

ELKO NEW MARKET - PLANNING COMMISSION MEETING

PC Members: Steve Thompson , Brad Smith, Heather Vetter, Nicole Kruckman, Kent Hartzler, and Harry Anderson
City Staff: City Planner Bob Kirmis, Community Development Specialist Renee Christianson and City Engineer Rich Revering



AGENDA

THURSDAY, OCTOBER 5, 2017 @ 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**
- 6. APPROVAL OF MINUTES**
Consider Approval of the following:
 - A. August 3, 2017 Meeting Minutes
- 7. PUBLIC HEARINGS**
 - A. None
- 8. GENERAL BUSINESS**
 - A. Adelman Family, Discussion on Future Land Use Designations
- 9. MISCELLANEOUS**
 - A. City Staff/Consultant Business Updates & Reports
 - B. 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
August 3, 2017
7:00 PM**

1. CALL TO ORDER

Chairman Thompson called the meeting of the Elko New Market Planning Commission to order at 7:03 p.m.

Commission members present: Thompson, Smith, Vetter and ex-officio member Anderson

Members absent and excused: Kruckman and Hartzler

Staff Present: Community Development Specialist Christianson, City Planner Kirmis and Assistant City Engineer Ripke

2. PLEDGE OF ALLEGIANCE

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

3. APPROVAL OF AGENDA

A motion was made by Vetter and seconded by Smith to approve the agenda as presented. Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried: (3-0).

4. PUBLIC COMMENT

Alex Knutson (203 Maverick Avenue) questioned City Staff and the Planning Commission in regard to any future plans for the Winkler property located north of County Road 2 between Dakota Avenue and Todd Street.

Community Development Specialist Christianson advised Mr. Knutson that the site in question is zoned B-1, Neighborhood Business and that a variety of retail commercial uses, as allowed in the district, can be anticipated on the property at some future point.

5. ANNOUNCEMENTS

There were no announcements.

6. APPROVAL OF MINUTES

A motion was made by Thompson and seconded by Smith to approve the minutes of the June 1, 2017 Planning Commission meeting as written. Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried (3-0).

7. PUBLIC HEARINGS

A. New Market Bank Multi-Tenant Commercial Building

Chairman Thompson asked Community Development Specialist Renee Christianson to present her memorandum dated August 3, 2017. Christianson explained that Greystone Construction wishes to construct a two-phase multi-tenant commercial building upon a 3.8-acre site located north of County Road 2 and west of Dakota Avenue (Outlot B, Old Town). To accommodate the proposal, Christianson noted that the applicant has applied for the following:

1. Rezoning of the property from PUD, Planned Unit Development to B-1, neighborhood Business.
2. Conditional Use Permit to allow an accessory drive-through lane (one on each end of the proposed building).
3. Variance from drive-through lane vehicle stacking space requirement for banks.
4. Preliminary/final plat approval (New Market Bank Addition)

Christianson highlighted the following items as addressed in detail within her memorandum:

- Project background
- Required approvals (applications)
- Application approval criteria
- Project design features:
 - Building finish materials
 - Off-street parking
 - Landscaping
 - Signage
 - Lighting
 - Utility service
 - Site access
 - Sidewalks/trails
 - Park dedication

Christianson concluded her presentation by stating that Staff recommends approval of the various applications subject to the conditions as listed in the August 3, 2017 Staff memorandum.

Following Community Development Specialist Christianson's presentation, Chairman Thompson opened the public hearing at 7:27 p.m. Comments received at the public hearing were limited to the following:

Gordon Schmitz - Greystone Construction. Mr. Schmitz, representing the project as the applicant, voiced opposition to a recommended condition of project approval.

Specifically, Mr. Schmitz opposed a recommendation of Scott County, City Planning Staff and the Elko New Market Park Commission that a trail be constructed along County Road 2. Mr. Schmitz expressed concern over the cost of such improvement. Mr. Schmitz also expressed his belief that such trail likely would not be utilized (as it would not connect to another trail and/or destination).

Chris Foster - 27160 Hickory Ridge Drive. Mr. Foster expressed his opinion that the construction of a trail along County Road 2, as recommended by City Staff, should be constructed in association with the proposed project.

Cal Schumacher - 4766 260th Street East. Mr. Schumacher raised question as to whether new plantings will be provided around the existing ponding area located east of the proposed strip center building (west of Dakota Avenue). Community Development Specialist Christianson advised Mr. Schumacher that a landscape plan has not, to date, been submitted and that plantings around the ponding area are not required by Ordinance. Christianson further stated that substantial plantings around the ponding area may not be desired in such location as they could impact visibility of the commercial project at the County Road 2 / Dakota Avenue intersection. She noted that landscape screening will be required near the drive-through lanes.

Following the received public testimony, a motion was made by Smith and seconded by Thompson to close the public hearing at 7:35 pm. Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried (3-0).

Following the received public testimony, the following comments/questions were raised by the Planning Commission:

- Commissioner Vetter voiced general support for the project and specific support for the requested stacking space variance (associated with the proposed bank).
- Commissioner Smith suggested that the County Road 2 trail (as recommended as a condition of project approval) be required at the time of phase 2 development.
- Commission Chairman Thompson expressed his opinion that a parking lot connection to the Firehouse Grille property to the west is more important than the County Road 2 trail at this time (to avoid a dead-end parking arrangement on the Firehouse Grille site). With this in mind, Chairman Thompson recommended that the County Road 2 trail not be required as a condition of project approval and that, as an alternative condition, a parking lot connection to the Firehouse Grille be required.
- As a follow-up to Chairman Thompson's suggestion, the Planning Commission concluded that condition #8 of the Staff report which would require the construction of a trail along County Road 2 should be omitted and that a condition should be added to require a parking lot driveway connection to the Firehouse Grille property to the west.

Following the Planning Commission discussion, a motion was made by Smith and seconded by Vetter to recommend approval of the following:

Request for Rezoning #R5-2017 to rezone the property from Planned Unit Development (PUD) to Neighborhood Business District (B1) for the following reasons:

1. Rezoning of the property to B1 is consistent with the City's Comprehensive Plan, which allows commercial uses within the Residential Mixed Use land use designation.
2. The proposed use of the property for neighborhood commercial purposes will be consistent with the use of the property to the west which is used for commercial purposes, and the property to the east, which is currently zoned B-1.
3. The proposed use complies with all performance standards of the B1 district, except that a variance is being requested to allow fewer vehicle stacking spaces for the proposed bank drive-through window than required by City Code.
4. The City's existing infrastructure can accommodate the proposed commercial use of the property.
5. The site boarder on a City local street, a City collector street, and a County minor arterial street, which can adequately handle the commercial traffic from the site.
6. The proposed B1 zoning allows similar use of the property as the current PUD zoning.

And noting that:

1. The conditions contained in Old Town Firehouse Planned Unit Development Agreement, recorded in the Office of the Scott County Recorder as Document #733670, are released upon rezoning of the property to B1 and no longer apply.

Request for Conditional Use Permit #C1-2017 to allow accessory drive-through lanes, for the following reasons:

1. The drive-through lane proposed on the west end of the building has been designed to meet City Code requirements, including the amount of required vehicle stacking space. The bank drive-through window proposed on the east end of the building has been designed to meet City Code requirements, with the exception of the required number of vehicle stacking spaces for banks. The Code requires five spaces for each window; four spaces have been provided. A variance has been approved due to a change in the banking industry since the advent of on-line banking.
2. The site has been designed to allow circulation options within the site and around the building; the proposed drive-through locations will not interfere with access into or within the site.
3. The accessory drive-through facilities have been designed in a manner that will prevent vehicle stacking into public streets or rights of way.
4. The vehicle stacking lanes and drive-up windows have been designed on the easterly and westerly sides of the building, in locations that do not face residentially zoned or utilize properties. On the westerly end of the building, there is sufficient change in grade/elevation to prevent vehicle headlight glare towards the residential properties to the south.

And with the following conditions:

1. The drive-through lanes are permitted as shown on the civil plans dated July 27, 2017.
2. Landscape screening will be required on the east side of the easterly drive-through to screen it from public street rights-of-way. Landscape screening will be required on the west side of the westerly drive-through. Screening can be placed within the raised islands.
3. A lighting plan meeting the requirements of Section 11-4-7 of the City Code will be required prior to building permit approval.
4. An emergency / rapid access system will be required on the proposed commercial building at the time of construction.

And noting that:

1. The proposed development has been reviewed the City Engineer, Public Works Director, the Police Chief and the Building Official.

Request for Variance #V1-2017 from the requirement that banks provide five drive-through vehicle stacking spaces, and allow four spaces, for the following reasons:

1. Granting the variance is not based on economic conditions, but based on the reduced need and activity at bank branch offices and drive-through windows since the onset of on-line banking.
2. There is a practical difficulty in requiring vehicle stacking spaces that are not needed by the banking industry since the onset of on-line banking. The requested variance would provide the minimum vehicle stacking spaces needed to accommodate the anticipated bank needs.
3. Reducing the required bank drive-through stacking spaces from five spaces to four spaces will not alter the character of the neighborhood or commercial development.
4. The proposed bank use is consistent with the purpose of the B1 zoning district, as banks are a permitted use within the district.

Request for Preliminary and Final Plat Approval of New Market Bank Addition, consisting of one lot and one outlot on 3.81 acres for the following reasons:

1. The proposed plat of the property meets the purpose and intent of the Comprehensive Plan.
2. The proposed plat complies with requirements of City Code Title 12, Subdivision Regulations.
3. The proposed plat complies with the requirements of the B1 Zoning District in which it lies.

And with the following conditions:

1. Preliminary plat approval is granted in accordance with the preliminary plat drawing dated 7/27/17 and the preliminary engineering information dated 7/27/17.
2. Final plat approval is granted in accordance with final plat drawing dated 7/26/17 and on file with the Elko New Market Planning Department.
3. A title opinion must be reviewed and approved by the City Attorney.

4. Final plat approval is subject to recommendations of the City Attorney
5. Greystone Construction must enter into a Developer's Agreement with the City of Elko New Market.
6. A park dedication fee in lieu of land dedication is being required.
7. Direct access to Scott County Highway 2 will not be allowed.
8. Proposed Outlot A, containing the stormwater pond, must be dedicated to the City of Elko New Market.
9. The developer must comply with the recommendations of the City Engineer and Public Works Director.
10. The proposed development shall be redesigned so that the parking lot on the subject property connect to the parking lot on the adjacent property to the west, Lot 1 Block 1, Old Town, as required by the Planned Unit Development approved in 2006.

And noting that:

1. The conditions contained in Old Town Firehouse Planned Unit Development Agreement, recorded in the Office of the Scott County Recorder as Document #733670, are released upon rezoning of the property to B1 and no longer apply.
2. The trail along County Road 2, as depicted in City policy documents, will not be required.

Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried (3-0).

B. Boulder Pointe 6th Addition PUD Amendment

Chairman Thompson asked Community Development Specialist Renee Christianson to present the Staff memorandum dated August 3, 2017. Christianson explained that a property owners consisting of RAV Holdings LLC., Barness Brothers LLC. and Travis Kibbes have requested approval of an amendment to the Boulder Pointe 6th Addition Planned Unit Development (PUD) located north of 275th Street and west of Beard Avenue.

Christianson indicated that the applicants wish to amend the PUD to allow the following upon remaining lots win the 6th addition:

1. A reduction in the current 15-foot separation required between townhome buildings. A 10-foot building separation is being proposed.
2. Removal of an existing requirement which mandates specific house designs (to allow full design flexibility).
3. Changes to the allowable exterior building material on front building facades (see language proposed in applicant's letter dated July 17, 2017).

Christianson highlighted the following items as addressed in detail within the Staff memorandum:

- Project background, including a review of previous City PUD approvals
- Existing conditions of PUD approval
- Requested PUD changes:
 - Structure separation - reduce from 15 to 10 feet
 - Building design requirements - allow full building design (floor plan and building elevation) flexibility and remove existing requirements for specific house design
 - Building materials – remove requirement for stucco on the front façade and flexibility

Christianson concluded her presentation by stating that Staff recommends approval of the requested PUD amendment subject to the various conditions as listed in the August 3, 2017 Staff memorandum.

Following Community Development Specialist Christianson’s presentation, a motion was made by Smith and seconded by Vetter to open the public hearing at 8:04 pm. Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried (3-0).

Comments received at the public hearing were limited to the following:

Bjorn Vogen - RAV Holdings. Mr. Vogen, representing the project as the applicant, advised the Planning Commission of his intent to provide a more marketable housing product than that allowed by the existing PUD. It was also indicated that a replat of Outlot B (of the Boulder Pointe 6th Addition) into 3single-family lots may also be considered at some future point as a means of providing more marketable housing choices to the public.

With no further comments from the public, a motion was made by Thompson and seconded by Vetter to close the public hearing at 8:09 pm. Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried (3-0).

Following the received public testimony, the following comments/questions were raised by the Planning Commission:

- The Planning Commission was supportive of the PUD changes requested by the applicant. The Commission did however, indicate they did not support the use of vinyl as a finish material on front building facades.

With no further comments from the Planning Commission, a motion was made by Smith and seconded by Vetter to recommend approval of the following amendments to the Boulder Pointe 6th Addition Development Contract and PUD Agreement:

Section 7 shall be amended to read as follows:

ZONING. Except as otherwise provided herein, the plat is subject to the zoning regulations of the Planned Unit Development District and the requirements and standards of the City’s R-3 Medium Density Residential District, as may be amended from time to time. If there is

a conflict among these regulations, the conflict shall be resolved in the order listed below with the item number one being primary:

- 1) Development Contract and Planned Unit Development Agreement for Boulder Pointe Sixth Addition [this document].
- 2) Planned Unit Development for Boulder Pointe.
- 3) Planned Unit Development Zoning District Regulations
- 4) R-3 Medium Density Residential District for detached townhome units.

The following minimum townhome setbacks (consistent with the R-3 District and PUD requirements) shall apply:

Front Yard	25 feet from public right of way 20 feet from private streets
Side Yard	10 feet between buildings (building wall to building wall separation)
Rear Yard	30 feet from rear lot line of the base lot

Section 9 shall be amended to read as follows:

DEVELOPMENT PLANS. The plat shall be developed in accordance with the following plans. The plans shall not be attached to this Agreement. With the exception of Plans A-C, the plans may be prepared subject to City approval, after entering into the Agreement, but before commencement of any work in the plat. If the plans vary from the written terms of this Agreement, the written terms shall control. The plans are those submitted on September 11, 2009, except as otherwise identified by date:

- Plan A - Final Plat
- Plan B – Grading Plan
- Plan C – Landscape Plan
- Plan D – Utility Plan

Section 29 (I) shall be amended as follows:

- I. Exterior Finishes:
 - a. Low or no maintenance trim shall be required on windows and doors on the front elevation of the home.
 - b. A minimum front façade of 20% brick or stone or equivalent substitute (excluding windows, doors and garage doors) shall be required. Vinyl siding shall not be permitted on the front facing building façade. Acceptable building materials on the front facing façade include stucco, fiber cement siding, engineered wood siding (i.e. LP Smartside), stone (natural or artificial) and brick. Building plans must demonstrate architectural themes and features such as, but not limited to, varied textures, window boxes, shutters, architectural trim.

Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried (3-0).

C. Street Width Amendment

Chairman Thompson asked Community Development Specialist Christianson to present her memorandum dated August 3, 2017 regarding a proposed Subdivision Ordinance amendment related to City street width requirements. Christianson explained that City Staff recommends that local street widths in residential areas be reduced from 32 feet in width to 28 feet.

Christianson noted that narrow street widths provide several benefits including the following:

- Narrower street result in reduced speeds. It has been documented through traffic studies that narrower streets naturally cause reduced driver speeds (the wider the streets, the faster a driver will go).
- Narrower streets are less costly to construct for the developer.
- Narrower streets less costly to reconstruct (when reconstruction is necessary).
- Streets measuring 28 feet in width still make an allowance for on-street parking.
- Reducing the street width by 4 feet also reduces runoff from the reduced impervious surface, resulting in reduced ponding and infiltration requirements.

Following Christianson's presentation, Planner Kirmis raised question related to the application of the reduced street width requirements for streets which are bordered on one side by residential uses and the other side by non-residential uses. In discussing this matter, the Planning Commission concluded that, in such instances, appropriate street widths should be determined by the City Engineer.

A motion was made by Thompson and seconded by Smith to open the public hearing at 8:17 pm. Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Motion carried (3-0).

There were no comments provided at the public hearing.

A motion was made by Smith and seconded by Vetter to close the public hearing at 8:18 pm. Vote for: Thompson, Smith and Vetter. Against: None. Abstained: None. Vote 3-0. Motion carried.

With no further comments from the Planning Commission, it was moved by Smith, seconded by Vetter to recommend approval to the City Council of the following amendment to Section 12-9-5-1 (E) of the City Code:

E. Widths: Right of way widths and pavement widths (face to face) of curb shall be as follows:

Classification	Right Of Way Width	Pavement Width
Major collector/parkway	100 feet	Determined by the city engineer
Minor collector	80 feet	38 feet
Local street (<u>residential zoned areas</u>)	60 feet	32 <u>28</u> feet
Local street (<u>commercial zoned areas</u>)	<u>60 feet</u>	<u>32 feet</u>
Service road	50 feet	28 feet
Cul-de-sac street	60 feet	32 <u>28</u> feet
Cul-de-sac radius	60 feet	45 feet

1. For local streets lying on the border between residentially zoned areas and commercially zoned areas, the local street width requirement shall be made by the City Engineer.

Vote for: Thompson, Smith, and Vetter and Hartzler. Against: None. Abstained: None. Vote 3-0. Motion carried.

8. GENERAL BUSINESS

There were no General Business items.

9. MISCELLANEOUS

A. City Staff / Consultant Updates. Community Development Specialist Christianson advised the Planning Commission that updates on various City projects are provided in Planning Commission meeting packet (in her memorandum dated August 3, 2017). Detailed updates on the following projects were however, specifically provided by Christianson:

- Boulder Heights
- Dakota Acres
- Pete's Hill residential subdivision
- Barsness Project

10. ADJOURNMENT

A motion was made by Vetter and seconded by Smith to adjourn the meeting at 8:34 p.m. Vote for: Thompson, Smith and Vetter and Hartzler. Against: None. Abstained: None. Motion carried (3-0).

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 JIM CONNELLY, APPRO DEVELOPMENT
FROM: RENEE CHRISTIANSON, COMMUNITY DEVELOPMENT SPECIALIST
REQUEST: DISCUSSION ON FUTURE LAND USES FOR ADELMANN PROPERTIES
DATE: OCTOBER 5, 2017

Background / History

The Adelmann family owns several properties on the west side of the I-35 / CR 2 interchange, as depicted on the attached drawing. The area on the north side of Co Rd 2 contains approximately 191.71 acres and the area on the south side contains approximately 50.92 acres (source: Scott County GIS). The properties are guided by the City's 2030 Comprehensive Plan to primarily commercial and some residential (see attached map).

In the spring of 2017 the City was the conduit for grant funding from the Scott County CDA which provides funding to the Adelmann family for preparation of concept development plans for the property. The Adelmann's have engaged Appro Development from Lakeville to assist them with the project. Appro has completed a preliminary review of the site and would like to discuss with the Planning Commission some proposed land uses for the property. Attached is a letter submitted by Appro Development.

History

In 2007 the City and Adelmann's entered into a Memorandum of Understanding (MOU) regarding future development of the (north) property. The MOU outlined tasks that needed to be completed before the development of the property, including:

- ✓ Extension of the Metropolitan Council Sanitary Sewer Interceptor
- Development of a concept plan for the property for review by the City
- ✓ An Orderly Annexation Agreement between the City and the Town
- ✓ Completion of an Interchange Design Study by County and City
- ✓ Update of the City's 2030 Comprehensive Plan
- Completion of an AUAR (environmental study) by the Adelmann's
- ✓ City and Adelmann's entering into a Pre-development Agreement prior to Annexation
- Annexation
- Adelmann's placing escrow funds with the City for City costs

In 2012 the City and Township reached an agreement regarding annexation of the (north) property, and an Orderly Annexation Agreement (OAA) approved by the City and Town. The agreement outlines that the property can be annexed by the City by adoption of a resolution, upon the following:

- Property owner application for annexation
- Execution of a pre-development agreement by the City and the property owner, and
- The City determining that the proposal does not constitute a premature subdivision

Since the time of the above agreements (MOU & OAA) a number of items have occurred including:

- Extension of the Metropolitan Council Sanitary Sewer Interceptor (2010)
- Completion the City's 2030 Comprehensive Plan (2010)
- Study of the future interchange design (attached) and agreement by government agencies (2016)

Marketing

The Adelman's have been working with Bruce Rydeen of Cerron Commercial Properties to market the property, which has now been marketed for many years. Since the time the City began working with the Adelman family in 2006 the economy has changed greatly, with the Country experiencing a recession and the fairly significant shift in the retail market due to the onset of internet shopping. Due to some of these factors some early concept plans developed for the property are being reevaluated.

Comprehensive Land Use Plan

The City's 2030 Comprehensive Land Use Plan guides the property to a mix of uses, with the majority being guided to commercial land uses. The following is a description of the currently adopted land use categories that apply to the subject properties, as stated in the Comprehensive Plan:

General Commercial.

Objective: This classification is characterized by a wide range of commerce, recreation, and entertainment uses whose trade area is the community, and under certain conditions, the region (e.g. Elko Speedway). Arterial roadway orientated uses and single stop or destination stores are included. An important role of this classification is to provide a location for services, goods, and employment opportunities related to the continued dependence upon the automobile for high mobility and to the growth of leisure and recreational activities in the area.

Development Location Criteria:

- This area should not occur adjacent to single family detached development. A high level of transition to all proximate residential land and development is desired. These Districts shall be located near Arterial access points (i.e. intersection of Arterial and/or Major Collector roadways), with access limited to frontage roads or to internal common parking and driving areas.
- The wide variety of commercial uses allowed often produces undesirable effect on abutting and nearby uses. Extra care must be exercised in the evaluation of location criteria, transition design, and the effectiveness of buffering uses in this District.

Design, Parking and Open Space: Appropriate green space and all yard and parking minimum standards met or exceeded.

Minimum Requirements for Development: 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: Community retail and service centers; theaters, clubs, and private recreation centers; restaurants; fuel dispensing and the sale of petroleum products; and accessory and related uses that are clearly incidental to the primary use.

Transportation Oriented Commercial.

Objective: This classification is similar to the General Commercial District, however it is characterized by a wide range of commerce, recreation, and entertainment uses whose trade area is the community and the region. Arterial roadway orientated uses and single stop or destination establishments are included. An important role of this classification is to provide services, goods, and employment opportunities related to the continued dependence upon the automobile for high mobility.

Development Location Criteria:

- This area shall not occur adjacent to single family detached development. A high level of transition to all proximate residential land and development will be required. These Districts shall be located near Arterial access points (i.e. intersection of Arterial and/or Major Collector roadways), with access limited to frontage roads or to internal common parking and driving areas.
- The wide variety of commercial uses allowed often produces undesirable effect on abutting and nearby uses. Extra care must be exercised in the evaluation of location criteria, transition design, and the effectiveness of buffering.

Design, Parking and Open Space: Appropriate green space and all yard and parking minimum standards met or exceeded.

Minimum Requirements for Development: 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: Regional retail and service centers; sales of marine craft, building supplies, lawn and garden materials; hotels and motels; restaurants, including those with drive-through facilities; fuel dispensing and the sale of petroleum products; and accessory and related uses that are clearly incidental to the primary use.

Commercial / Industrial. Currently, there is no land within the corporate city limits of Elko New Market with this land use designation. The intent of this classification is to allow uses available within the General Commercial District, as well as Business Office Park District and Industrial Park District. The Commercial / Industrial District provides for the opportunity for the Zoning Ordinance to clarify the specific locations for these uses based on the standards identified in each uses' objective. It is specifically not the intent of this District to intermingle varying types of commercial and industrial uses within a development, unless it is done within the context of a Planned Unit Development.

Commercial / Industrial Planned Unit Developments may include uses typical of the General Commercial, Business Office Park and Industrial Park Districts. The goal for the Commercial /Industrial

District is to maintain average land use distributions of 35% General Commercial, 35% Industrial Park and 30% Business Office Park uses.

Mixed Use Residential.

Objective: This 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.

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.
- Development of attached homes and multiple family dwellings is appropriate near major parks and open space, along collector and arterial roadways, and near Town Center Land Use Districts, and other commercial centers.
- The wide range of possible housing styles and development design flexibility make it feasible to form a suitable transition to and from adjacent existing or proposed uses, and to related new development to most terrain and other natural features.
- Final density and development design will be a function of adopted zoning and subdivision standards and procedures.

Density: The average density is 8 dwelling units per net acre, with a range between 5 and 15 units per net acre.

Minimum Requirements for Development:

- Lot sizes typically are 10,000 square feet, but can be larger or smaller depending on the type of development and the specific property's characteristics.
- A site area of at least 1,500 square feet per dwelling unit for apartments should be retained. A density reduction will be often necessary in environmentally sensitive areas.
- The minimum area for Planned Unit Developments should be 10 acres in order to provide for the open space, mix of housing styles at higher densities, including multiple family dwellings developments, 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.
- Developments with commercial components should not occur in a linear strip fashion. Isolated commercial development shall not be allowed unless the proposal clearly demonstrates and the City finds, among other things, that the commercial use is intended to serve the needs of the immediate area, as a Planned Unit Development.

Typical Uses: Mixed use Planned Unit Developments may include residential, commercial, and institutional developments, but by and large will consist of single-family homes (average will be 70% single family homes, 20% attached and multifamily, and 10% commercial uses). Commercial and institutional uses may be allowed by Planned Unit Development. 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.

Gateway Overlay District. This designation is an Overlay District to the Transportation Orientated Commercial Land Use District. The physical locations of this Overlay District are those areas visible from either County Road 2 or I-35. This interchange is the primary entrance to the community, and as such, architectural and design amenities are required to be incorporated into each specific development's appearance. This includes a particular style of architecture, landscaping, street lighting, signage, landmarks, etc., which are intended to create a pleasant image of the entrance to the community.

Zoning

For areas guided by the City's Comprehensive Plan to commercial, the City's Zoning Ordinance contains seven (7) commercial zoning districts. For areas guided by the City's Comprehensive plan to industrial, the City's Zoning Ordinance contains two (2) industrial zoning districts. Attached is a table showing uses that are currently guided to the various commercial and industrial districts. Staff notes that following adoption of the 2040 Comprehensive Plan, amendments may be made to the Zoning Ordinance which would affect the districts and uses.

Proposal

Appro Development has reviewed the City's various commercial and industrial zoning districts and the uses that are currently permitted in those districts. After review, they believe a mix of commercial and light industrial uses may be appropriate uses of the site. This recommendation is being made following an analysis of the physical features on the site, and in consultation with their real estate professional, Bruce Rydeen of Cerron Properties. They have conveyed that changes in the retail and industrial market conditions over the past decade support their request for a change in land use on the north side of Co Rd 2.

Appro Development has submitted a high level land use plan (attached) for review and discussion by the Planning Commission. They have approached the City with the types of uses they are proposing be allowed on the property. The proposal for the north property would be to include commercial and retail uses along the I-35 / CR 2 intersection area, with the ability for some light and medium industrial uses to the north of that. The concept includes light industrial uses that would be contained within the industrial buildings and not include outside storage, other than perhaps some commercial vehicles associated with the businesses. Attached is a letter submitted by Appro Development describing the concept. Also included at the end of this report are some pictures and street views of similar areas in

other communities. It is noted that they are also proposing some medium industrial (I-2) areas which would be the more intense industrial zoning district of the City. Staff would like to note that the proposal seems to be a fairly significant shift from the 2030 Comprehensive Plan which does not guide any industrial uses in the northwest quadrant on the interchange.

For the property on the south side of Co Rd 2, they are proposing approximately 30 acres of commercial and 20 acres of medium (I-2) industrial. The proposed industrial is a deviation from the currently adopted Comprehensive Plan. Staff supports a re-guidance for a portion of this area to the commercial/industrial land use category based on the existing land uses to the west, access restrictions, and physical constraints on the property. Staff would like to note that the proposal for the south area is a fairly significant shift from the 2030 Comprehensive Plan which does not guide any industrial uses in the southwest quadrant on the interchange.

Sanitary Sewer

The area around the interchange will gravity feed into the existing MUSA interceptor. Sewer service to the northerly and westerly portion of the north property will ultimately be served by a future sanitary trunk line that will flow northeast towards the Vermillion River. The interceptor exists along Co Rd 2 and there is an existing connection point adjacent to the subject property



Water

Water does not currently exist at the site and would need to be extended to serve the property. Earlier estimates from the City Engineer suggest the cost to extend water to the site is approximately \$1 million. Water would be extended in the Co Rd 2 right-of-way. The current design also shows water extending south along the west side of the southerly property and then heading east. The 2030 Water Plan indicates that trunk water lines will be located on both the north and south properties.



Stormwater

There may be opportunities for regional ponding on the properties. A copy of the existing drainage area map as shown in the Comprehensive Plan is shown here. Upon development, a stormwater management plan acceptable to the City Engineer must be submitted.



Access / Roads / Transportation Issues

The property borders on three existing roadways. Roads, functional classification of the roads and transportation comments/issues are as follows:

Interstate 35, Principal Arterial Roadway. The purpose of a principal arterial roadway is to connect large urban areas to other larger urban areas, or connect metro centers to regional business concentrations. They are designed to accommodate the longest trips, with emphasis on mobility. Traffic volumes on I-35 are 44,000 and 37,000 vehicles per day, with higher volumes north of Co Rd 2.

County Road 2, A Minor Arterial Roadway. The purpose of a minor arterial roadway is to link urban areas to principal arterials (such as I35) and larger towns. The emphasis of these roadways is mobility as opposed to access. Co Rd 2 is a 4-lane divided highway in this location and traffic volumes on the section of Co Rd 2 are approximately 11,300 vehicles per day. This roadway is under the jurisdiction of Scott County. When Co Rd 2 was reconstructed, the County planned the future access points. One future connection will be allowed into the property at a planned Logan Avenue location. This will be a full-movement intersection.

Irving Avenue, Local Roadway. The purpose of a local roadway is to facilitate the collection of traffic and convey it to collector and arterial roadways, and to provide direct property access. Irving Avenue is an existing local (gravel) road which is under the jurisdiction of New Market Township. Upon annexation and development of the area the existing Irving Avenue connection to Co Rd 2 will be removed. Jurisdiction and maintenance responsibility would be taken over the City of Elko New Market. The future plan for this street is unknown, other than removal of the access point to Co Rd 2.

Future - Major City Collector Roadway. The purpose of a major collector is typically to link neighborhoods together within a city or link neighborhoods to business concentrations. Access to collector roadways should be made via local streets and private access should be avoided. The typical right-of-way width on a major collector street is 100'. The City's Transportation Plan does depict a planned major collector running north/south through the site, both north and south of Co Rd 2 (future Logan Avenue). The City Engineer has completed additional concept work, beyond the 2030 Transportation Plan, to depict how future major collector streets may serve the Co Rd 2 area (drawings attached).

Future - Local Roadways. The purpose of a local roadway is to facilitate the collection of traffic and convey it to collector and arterial roadways, and to provide direct property access. Access to individual properties will ultimately be made through a series of local streets. Local streets within commercial areas will require a minimum width of 32' or as recommended by the City Engineer, and local streets serving residential areas will require a minimum width of 28'.

Future Interchange. MnDOT, Scott County, the City, and New Market Township worked together in 2016 to identify the preferred future interchange design, which is a diverging diamond design (drawing attached). There are bridge capacity issues at certain times of the day as documented in the AUAR for the Park I-35 industrial development. Although a future design has been mutually agreed upon, there is no scheduled project or funding for the interchange reconstruction.

Trails

The currently adopted 2030 Comprehensive Plan shows a trailway corridor located along the Vermillion River and traversing through the northerly property, following the vacated railroad right-of-way.



Parks Commission Comments

Comments from the Parks Commission have not been requested at this time. At the time of more detailed concept plans a discussion with the Parks Commission will be appropriate. The adopted Park & Trail Plan map is shown here.

Environmental Studies

Minnesota Rules 4410 contain environmental review requirements adopted by the State. It is very likely that the proposed project will be of a scope or size that require a mandatory environmental review. Various forms of environmental review include an Environmental Assessment Worksheet (EAW), Environmental Impact Statement (EIS), or an Alternative Urban Areawide Review (AUAR).

City Engineer Comments

The City Engineer was involved with a recent meeting between City staff and Adelman representatives. The City Engineer has a lot of knowledge about the Adelman properties in terms of planned utilities and roads. There has been no formal request for comment to the City Engineer at this time.

Scott County Highway Department Comments

Discussion with Scott County regarding the draft land use categories for the Adelman property has not occurred. This is a high level discussion with the Planning Commission in hopes of receiving direction as to what may be considered acceptable land uses.

Miscellaneous

Historically industrial land uses have been guided to the east side of the interchange. The request before the Planning Commission is to greatly reduce the amount of commercial land guided for the west side of the interchange area and consider allowing some industrial land uses on the west side of the interchange.

Staff Comments/Recommendation:

Staff feels that the existing “Commercial / Industrial” land use category contained in the 2030 Comprehensive Plan may be a good option for certain areas of the Adelman properties. This land use classification allows some flexibility to allow some commercial, office park, and industrial zoning as development occurs.

Staff’s opinion is that, based on the Appro Development Proposed Land Use Plan, there is not enough commercially guided land shown along the I-35 & Co Rd 2 corridor. Based on their proposal, the north property contains only 25 to 30 acres of commercial property right at the interchange. The south property contains approximately 30 acres additional acres of commercial property.

Staff is also somewhat concerned about the areas proposed for “Medium Industrial”. The City of Elko New Market currently has only two industrial zoning districts. The assumption would be that the request for “Medium Industrial” would be the more intensive of the two existing industrial zoning

districts, or that a new zoning district may need to be created to allow for three industrial districts. Staff would need to do more research regarding a possible additional industrial zoning district.

Staff will have some additional information at the Planning Commission meeting regarding acreages near interchanges in growing suburban communities.

Attachments:

- Letter from Appro/Jim Connelly dated 9.29.17
- Adelmann Properties Location Map
- Memorandum of Understanding 8.9.07
- Orderly Annexation Agreement 3.13.12
- Adelmann Area – 2030 Comp Plan Map
- Adelmann Area – Physical Features Map
- Appro Proposed/Draft Land Use Plan Map 9.29.17
- Draft Interchange Layout
- Future Road Network Concept_North Area
- Future Road Network Concept_South Area





South property, view looking southeast



South property, view looking southeast



SAMPLE INDUSTRIAL AREAS



5885 149th St, Apple Valley



149th St, Apple Valley



Upper 147th St W, Apple Valley



Apple Valley



5708 Upper 147th St W, Apple Valley



5708 Upper 147th St W, Apple Valley



Shakopee Sample



New Prague Sample



Savage Sample



Savage Sample



Savage Sample

September 29, 2017

Renee Christianson
Community Development Specialist
City of Elko New Market
601 Main Street
Elko New Market, MN 55054

RE: Adelman property draft zoning

Dear Ms. Christianson,

We are reaching out to you today to outline our conversations to date on the Adelman property. This year, we have worked through potential development scenarios for this parcel. Based on real estate inquiries received to date, we feel that the zoning we are proposing fits the requests we receive most often for this site.

We are envisioning a development not as big box heavy as some interstate interchanges. A significant area of the property shows as retail, but we truly see this area as a mixed-use development with some amount of light industrial uses. The light industrial we see would focus on smaller companies seeking greater access to the interstate, and desiring employment from the local area. A mix of office, showroom, warehousing and assembly/manufacturing seems to be the need, based on the feedback we have received.

Initially, the retail real estate need seems focused on the category of motor vehicles with sales lots, repairs, and parts. Convenience stores also have a great interest in this area. We feel that it will take an increase in additional residential development within the immediate adjacent areas of Elko New Market to drive more retail need, such as more housing, and more employment.

To get this development started, relying on one development type will not help to achieve a successful outcome. We strongly feel this land area needs a mixed-use approach for development to get started.

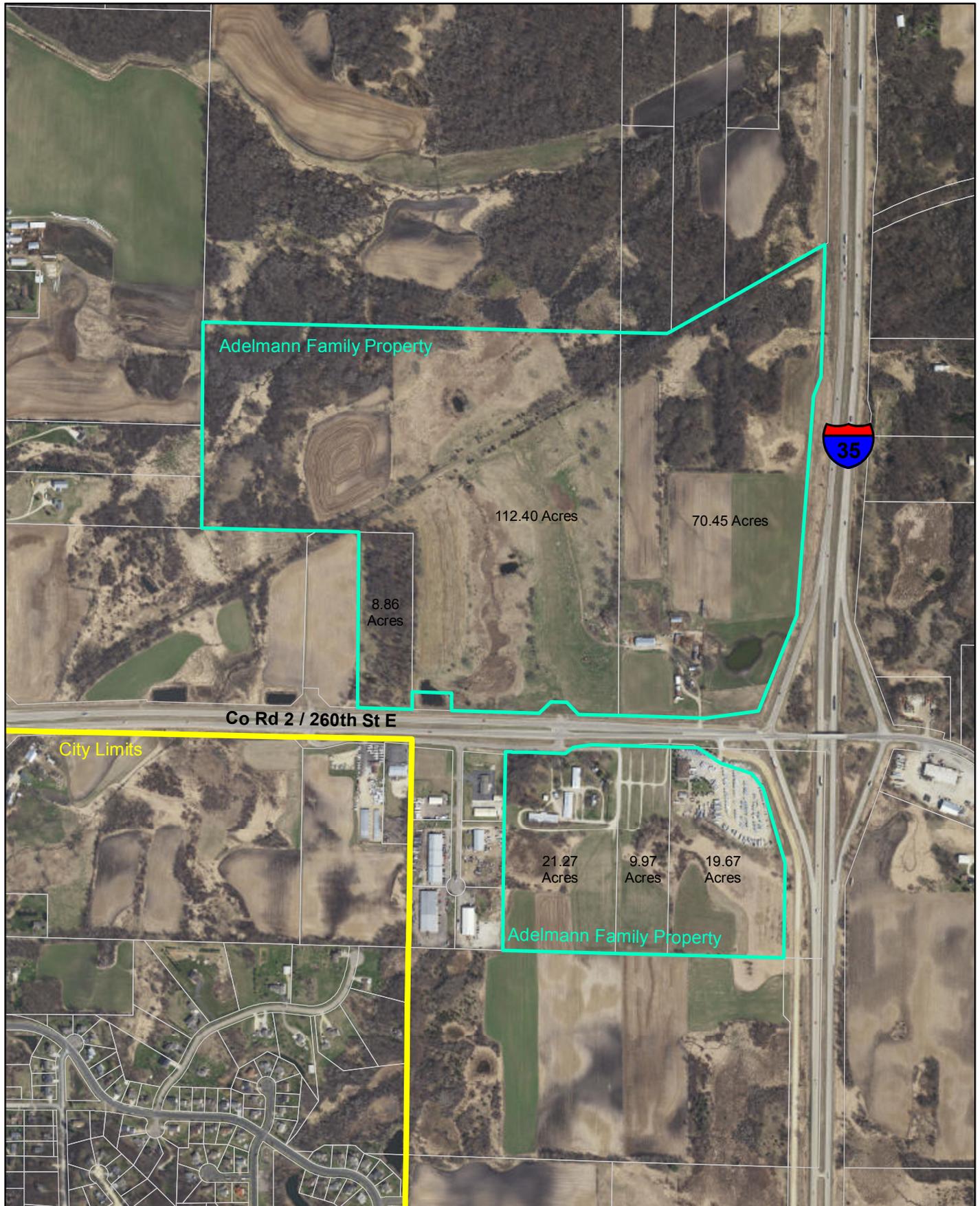
I appreciate your time and consideration. Please contact me with any further questions at (952) 469-2171 or jimc@approdevelopment.com.

Sincerely,

Jim Connelly
Executive Vice President

cc: Bruce Rydeen, CERRON Commercial Properties, LLC

Adelmann Family Properties



0 250 500 1,000 1,500 2,000 Feet

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING entered into as of this 9th day of August, 2007, by and between the **CITY OF ELKO NEW MARKET**, a Minnesota municipal corporation ("City") and **LORRAINE M. ADELMANN, BERNADETTE CHRISMER, AND DAVID ADELMANN AS TRUSTEES OF THE FAMILY SHARE OF ROBERT F. ADELMANN REVOCABLE TRUST AGREEMENT DATED SEPTEMBER 27, 2001, AND LORRAINE M. ADELMANN, AS TRUSTEE OF THE LORRAINE M. ADELMANN REVOCABLE TRUST AGREEMENT DATED SEPTEMBER 27, 2001** (collectively "Owner").

RECITALS

WHEREAS, Owner is the fee owner of property located at the Northwest corner of intersection of County Road 2 and Interstate 35 in New Market Township, Scott County, Minnesota, consisting of approximately 200 acres and legally described in the attached Exhibit A ("Property");

WHEREAS, Owner desires to have the Property annexed to the City and is proposing to develop the Property for commercial and residential uses;

WHEREAS, the proposed development on the Property is premature for a number of reasons including the City's inability to serve the Property with sanitary sewer until the Metropolitan Council's sanitary sewer interceptor is extended to the City and the City and the Metropolitan Council enter into an agreement for City access to the Metropolitan Council interceptor. The foregoing is anticipated to occur in 2010;

WHEREAS, before the Property can be developed, a variety of tasks must be completed, including: completion of an AUAR for the Property and surrounding area, an Orderly Annexation Agreement between the City and New Market Township, and a pre-development agreement between the City and the Owner;

WHEREAS, the City is supportive of Owner's efforts to develop the Property for a mixture of commercial and residential uses, consistent with the City's Comprehensive Plan;

WHEREAS, the City and Owner desire to enter into this Memorandum of Understanding to identify the pre-development tasks that must be completed prior to submittal of a preliminary plat application for development of the Property, identify the costs and expenses associated with each pre-development task and provide a method for payment of these costs and expenses.

NOW, THEREFORE, the parties set forth the following Memorandum of Understanding related to the Property:

1. **PRE-DEVELOPMENT TASKS.** The parties to this Memorandum of Understanding agree that the following tasks must be completed prior to submittal of a land use application for development of the Property:

A. Concept Plan Review. Owner shall prepare a Concept Plan of the Property for review by the City and other necessary governmental entities.

B. Orderly Annexation Agreement. The City shall prepare an Orderly Annexation Agreement with New Market Township for the Property ("OAA"). In addition to other terms to be negotiated with the Township, the OAA will make final annexation of the Property contingent upon the following:

- i) Execution of a pre-development agreement by the City and the Owner, as further identified herein;
- ii) Extension of the Metropolitan Council Interceptor to the City and the Interceptor being on-line and operational;
- iii) The City entering into a contract for service with the Metropolitan Council for interceptor;
- iv) The City determining that the proposal does not constitute a premature subdivision in any other respect.

C. Interchange Study and 2030 Comprehensive Plan Update. The City will assist the County, as necessary, in the County's completion of a land use/traffic study of the 35W/County Road 2 interchange. The City will complete an update to its 2030 Comprehensive Plan. These plans will be helpful in completing the AUAR and in the land use planning for the Property.

D. AUAR. The Owner shall complete an AUAR in scope and area as identified in the Scope of Services and Map attached hereto as Exhibit "B." Prior to commencement of the AUAR, the City must be designated by the Township as the RGU for the AUAR. Owner shall be solely responsible for the costs and expenses associated with the AUAR.

E. Pre-development Agreement. Prior to annexation of the Property to the City, the City requires Owner and Developer to enter into a pre-development agreement for the development of the Property. The Pre-development agreement is intended to identify on and off-site public improvements for the development proposed on the Property, including the party responsible for construction and/or payment of the public improvements and the method of financing.

F. Annexation of Property. Prior to submittal of a land use application for development of the Property, the Property must be annexed in accordance with the terms of the OAA.

2. PRE-DEVELOPMENT COSTS.

A. Estimated Costs. Except for the interchange study and the Comprehensive Plan Update, the City requires that the Owner of the Property pay for all of the following costs and expenses associated with the pre-development review process identified herein:

• Staff Review of Concept Plan and Presentation to Planning Commission and City Council	\$ 15,000.00
Preparation and Completion of the AUAR	\$150,000.00
Preparation of OAA and approval process	\$ 5,000.00
Preparation of pre-development agreement and approval process	\$ 7,000.00
Total:	\$177,000.00

These costs and expenses shall include, but not be limited to the following: review by staff and planning, engineering and legal consultants, attendance at city or township planning, council or staff meetings by staff and consultants, preparation of reports or other documents, and costs for public notices and hearings.

B. Escrow Terms. Owner shall establish an escrow account with the City to cover City expenses associated with the tasks identified under this Memorandum of Understanding and any other work requested by Owner in writing. The escrow account will be initially set in the amount of \$15,000.00. Owner shall replenish the escrow account monthly to the full escrow amount required hereunder and shall reimburse the City for any costs or expenses not covered by the Escrow Account. The City shall discontinue all work on the pre-development agreement upon failure of the Owner to maintain the Escrow Account at the requisite amount. Prior to commencement of any work hereunder, Owner shall enter into the City's standard Escrow Agreement including the provisions herein.

3. MISCELLANEOUS.

A. Both parties will use their best efforts to accomplish the tasks identified herein in a timely and cost-effective manner.

B. Both parties are aware and acknowledge that many contingencies and unknowns presently exist, any one or more of which could increase the delays and costs for the development.

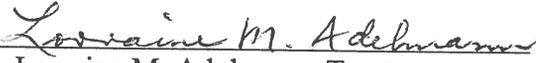
C. The parties agree that this Memorandum of Understanding is not intended to be binding upon the parties, but is merely intended to set forth the parties' understanding of the tasks and costs associated with the pre-development process for the Property.

CITY OF ELKO NEW MARKET

BY: 
Kent Hartzler, Mayor

AND: 
Patricia Nutt, City Clerk

**OWNER:
FAMILY SHARE OF ROBERT F. ADELMANN
REVOCABLE TRUST AGREEMENT DATED
SEPTEMBER 27, 2001**

BY: 
Lorraine M. Adelmann, Trustee

BY: 
Bernadette Chrismer, Trustee

BY: 
David Adelmann, Trustee

**LORRAINE M. ADELMANN REVOCABLE
TRUST AGREEMENT DATED
SEPTEMBER 27, 2001**

BY: 
Lorraine M. Adelmann, Trustee

EXHIBIT "A"

Legal Description of Property:

LEGAL DESCRIPTION

The East Half of the Southeast Quarter (E 1/2 of SE 1/4) of Section Twenty-three (23), Township One Hundred Thirteen (113), Range Twenty-one (21), except the Highway Right of Way, and except that part thereof lying Southerly of County State Aid Road No. 2 and Westerly of State Highway No. 35w;

And:

All that part of the East Half of the Northeast Quarter (E 1/2 NE 1/4) of said Section Twenty-three (23), lying South of the South line of the Right of Way of the Chicago, Milwaukee, St. Paul and Pacific R.R. Company, except Highway Right of Way, all of the aforesaid land lying and being in Scott County, Minnesota;

Also:

The East 345.89 feet of the Southeast Quarter of the Southwest Quarter (SE 1/4 SW 1/4), Section Twenty-three (23), Township One Hundred Thirteen (113), Range Twenty-one (21), as measured perpendicular to the East line thereof and lying North of Scott County State Aid Road No. 2, Scott County, Minnesota, said parcel contains 10.00 acres;

Also:

The West Half of the Southeast Quarter (W 1/2 of SE 1/4) and the Northeast Quarter of the Southwest Quarter (NE 1/4 of SW 1/4), all in Section Twenty-three (23), Township 113, Range Twenty-one (21), except railroad right-of-way thereon, and excepting therefrom the following described tract:

That part of the West 250 feet of the South 300 feet of the Southwest Quarter of the Southeast Quarter (SW 1/4 of SE 1/4) of Section Twenty-three (23), Township One Hundred Thirteen (113) North, Range Twenty-one (21) West;

Also:

All that part of the abandoned right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad across the above described tracts, the centerline of the railroad track as shown in Scott County Documents # 181948, 181949, and 181950.

AREAS:

- 1) TOTAL AREA OF PROPERTY = 8,653,510 SQ. FT (198.66 ACRES)
- 2) TOTAL AREA OF C.S.A.H. NO 2 RIGHT-OF-WAY = 298,211 SQ. FT. (6.87 ACRES)
- 3) TOTAL AREA OF PROPERTY EXCLUDING RIGHT-OF-WAY = 8,354,299 SQ. FT. (191.79 ACRES)

EXHIBIT "B"

AUAR Scope, Costs, Map

City of
Elko New Market

MEMORANDUM

DATE: August 9, 2007

TO: City Council

FROM: Mark Nagel, Assistant City Administrator

SUBJECT: Memorandum of Understanding – Adelman Property

INTRODUCTION

The City Council is being asked to approve a Memorandum of Understanding (MOU) related to the development of the Adelman property.

DISCUSSION

As reported at the previous City Council meeting, the MOU involves the development of about 200 acres of land in the NW corner of the intersection of CSAH 2 and I-35 for commercial and residential uses. The development cannot take place until after the Metropolitan Council interceptor extension is completed around 2010. However, there are a number of planning items that need to be started in the near future to prepare for the development of the property. The purpose of this MOU is to identify these items and roles and responsibility of the developer in their completion. They include - the completion of an AUAR, an Orderly Annexation Agreement with New Market Township, Concept Plan, and a Pre-Development Agreement. All of these need to be completed prior to annexation of the property and Preliminary Plat Application by the property owner and developer. For the City's part, the 2030 Comp Plan Update and Interchange Study will need to be completed along the way to provide necessary data for the AUAR. The steps in the process are outlined on Page 2 of the MOU.

The costs of the process, with the exception of the Interchange Study and the Comp Plan, will be borne by the Adelmans. It is expected to be around \$177,000 by the time the work is completed. In addition, a \$15,000 escrow has been established for the work. The financial details of the Agreement are contained on Page 3 of the MOU.

The remainder of the MOU is standard language and caveats related to either side getting out of the Agreement. It is important to note that the Adelmans have already signed the MOU, so work can begin upon approval by the Council.

The City Attorney will be at the meeting to discuss the specifics, and answer questions, of the attached MOU with the Adelmans, represented by Jack Matasosky of Appro Development, Lakeville. Mr. Matasosky will also be at the meeting to answer questions from the Council, as well.

ACTION REQUESTED

Approve the attached MOU with Adelmans. Further, recommend that the Council direct the Mayor and City Clerk to sign the MOU on behalf the City.

Please contact the City Administrator with any questions regarding the matter in this memorandum (952-461-2777).

Attachments:

Memorandum of Understanding

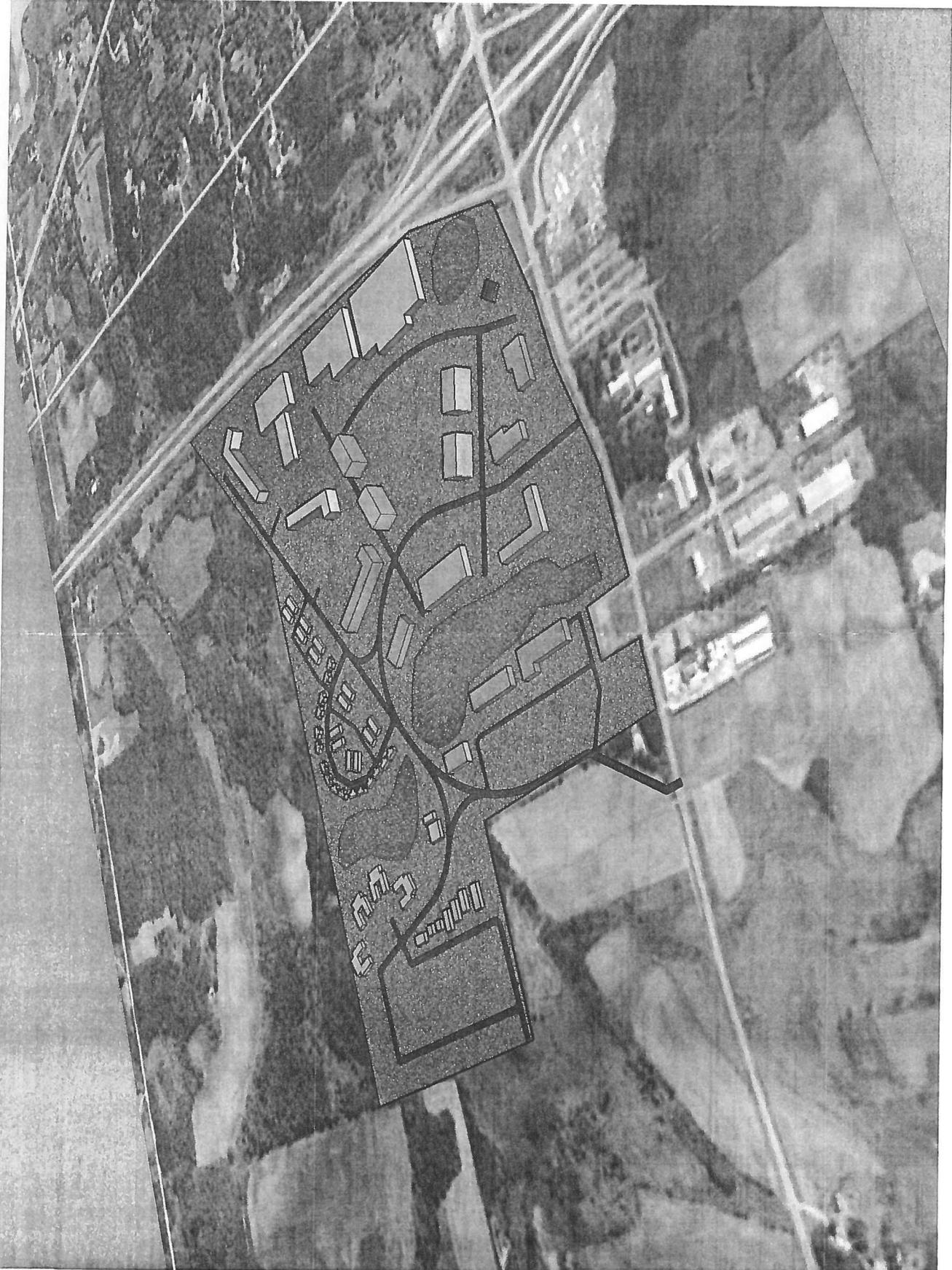
ADELMANN PROPERTY DEVELOPMENT



CONCEPT PLAN

make cc for Comm. Distribution.
make cc for packet & start file for Adelman.







MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS

600 North Robert Street
Saint Paul, Minnesota 55101

Mailing Address:
P.O. Box 64620
St. Paul, Minnesota 55164-0620

Voice: (651) 361-7900
TTY: (651) 361-7878
Fax: (651) 361-7936

March 13, 2012

Thomas Terry, City Administrator
Elko New Market City Hall
P.O. Box 99
Elko New Market, MN 55020-0099

VIA E-MAIL
(tterry@ci.enm.mn.us)

LeRoy Clausen
New Market Township
8950 230th St E
Lakeville, MN 55044

VIA E-MAIL
(lclausen@newmarkettownship.com)

Re: OA-1527 Elko New Market/New Market Township
(Joint Resolution Signed 1-26-12/2-9-12; 198.66 acres)

Dear Mr. Terry and Mr. Clausen:

On March 13, 2012, the Chief Administrative Law Judge accepted the above-referenced joint resolution for orderly annexation between the City of Elko New Market and New Market Township. The Chief Administrative Law Judge congratulates you and your respective governing bodies for your efforts. The citizens of your area will benefit from your cooperation and foresight and the citizens of other communities can benefit by your example.

The actual annexation of any part of the designated areas may be initiated as provided for in Minnesota Statutes 414.0325. Unless otherwise stated in the joint resolution, only *a resolution signed by all parties* to the agreement avoids the hearing requirement for any subsequent annexations from the designated area.

Minnesota Statute §414.036 requires that every Municipal Boundary Adjustment order annexing property from a township provide a reimbursement from the city to the township for all or part of the taxable property annexed. Accordingly, any subsequent resolutions filed for annexation of any part of the designated area must include a reimbursement to the township for lost property taxes from the annexed property or refer to reimbursement provisions in the main orderly annexation agreement that apply.

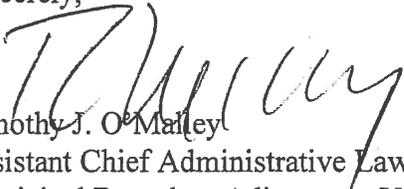
OA-1527 Elko New Market/New Market Township

March 13, 2012

Page Two

If you have any questions concerning this matter, please contact this office.

Sincerely,



Timothy J. O'Malley
Assistant Chief Administrative Law Judge
Municipal Boundary Adjustment Unit

TJO:kjl

c: Andrea McDowell Poehler, Elko New Market City Attorney (apoehler@ck-law.com)

**TOWN OF NEW MARKET
CITY OF ELKO NEW MARKET**

**IN THE MATTER OF THE JOINT
RESOLUTION OF THE TOWN OF
NEW MARKET AND THE CITY OF ELKO
NEW MARKET, DESIGNATING AN
UNINCORPORATED AREA AS IN NEED
OF ORDERLY ANNEXATION AND
CONFERRING JURISDICTION OVER
SAID AREA TO THE OFFICE OF
ADMINISTRATIVE HEARINGS,
PURSUANT TO M.S. §414.0325**

JOINT RESOLUTION

The Township of New Market and the City of Elko New Market jointly agree to the following:

- 1. Filing of Joint Resolution.** Upon execution by the respective governing bodies of the City and Township, the city shall file this Joint Resolution with Chief Administrative Law Judge for the Office of Administrative Hearings;
- 2. Petition.** All of the property owners of the Subject Property described herein have petitioned the City for annexation. The Subject Property lies entirely within Scott County, State of Minnesota, and no portion thereof is currently included within the corporate limits of any incorporated municipality.
- 3. Purpose.** That the purpose of the annexation of the Subject Parcels is to facilitate the development of a portion of the parcels to urban densities and to provide urban services, including city sewer and water services.
- 4. Designation of Orderly Annexation Area.** Township and the City hereby establish an Orderly Annexation Area (“OAA”) as authorized by Minnesota Statute §414.0325, subd. 1, which property abuts the existing eastern border of the City, is approximately 200 acres and it legally described on the attached Exhibit “A.” See Map of OAA attached as Exhibit B. In the event that there are errors, omissions or any other problems with the legal description or mapping provided in Exhibits A and B in the judgment of Chief Administrative Law Judge, the parties agree to make such corrections and file any additional documentation, including a new Exhibit A or Exhibit B making the corrections requested or required by the Chief Administrative Law Judge as necessary to make effective the annexation of said area in accordance with the terms of this Joint Resolution.
- 5. Notice Requirements.** In adopting the joint resolution, the City and Township have complied with all statutory requirements including the notice requirements of Minnesota Statutes § 414.0325.

6. **Interim Status.** All properties within the OAA shall remain in the Township until annexed to the City in accordance with the terms of this Joint Resolution.

7. **Annexation Procedure & Phasing:** Property lying within the OAA shall be annexed by the City in accordance with the procedures outlined in this paragraph:

A. **Annexation.** Annexation in the Area shall be at the initiation of the property owners and may include a portion or all of the property within the OAA.

B. **Timing.** Property within the OAA may be annexed on the conditions as set forth below by the City filing an Annexation Resolution with Chief Administrative Law Judge at any time after the following:

1. Property owner application for annexation to the City;
2. Execution of a pre-development agreement by the City and the Owners of the property, within the OAA;
3. The City determining that the proposal does not constitute a premature subdivision in any other respect.

Upon receipt of an annexation Resolution as provided herein, the Chief Administrative Law Judge may review and comment, but shall within thirty (30) days of receipt of said resolution and copy of this Joint Resolution, order the annexation of the area designated in the Annexation Resolution in accordance with the terms and conditions of this Joint Resolution. The City and Township agree that no alteration of the stated boundaries as described in the Joint Resolution is appropriate, that no consideration by the Chief Administrative Law Judge is necessary and that all terms and conditions for annexation are provided for in this Joint Resolution. Upon receipt of the Annexation Order, the City shall provide a copy to the Scott County Auditor.

9. **Taxation.** If the annexation becomes effective on or before August 1 of any year, the City may levy on the annexed area beginning with that year. If the annexation becomes effective after August 1 of any year, the Town may continue to levy on the annexed area for that year, and the City may not levy in the annexed area until the following year. Within 30 days of the date of an Annexation Order or any portion of the Subject Property, the Developer shall pay to the Township an amount equal to \$1,500.00 per acre of annexed property based on the net acreage, excluding wetlands and right of way required for the I-35 Interchange and County Road 2. Differential taxation under M.S. §414.035, or reimbursement under M.S. §414.036 is not required.

10. **Detachment of Property.** In the event that City sewer and water services are not extended to the Orderly Annexation Area within three (3) years after annexation of the Orderly Annexation Area, then, upon request by the Town Board or submission of a Petition by the property owners of the Orderly Annexation Area in accordance with the provisions of Minn. Stat. §414.06, the City of Elko New Market agrees to approve and submit to the Chief Administrative Law Judge a resolution of the City of Elko New Market for detachment of the

Orderly Annexation Area from the municipality, and in connection with any such hearing thereon, agrees that the Orderly Annexation Area is not needed for reasonably anticipated future development and that the detachment of the Orderly Annexation Area would not unreasonably affect the symmetry of the City of Elko New Market nor cause any hardship in the City of Elko New Market's ability to carry on the functions of government.

11. Term of Joint Resolution/Amendment: This Joint Resolution shall be in full force and effect immediately upon the document being fully executed by both parties hereto, and shall terminate according to its terms. The orderly annexation agreement memorialized in this Joint Resolution may be terminated earlier by mutual, written joint resolution of the City and Township. Similarly, this Joint Resolution also may be amended or changed upon mutual, written agreement of both the parties.

12. Governing Law. This Joint Resolution is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota.

13. Severability: In the event that any portion of this Joint Resolution is declared null and void or unenforceable by a court of law, the validity of the remaining terms and provisions shall not be affected and the Joint Resolution shall be construed and enforced as if the Joint Resolution did not contain the particular term or provision held to be invalid. The City and Township agree to implement the procedures under Paragraph 16 to correct any such provision that was stricken.

14. Responsibility for Costs. The City and Township shall pay their own respective attorney and planner fees and any other costs related to the review of this document.

15. Entire Agreement: The terms, covenants, conditions and provisions of this Joint Resolution, including the present and all future attachments or exhibits, shall constitute the entire agreement between the parties hereto, superseding all prior agreements and negotiations. This Joint Resolution shall be binding upon and inure to the benefit of the respective successors and assigns of the City and Township.

16. Resolution of Disputes: If there is a disagreement as to the interpretation or implementation of the Joint Resolution, the City and Township shall implement the below-outlined dispute resolution procedures in the following sequence:

A. Negotiation: Representatives of the City and Township will meet a minimum of one (1) time at a mutually convenient time and place to attempt to resolve the dispute through negotiation.

B. Mediation: If negotiation is not successful, parties shall participate in a minimum of one (1) mediation session with a mutually agreed upon mediator to resolve the dispute.

C. Binding Arbitration/Adjudication: If mediation is not successful, the parties may agree to submit their respective grievances to binding arbitration or may seek relief through

initiation of an action in a court of competent jurisdiction, which may include, but not be limited to specific performance to compel the performance as outlined in this Joint Resolution. In addition to the remedies afforded to the parties through law and equity, the Court shall have the authority to award reasonable attorney fees, costs and expenses to a party found to be in violation of the terms of this agreement.

17. Heading & Captions: Headings and Captions are for convenience only and are not intended to alter any of the provisions of this joint resolution for orderly annexation.

TOWNSHIP OF NEW MARKET

Passed and adopted by the Town Board of the Town of New Market on this the 9th day of February, 2012.

By: 

Chair, Town Board Chair

Attest: 

Clerk, Town Board Clerk

CITY OF ELKO NEW MARKET

Passed and adopted by the City Council of the City of Elko New Market on this the 26 day of January, 2012.

By: 

Jason Ponsonby, Mayor

Attest: 

Sandra Green, Deputy City Clerk

EXHIBIT "A"

Legal Description of Subject Property:

LEGAL DESCRIPTION

The East Half of the Southeast Quarter (E 1/2 of SE 1/4) of Section Twenty-three (23), Township One Hundred Thirteen (113), Range Twenty-one (21), except the Highway Right of Way, and except that part thereof lying Southerly of County State Aid Road No. 2 and Westerly of State Highway No. 35w;

And:

All that part of the East Half of the Northeast Quarter (E 1/2 NE 1/4) of said Section Twenty-three (23), lying South of the South line of the Right of Way of the Chicago, Milwaukee, St. Paul and Pacific R.R. Company, except Highway Right of Way, all of the aforedescribed land lying and being in Scott County, Minnesota;

Also:

The East 345.69 feet of the Southeast Quarter of the Southwest Quarter (SE 1/4 SW 1/4), Section Twenty-three (23), Township One Hundred Thirteen (113), Range Twenty-One (21), as measured perpendicular to the East line thereof and lying North of Scott County State Aid Road No. 2, Scott County, Minnesota, said parcel contains 10.00 acres;

Also:

The West Half of the Southeast Quarter (W 1/2 of SE 1/4) and the Northeast Quarter of the Southwest Quarter (NE 1/4 of SW 1/4), all in Section Twenty-three (23), Township 113, Range Twenty-one (21), except railroad right-of-way thereon, and excepting therefrom the following described tract:

That part of the West 250 feet of the South 300 feet of the Southwest Quarter of the Southeast Quarter (SW 1/4 of SE 1/4) of Section Twenty-three (23), Township One Hundred Thirteen (113) North, Range Twenty-one (21) West;

Also:

All that part of the abandoned right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad across the above described tracts, the centerline of the railroad track as shown in Scott County Documents # 181948, 181949, and 181950.

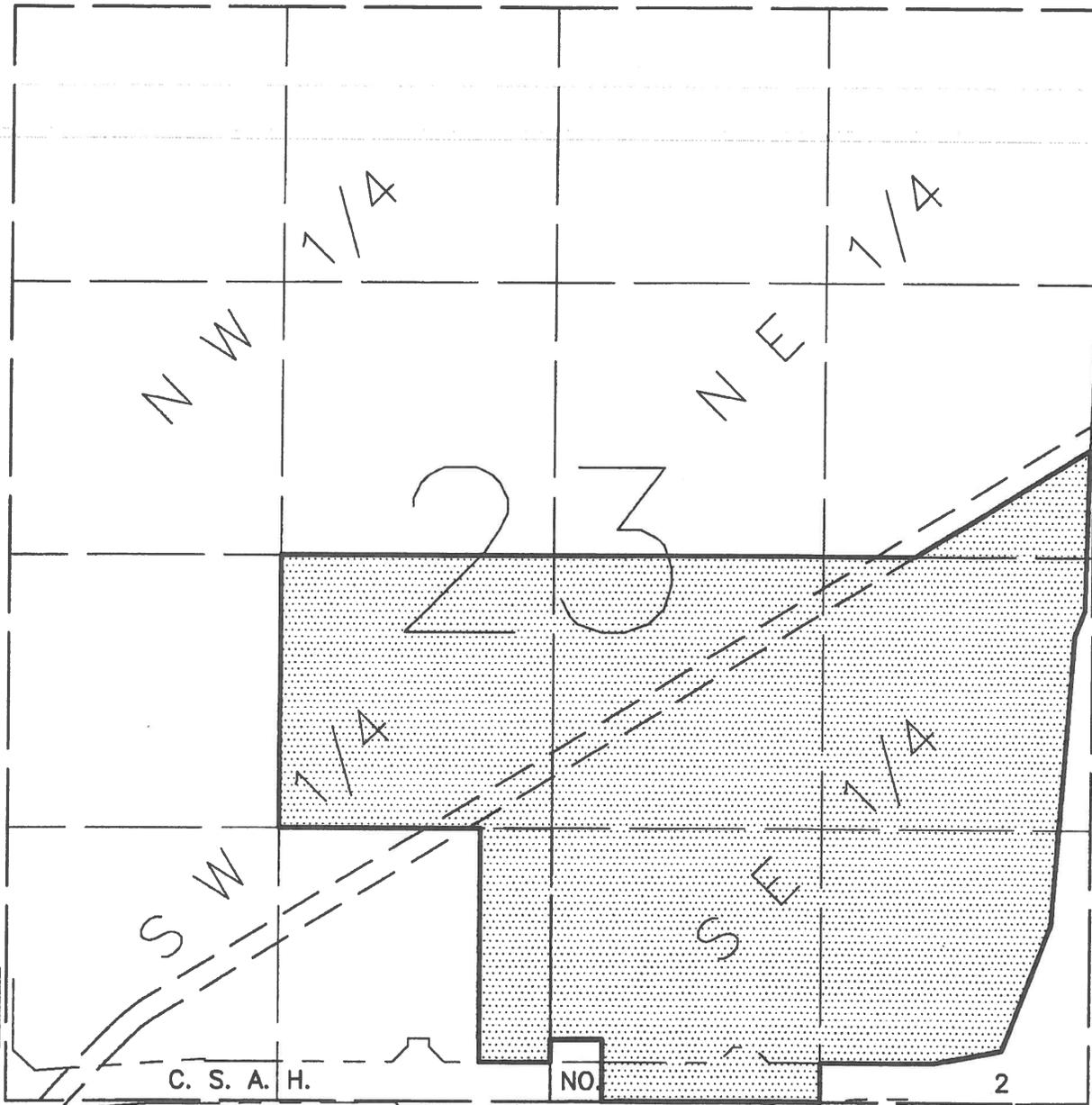
AREAS:

- 1) TOTAL AREA OF PROPERTY = 8,653,510 SQ. FT (198.66 ACRES)
- 2) TOTAL AREA OF C.S.A.H. NO 2 RIGHT-OF-WAY = 299,211 SQ. FT. (6.87 ACRES)
- 3) TOTAL AREA OF PROPERTY EXCLUDING RIGHT-OF-WAY = 8,354,299 SQ. FT. (191.79 ACRES)

EXHIBIT "B"

MAP OF SUBJECT PROPERTY:

I:\ELNM\T15100719\ANNEXATION\C3D\SURVEY\EXIST COND\100719EX1-ANNEX.DWG 01-20-2012 10:53a.m.



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ANNEXATION EXHIBIT B
ELKO NEW MARKET, SCOTT COUNTY

P/O SEC. 23, T. 113, R. 21

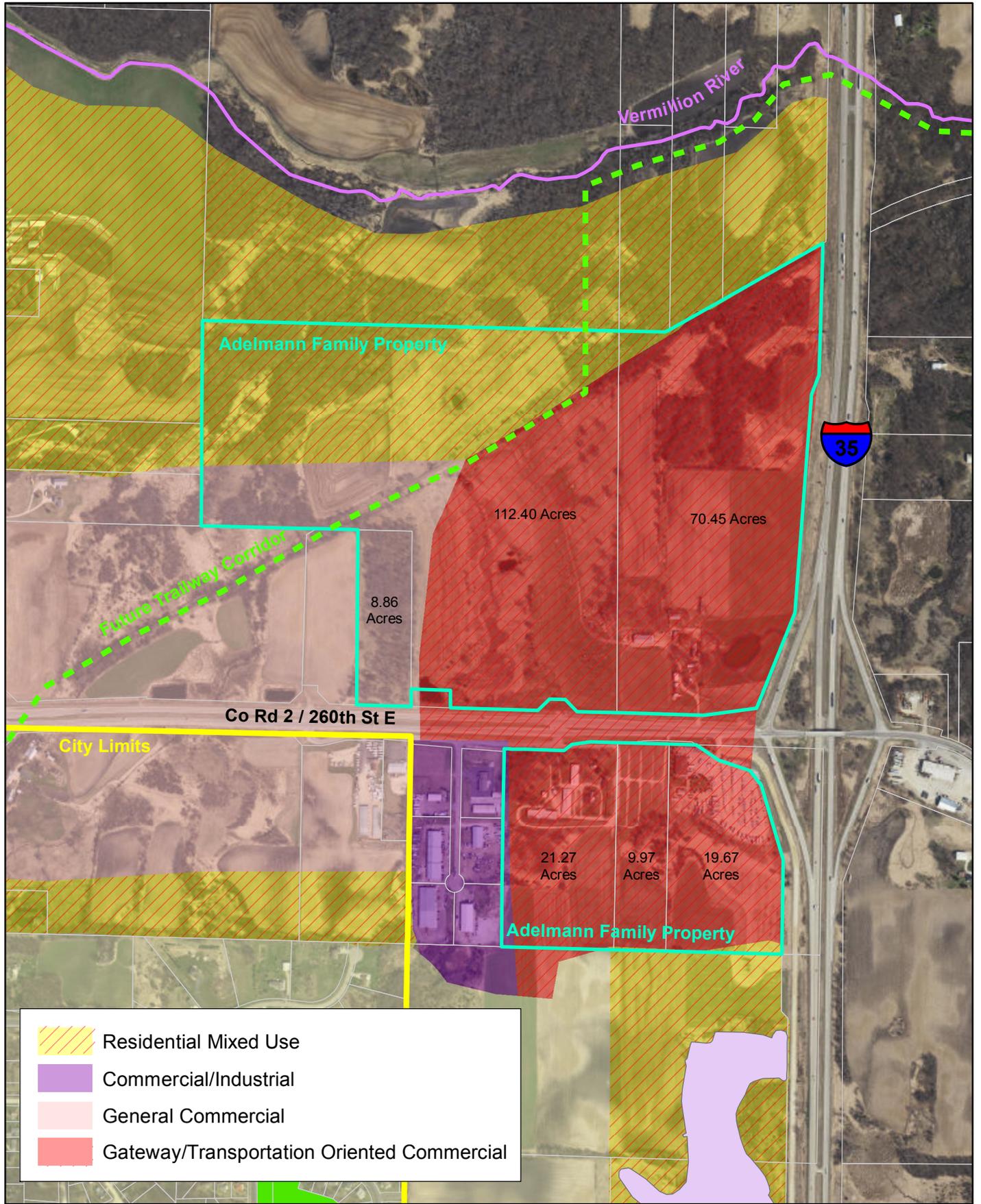


BOLTON & MENK, INC.
 Consulting Engineers & Surveyors

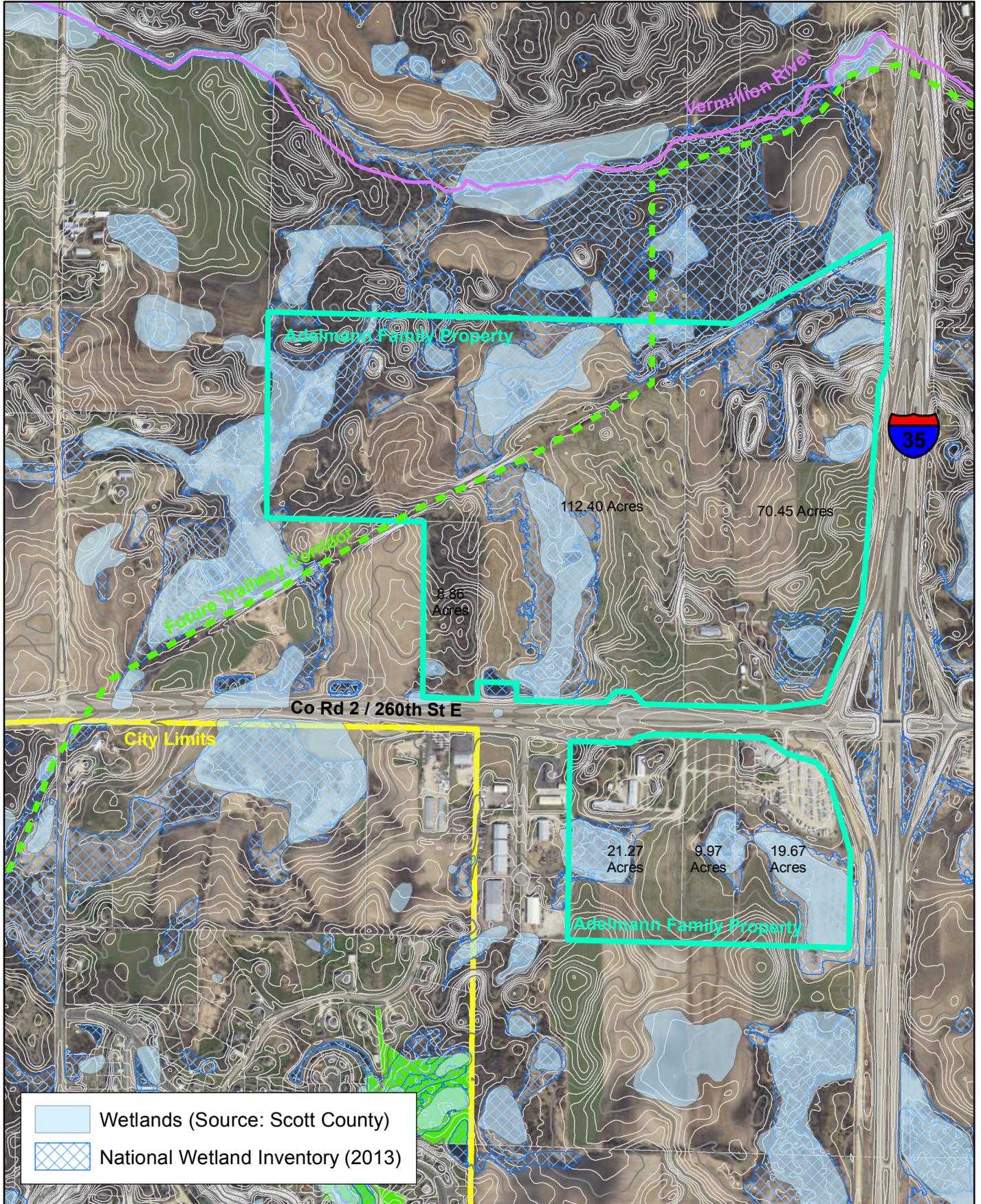
12224 NICOLLET AVENUE S, BURNSVILLE, MN 55337 (952) 890-0509
 MANKATO, MN FAIRMONT, MN SLEEPY EYE, MN BURNSVILLE, MN
 WILLMAR, MN CHASKA, MN RAMSEY, MN AMES, IA

FOR: CITY OF ELKO NEW MARKET

Adelmann Family Properties 2030 Comp Plan Designations

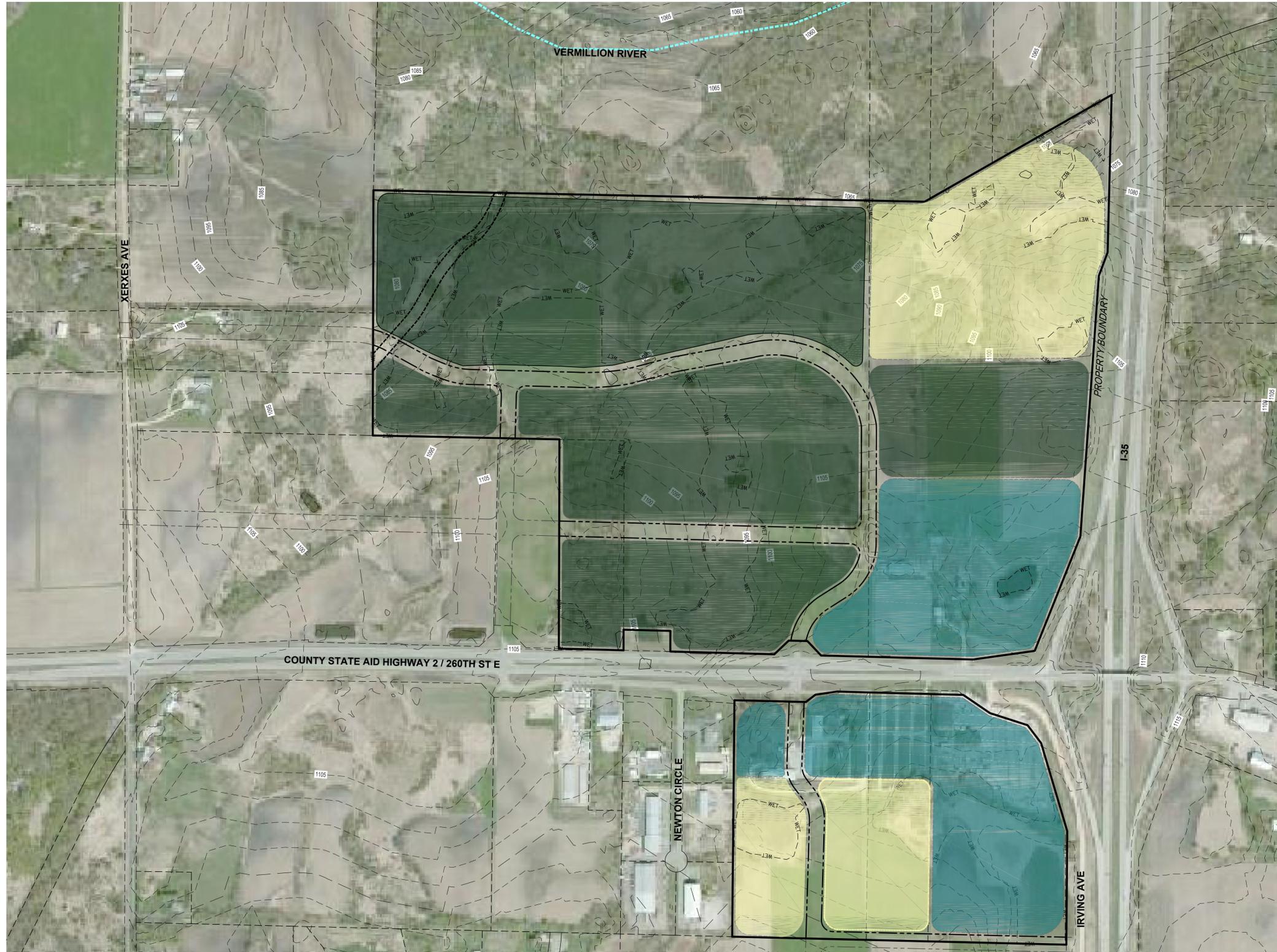


Adelmann Family Properties Physical Features



- Wetlands (Source: Scott County)
- National Wetland Inventory (2013)



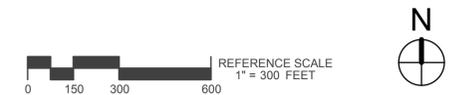


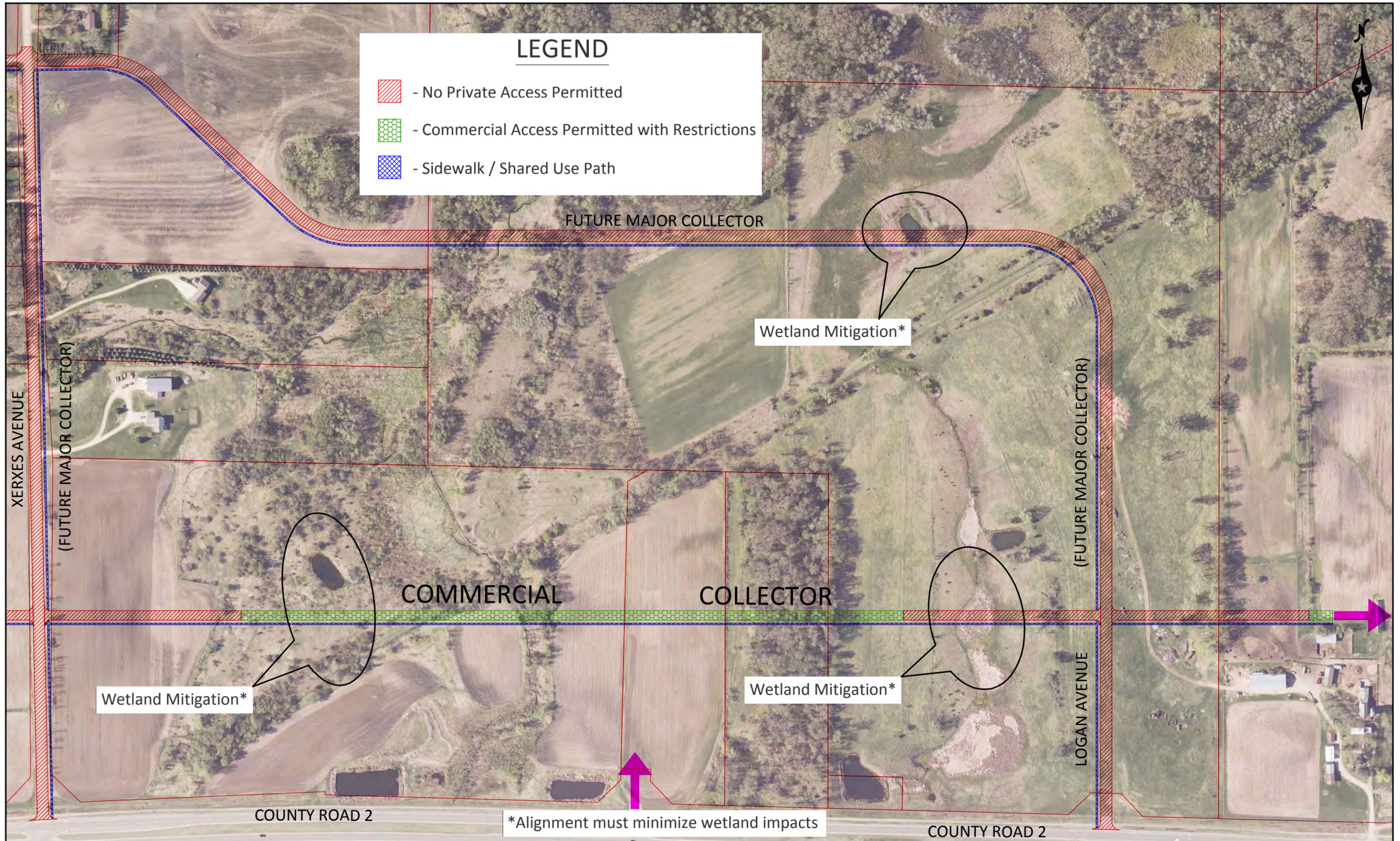
LEGEND	
SYMBOL	DESCRIPTION
	RETAIL
	LIGHT INDUSTRIAL
	MEDIUM INDUSTRIAL
	WATERWAY CORRIDOR
	PROPERTY BOUNDARY
	EXISTING LOT LINE
	PROPOSED RIGHT OF WAY
	WETLAND BOUNDARY

AREA	
LAND USE	SIZE
RETAIL	55.26 ACRES
LIGHT INDUSTRIAL	125.55 ACRES
MEDIUM INDUSTRIAL	48.06 ACRES

USES		
RETAIL	LIGHT INDUSTRIAL	MEDIUM INDUSTRIAL
<ul style="list-style-type: none"> Antique or gift shops Appliance stores Art and school supply stores Auto accessory stores Bakery goods sales and baking of goods for the retail sales on the premises Banks (without drive-through facilities) Barbershops Beauty shops Bicycle sales and repair Books, office supply and stationery stores Bowling alleys Brewpubs subject to the same requirements as restaurants without drive-through or drive-up lanes Camera and photographic supply and processing stores Candy, ice cream, popcorn, nuts, frozen dessert and soft drink shop, but not of the drive-in type Carpet, rug and tile stores Clothing Coin and philatelic stores Commercial recreation Copy service centers, but not including printing press or newspaper Costume and clothes rental stores Delicatessens Department and discount stores Drugstores Dry cleaning and laundry pick up stations including incidental pressing and repair Dry goods stores Electrical appliance stores, including incidental repair and assembly, but not fabricating or manufacturing Employment agencies Finance companies Music stores Fitness centers Florist stores Funeral homes and mortuaries Furniture stores Garden supply stores Governmental and public related utility buildings and structures Grocery stores Hardware stores Hobby stores Insurance sales, claims and branch offices Jewelry sales and jewelry repair Laundromats, self-service Leather goods and luggage stores Liquor stores, on-sale and off-sale Locksmiths Medical and dental clinics or offices Employment agencies Hotels and motels Music stores Office supply and stationery stores Paint, wallpaper sales Personal services subject to any applicable city Personal wireless service antennas located on a public structure or existing tower Pet shops Photographic studios Private clubs or lodges serving food and beverages Private educational facilities Restaurants or cafes (without accessory drive-through facilities) Sexually oriented businesses Liquor stores, on-sale and off-sale Tailor shops Tattoo parlors Theaters Toy stores Travel bureaus, transportation ticket offices Veterinary clinics (without animal kennels) 	<ul style="list-style-type: none"> Auto repair major Truck repair major Office Motor vehicle, for implement recreational equipment sales, services and repair Wholesale showroom Warehousing Machine shops Cabinet Makers Fabrication and assembly of products when conducted entirely within building Truck or freight terminal 	<ul style="list-style-type: none"> All Light Industrial uses Manufacturing Outdoor storage

PROPOSED LAND USE





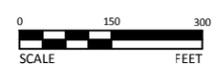
LEGEND

- No Private Access Permitted
- Commercial Access Permitted with Restrictions
- Sidewalk / Shared Use Path

Wetland Mitigation*

Wetland Mitigation*

*Alignment must minimize wetland impacts

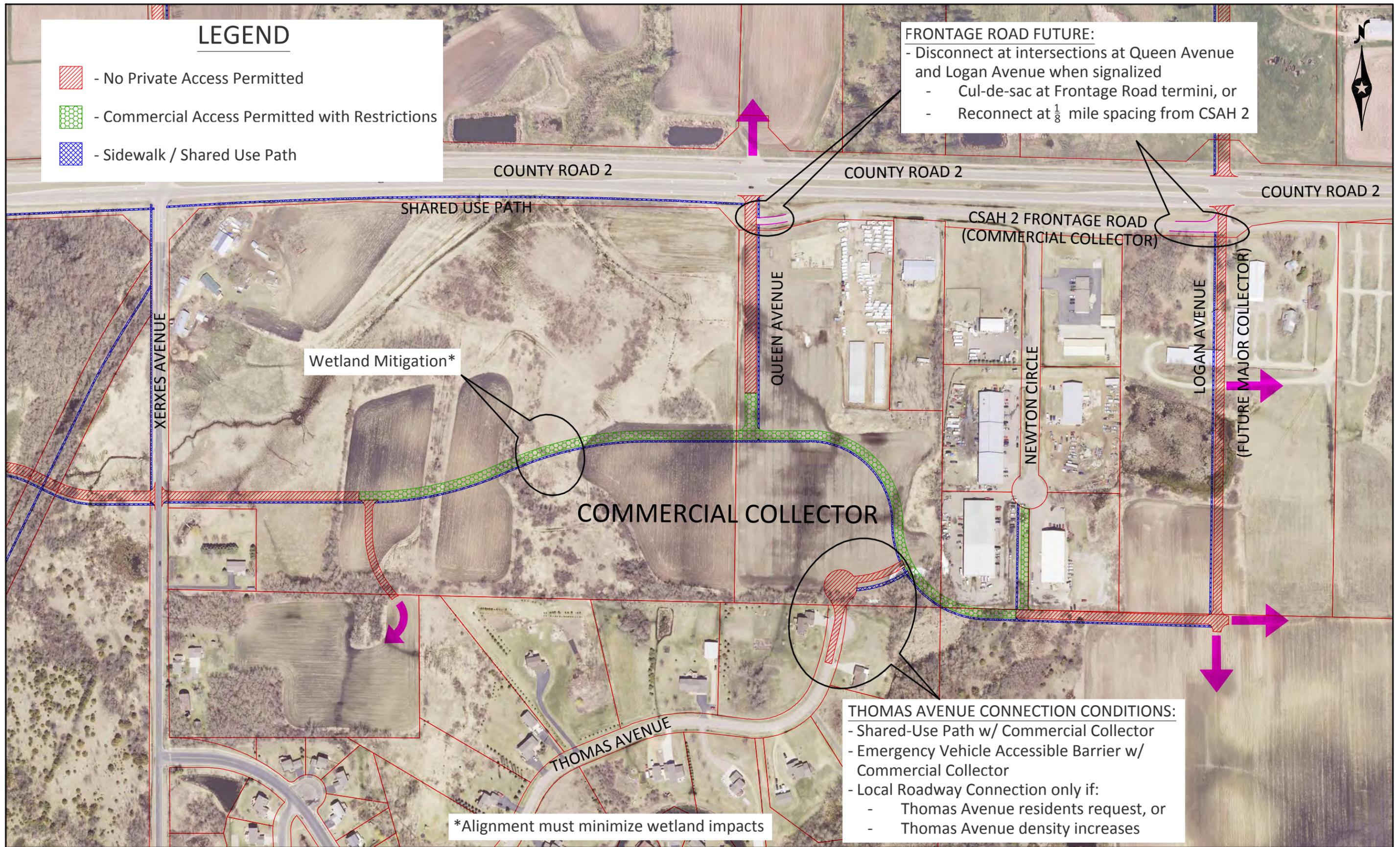


LEGEND

-  - No Private Access Permitted
-  - Commercial Access Permitted with Restrictions
-  - Sidewalk / Shared Use Path

FRONTAGE ROAD FUTURE:

- Disconnect at intersections at Queen Avenue and Logan Avenue when signalized
- Cul-de-sac at Frontage Road termini, or
- Reconnect at $\frac{1}{8}$ mile spacing from CSAH 2



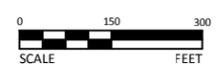
Wetland Mitigation*

COMMERCIAL COLLECTOR

THOMAS AVENUE CONNECTION CONDITIONS:

- Shared-Use Path w/ Commercial Collector
- Emergency Vehicle Accessible Barrier w/ Commercial Collector
- Local Roadway Connection only if:
 - Thomas Avenue residents request, or
 - Thomas Avenue density increases

*Alignment must minimize wetland impacts



BOLTON & MENK, INC.
 Consulting Engineers & Surveyors
 MANKATO, MN FAIRMONT, MN SLEEPY EYE, MN BURNSVILLE, MN WILLMAR, MN
 CHASKA, MN RAMSEY, MN MAPLEWOOD, MN BAXTER, MN ROCHESTER, MN
 AMES, IA SPENCER, IA DES MOINES, IA FARGO, ND

CITY OF ELKO NEW MARKET, MINNESOTA
 CSAH 2 CORRIDOR
 COLLECTOR ROADS LAYOUT

APRIL, 2016

FIGURE NO. 5

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 H:\ELNM\136110497\CAO\C3D\New Figures\Detailed Roadway Layouts.dwg 4/8/16 1:22 pm

ROUTE 2
C.S.A.H. 2
CURRENT POSTED SPEED = 50 MPH
2016 ADT = 14,300

NO DIRECT PROPERTY ACCESS FROM
E PROPERTY ACCESS TO BE
PROVIDED FROM ROADWAY TO THE WEST

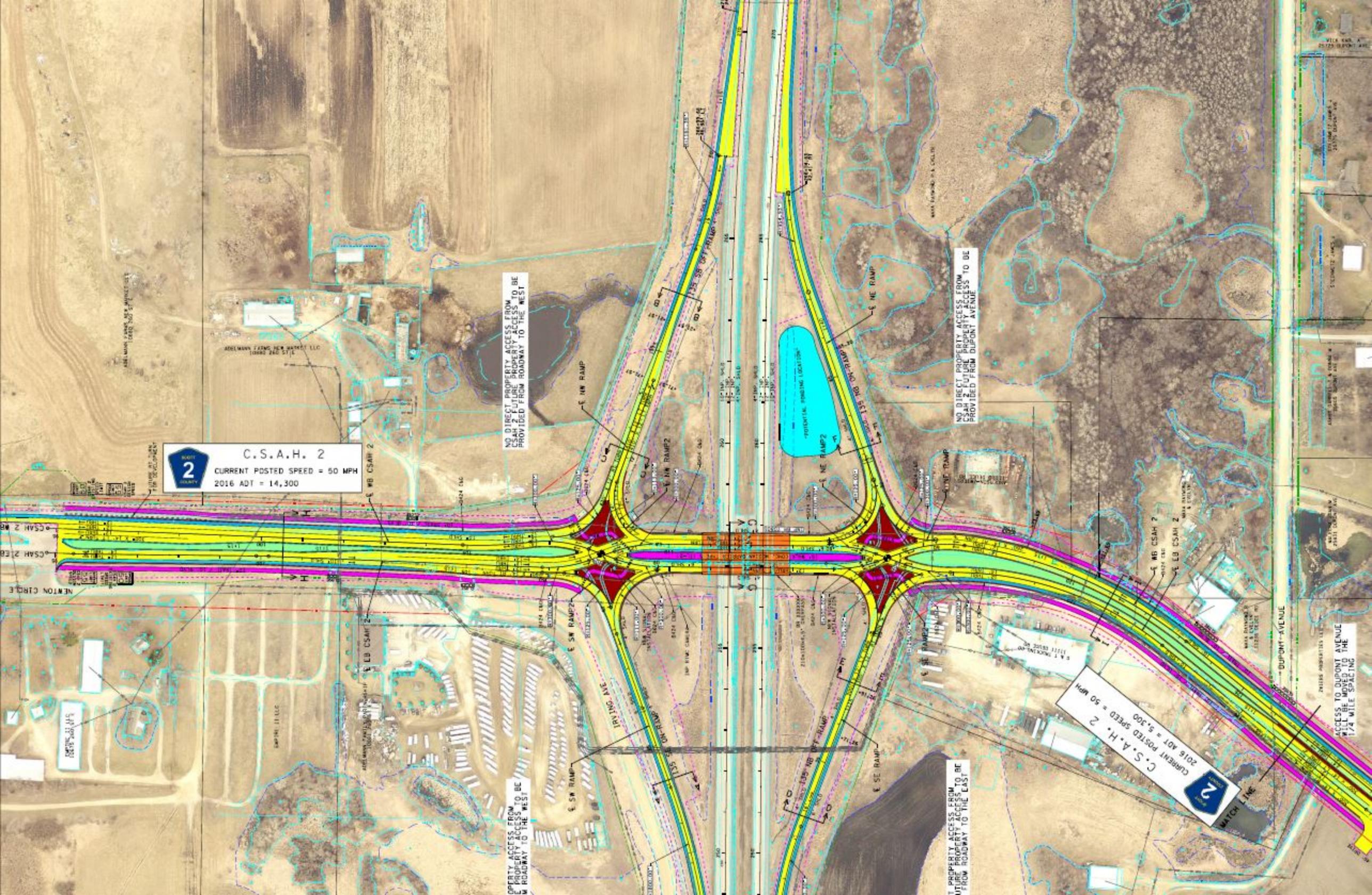
NO DIRECT PROPERTY ACCESS FROM
CSAH 2 FUTURE PROPERTY ACCESS TO BE
PROVIDED FROM DUPONT AVENUE

PROPERTY ACCESS FROM
E PROPERTY ACCESS TO BE
M ROADWAY TO THE WEST

PROPERTY ACCESS FROM
FUTURE PROPERTY ACCESS TO BE
FROM ROADWAY TO THE EAST

ROUTE 2
C.S.A.H. 2
CURRENT POSTED SPEED = 50 MPH
2016 ADT = 14,300

ACCESS TO DUPONT AVENUE
WILL BE MOVED TO THE
1/4 MILE SPACING





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

MEMORANDUM

TO: CITY COUNCIL, PLANNING COMMISSION, EDA, CHAMBER OF COMMERCE
FROM: RENEE CHRISTIANSON, COMMUNITY DEVELOPMENT SPECIALIST
SUBJECT: COMMUNITY DEVELOPMENT UPDATES
DATE: OCTOBER 1, 2017

Background / History

The purpose of this memo is to provide the updates regarding on-going miscellaneous projects and activities being worked on by Community Development staff. Below is a summary of projects that are currently being worked on, inquiries received, and miscellaneous information:

Boulder Heights – The first phase of the development, containing 53 residential lots, received final plat approval on 9.28.17. A preconstruction meeting is tentatively scheduled for 10.9.17, after which time utility construction could begin. An early grading permit was issued on 7.25.17 for the first phase.

Christmas Pines – The development received preliminary plat approval in June. The City issued a Notice of Decision on the wetland boundary and type application on 5.18.17. The developer submitted a complete application for wetland replacement plan on 9.21.17; the application is currently being processed by the City. Staff met with the developer to review outstanding issues and draft development contract on 8.30.17. An email outlining all outstanding items was sent to the developer on 9.11.17. The City is waiting for revised plan submittals and information from developer.

New Market Bank Addition – The development was approved by the City Council on 8.28.17. The investor closed on the property (purchase) on 9.29.17. The building permit application has been submitted to the City and is currently being reviewed. The building permit review should be complete on approximately 10.4.17. A groundbreaking ceremony has been scheduled for 10:00 a.m. on Thursday, 10.5.17. Construction is expected to take approximately six months.

Boulder Pointe 6th Addition – An amendment / restatement of the original PUD / townhome development was approved by the City on 8.24.17. The amendment allows more flexibility for the developers in terms of housing styles, and reduces the required setbacks between the units. Thirteen additional units can be constructed in the townhome development; one home is now under construction.

Warren Barsness – An application for wetland boundary and type concurrence, and wetland replacement plan was submitted, but were withdrawn on 8.10.17. Included in the withdrawal notification [email] was indication that the property owner will be working with an engineering company to create grading and

concept plans that will be presented to the Planning Commission as part of a PUD concept plan application. Staff has had no contact with the property owner since an 8.9.17 meeting and 8.10.17 email.

Dakota Acres – The City Council approved a purchase agreement with Syndicated Properties on 7.27.17 for the purchase of 13 platted townhome lots and a 2.1 acre outlot owned by the City. All contingencies of the purchase agreement have recently been satisfied and a closing has tentatively been scheduled for 10.18.17. The developer purchasing the property intends to construct additional townhomes on the property being purchased.

Adelmann – City staff has been working with the Adelmann family to develop a preferred concept development plan for their properties currently located in New Market Township along Co Rd 2, and west of I-35. The consultant has prepared some concept development plans and proposed land use categories that they would like to present to the Planning Commission, possibly on 10.5.17. This project is a result of a CDA grant provided to the City.

Pete's Hill Park – Staff has been regularly communicating with the broker and property owner for this potential residential development project. The project requires annexation of property from New Market Township. A meeting was held on 7.18.17 to discuss annexation, process, and City fee estimates. The wetland boundary and type concurrence applications have been submitted to the Township for approval. The most recent concept development plan was submitted to the City on 8.9.17 and staff provided revised development fee estimates to the property owner on 8.10.17. In a discussion with the property owner on 9.11.17 he indicated that they continue to review the development costs which are “challenging”. In reviewing the estimated costs with a number of developers he indicated the estimated profit margins are not enough to secure interest by a developer. They may be approaching the City for ideas on how to make the project financially feasible. Topography, wetlands and trees add to the challenge of developing the property.

Grocery Store Leads – There are no current grocery store or C-store leads. Staff received several inquiries in the spring of 2017; activity regarding these leads has ceased, at least for the time being.

Coffee Shop – A building permit has been issued for a tenant finish permit in the Joe Friedges strip mall on Church Street. The permit was for a remodel to finish the former Helen's Café space as a coffee shop.

Farmer's Insurance – A building permit had been issued for a remodel at 541 Main Street. The remodel is nearing completion and will be the new home to a Farmer's Insurance office.

Building Permits – The City has received eight building permits for new construction in 2017.

Park I-35 –The RFP for the Amazon Headquarters Facility has been released and the City, in conjunction with the Scott County First Stop Shop, submitted the Park I-35 site and associated properties, to the State of Minnesota for consideration. The State of Minnesota will be submitting all qualified MN sites to Amazon in one submittal. Following a high level of inquiries in 2016 and the spring of 2017, there are no active inquiries or leads for the Park I-35 Industrial Park other than the Amazon Headquarters. There are 65 metropolitan areas across the country under consideration by Amazon.