

Met Council Fees	\$2,485.00
Trunk & Connection Fees	\$7,080.00
In-Dev Infrastructure	\$16,685.00
Area Wide Improvements	\$7,753.00
Grading	\$10,035.00

ENGINEERING **\$12,964.00**

Plan/Design	\$12,964.00
-------------	-------------

STORMWATER **\$11,049.00**

Construction Stormwater	\$3,700.00
Permanent Treatment	\$7,349.00

GREEN SPACE **\$4,544.00**

Park Dedication	\$3,494.00
Tree Preservation/Landscape	\$1,050.00
Other Open Space	

ADMINISTRATION **\$63,145.00**

CONSTRUCTION **\$219,551.00**

Labor & Materials	\$206,921.00
Permitting	\$12,630.00

CODE & REQUIREMENTS CHANGES SINCE 2015 **\$10,200.00**

BUILDING CODE **\$2,950.00**

Window Fall Protection	\$450.00
Basement Rocking	\$1,000.00
Passive Radon	\$1,500.00
Misc.	

PLUMBING CODE: BACKFLOW PREVENTER **\$250.00**

ENERGY CODE **\$7,000.00**

Rating & Testing	\$1,000.00
Ext. Foundation Insulation	\$2,000.00
Balanced Ventilation	\$2,500.00
Rigid Ducting	\$1,500.00

CITY INSPECTION/REVIEW **\$10,145.00**

Building Permit Fees (Less SAC & WAC)	\$8,037.00
Plan Review	\$2,108.00
Inspections (10)	

PROFIT **\$26,495.00**

BUILDER B

SOUTHWEST CHICAGO, IL | 2,600 SQ FT | \$331,990 SALES PRICE

In the southwest Chicago suburbs, Builder A offers a similar home to what was examined in Minnesota, with the two notable changes being 100 more square feet and a slightly larger lot.



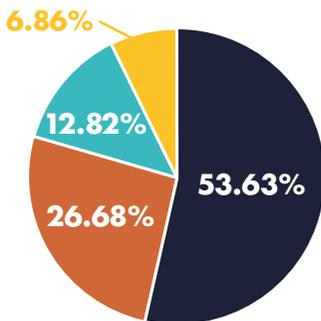
HOME PRICE TOPLINES		\$331,990.00	
LAND COSTS	\$88,584.00	CONSTRUCTION	\$178,045.00
ADMINISTRATION	\$42,572.00	PROFIT	\$22,789.00

HOME OVERVIEW

Bedrooms	4
Bathrooms	3
Basement	Unfinished
Garage Stalls	3
Efficiency Rating (HERS)	N/A
Lot Size	0.25 Acres

REGULATORY COSTS 13.39%

TOTAL HOME COSTS



Construction Administration
Land Costs Profit

LAND COSTS \$88,584

Raw	\$38,665.00
Necessary Improvement	\$16,608.00
Other Improvements	\$33,311.00

INFRASTRUCTURE \$26,148

Met Council Fees	\$0.00
Trunk & Connection Fees	\$6,859.00
In-Dev Infrastructure	\$0.00
Area Wide Improvements	\$1400.00
Grading	\$9,749.00
Infrastructure Upgrading	\$8,140.00

ENGINEERING \$10,500.00

Plan/Design	\$10,500.00
-------------	-------------

STORMWATER \$7,000.00

Construction Stormwater	\$2,500.00
Permanent Treatment	\$4,500.00

GREEN SPACE \$6,271.00

Park Dedication	\$1,271.00
Tree Preservation/Landscape	\$0.00
Other Open Space	5,000.00

CONSTRUCTION \$178,045.00

Labor & Materials	168,777.00
Permitting	\$13,167.00
Unit-Specific Impact Fees	\$6,101.00

CITY INSPECTION/REVIEW \$3,367.00

Building Permit Fees (Less SAC & WAC)	\$3,167.00
Plan Review	\$200.00
Inspections (10)	

ADMINISTRATION \$42,572.00

PROFIT \$22,789.00

MINNESOTA VS. WISCONSIN CONSTRUCTION COSTS

Builder D is a Minnesota-based builder with operations in both the Twin Cities and the Hudson, Wisc. areas. This firm's operations in Wisconsin are based around buying finished lots from developers.

Builder D also reported that the average Builder Permit it pays in Minnesota is \$10,000 in total charges, while the costs for a permit and related charges Hudson, Wisc., run \$5,000, adding \$5,000 in cost difference to the "Construction Costs Categories."

HOME OVERVIEW

Bedrooms	4
Bathrooms	4
Garage Stalls	3
Total Square Footage	3,100

HOME CONSTRUCTION COST DIFFERENCES

\$266,954.20

MN LABOR & MATERIALS COSTS

\$251,431.37

WI LABOR & MATERIALS COSTS

+\$15,522.83

MN LABOR & MATERIALS DIFFERENCE

Minnesota vs. Wisconsin: Labor & Material Cost Differences

ITEM	MINNESOTA	WISCONSIN	DIFFERENCE	CLASSIFICATION
Passive Radon System: Rock Requirement (MN)	\$7,550.00	\$6,050.00	\$1,500.00	Building Code
Windows	\$6,342.49	\$5,931.89	\$410.60	Building Code
Drywall	\$11,757.01	\$10,542.60	\$1,214.41	Building Code
Interior Window Trim Labor	\$5,552.00	\$5,302.00	\$250.00	Building Code
Total Home Electrical	\$7,771.00	\$7,551.00	\$220.00	Electrical Code
Lumber and Trusses	\$50,455.88	\$48,738.39	\$1,717.49	Energy Code
HVAC	\$11,470.00	\$9,410.00	\$2,060.00	Energy Code
Insulation	\$7,514.00	\$7,014.00	\$500.00	Energy Code
Energy Testing	\$500.00	\$0.00	\$500.00	Energy Code
Building Permit and Escrow Charges	\$10,000.00	\$4,500.00	\$5,500.00	Local
Total Home Plumbing	\$14,231.00	\$13,981.00	\$250.00	Plumbing Code
Roofing Supplies	\$4,141.45	\$4,078.63	\$62.82	Sales Tax
Siding	\$15,919.24	\$15,818.07	\$101.17	Sales Tax
Exterior Doors	\$559.19	\$522.00	\$37.19	Sales Tax
Interior Doors and Millwork	\$7,647.65	\$7,139.00	\$508.65	Sales Tax
Cabinets and Hardware	\$7,313.41	\$6,827.00	\$486.41	Sales Tax
Appliances	\$2,852.74	\$2,663.00	\$189.74	Sales Tax
Lighting	\$945.70	\$931.35	\$14.35	Sales Tax

SOURCE: BUILDER D, FIGURE B-3

BUILDING A NEW HOME

Home building and land development can be complex. This simplified chart illustrates the process.



SOURCES

DATA SUPPLIED FROM BUILDERS

Data listed as sourced from Builders A, B, C and D was provided by Twin Cities-area builders and their trade partners, including land developers. Due to the confidential nature of this information, which includes proprietary information, these builders have not been identified. Appendix B and C contain detailed information provided by these builders and their trade partners.

SUBSCRIPTION SERVICES

Throughout the report, data provided by subscription services has been used:

Market Graphics: Market Graphics Research Group <http://www.mgresearch.net/>

MetroStudy: MetroStudy from Hanley Wood <https://www.metrostudy.com/>

Zonda: Zonda from Meyers Research <https://meyersresearchllc.com/zonda/>

A BROKEN HOUSING ECOSYSTEM

Arbit, David. “Median Single-Family Home Sales Price, October 2005-September 2018.” Minneapolis Area Association of Realtors.

“More Places to Call Home: Investing in Minnesota’s Future.” Governor’s Task Force on Housing. August 2018.

INABILITY TO MEET MARKET DEMAND

Data supplied by Builders A, B, C, and D.

THE TRUE COSTS: THE MIDDLE CLASS AND THE NEW HOME MARKET

Yun, Lawrence Ph. D. and Evangelou, Nadia. “Social Benefits of Homeownership and Stable Housing.” National Association of Realtors. December 2016.

Housing Policy Department. “The Local Impact of Home Building in Minneapolis-St. Paul, MN: Income, Taxes and Jobs Generated.” National Association of Home Builders. November 2009.

APPENDIX A

A-1: Market Graphics

A-2: Market Graphics and MetroStrudy

A-3: Building Permit Survey, Permits By Metro Area, Annual. United States Census Bureau. <https://www.census.gov/construction/bps/msaannual.html>

A-6: Brander, Kent PE. “Analysis of Land Availability for Future Residential Construction”. Civil Methods. September 2016.

A-7: A report on recent residential land transactions in select cities. Supplied by a residential developer working with one or more of the builders.

APPENDIX B

B-1: Builders A and B

B-2: Builder B

B-3: Builder D

B-4: Form 326B.145, Self-Reported Data Supplied by Each City. Access through Minnesota Department of Labor and Industry Revenue Reporting System.

B-5: City of Corcoran, supplied in response to a Data Practices Request.

APPENDIX C

Data supplied by Builders A and B

ACKNOWLEDGMENTS

Housing Affordability Institute would like to thank Housing First Minnesota and its member firms who gave our research team unprecedented access to the company records and staff. Without the partnership of these organizations and the time commitment from their industry experts, this study would not be possible.

Housing Affordability Institute would also like to thank:

- Keystone Reports (through Housing First Minnesota), Market Graphics and Zonda for providing market-specific statistics.
- The countless builders, developers and subcontractors who provided the detailed information requested by the research team.
- The Minnesota Department of Labor & Industry for access to Form 326B.145 filings.
- The cities of Blaine, Corcoran, Hugo, Lake Elmo and Victoria for meeting with our research team to explain how their specific city finances city-borne development costs.
- The cities of Blaine, Corcoran, Dayton, Hugo, Lake Elmo, Lakeville, Prior Lake and Victoria for providing information to the research team.

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