

September 11, 2023

Zoning Diagnostic Project Council Update Minnetonka, MN



ZONE CO⁺⁺

We are **ZONE**CO⁺⁺

We focus exclusively on zoning and subdivision code updates and audits.
Our firm exists to make zoning codes clear, concise, usable, equitable, and defensible.

All our staff members have administered a zoning code from the public sector, and we understand the challenges associated with a code that has been piecemeal updated, is inconsistent, and is not achieving desired outcomes.

01

Zoning should regulate only what needs to be regulated to advance the vision and promote public health, safety, and welfare.

02

Zoning should respect both existing and desired development patterns.

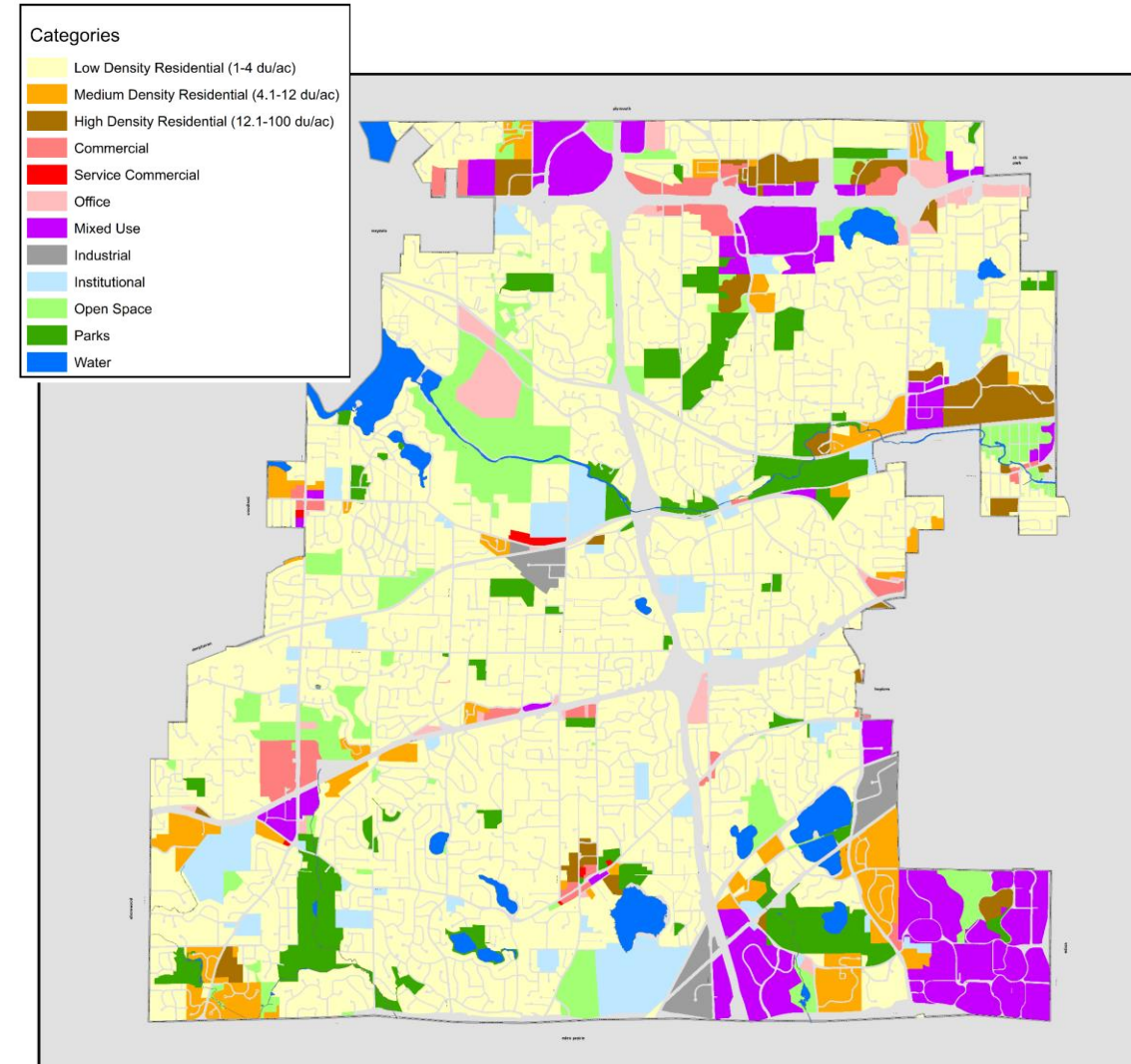
03

Zoning should be the implementation of a plan, not a barrier to achieving desired outcomes.

Minnetonka, MN Project

2040 Land Use Plan

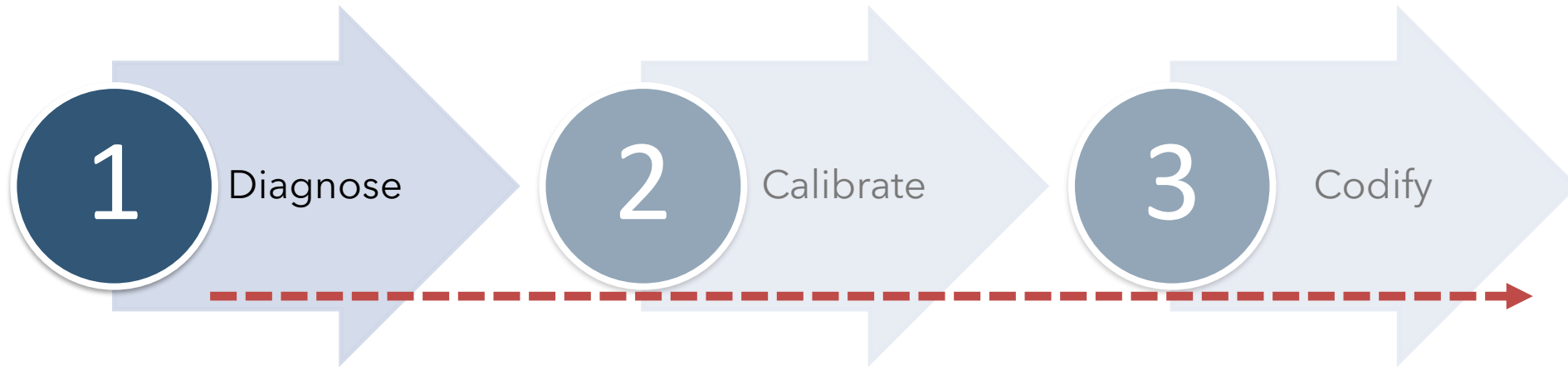
- Align Zoning Code with Comprehensive Plan.
- Zoning districts and standards that support the development and growth of the community.
- Removes barrier to new affordable housing.
- Reduced auto dependency by removing barriers for the separation of home and work.
- Resiliency and sustainability components to address the impacts of climate change.



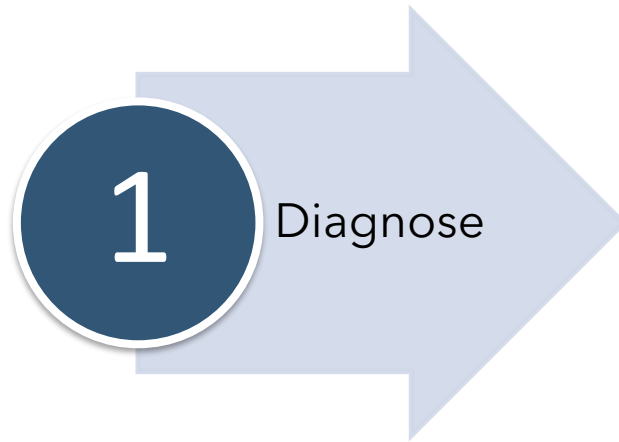
Comprehensive Plan: Goals

1. Strengthen neighborhoods through housing improvement and preservation, as well as promoting new affordable and market-rate housing.
2. Foster housing diversity in Minnetonka by encouraging a variety of housing types, sizes, and prices.
3. Connected Pedestrian and Bicycle System.
4. Support Business Expansion and Retention.

TYPICAL ZONING CODE REWRITE PROCESS



DIAGNOSTIC PROCESS



1. Review the code for consistency and readability.
2. Provide comments and direction on each code section in an Excel document.
3. Review the district standards versus the on-the-ground built environment.
4. One-on-one stakeholder interviews

COMMUNITY TOUR



CODE CONSISTENCY

Section	Amended	Notes	New or Updated Graphics	NEW TOC	Strengthen neighborhoods through housing improvement and preservation, as well as promoting new affordable and market-rate housing	Foster housing diversity in Minnetonka by encouraging a variety of housing types, sizes, and prices	Connected Pedestrian and Bicycle System	Support Business Expansion and Retention
SECTION 315.11. SATELLITE DISH ANTENNAS. CLEARANCE STANDARDS.	-	Currently reserved section and should be updated during the code update.		Performance Standards				
SECTION 315.14. PARKING AND LOADING REQUIREMENTS.	-	Currently reserved section and should be updated		Generally Applicable				
1. Findings, Purpose, and Administration.		Standard language		Generally Applicable	+	+	+	+
2. Definitions. For the purpose of this ordinance, the terms below have the meaning given to them:		Should be under one section - Glossary		Generally Applicable	=	=	=	=
3. Numerical Requirements.		This is a great revised section, but there is perhaps additional measures to take to reduce parking requirement for multi-use buildings.		Generally Applicable	+	+	+	+
4. Design Requirements.		Standard language. Need new graphics	X	Generally Applicable	+	+	+	+
5. Miscellaneous Requirements.				Generally Applicable	=	=	+	+

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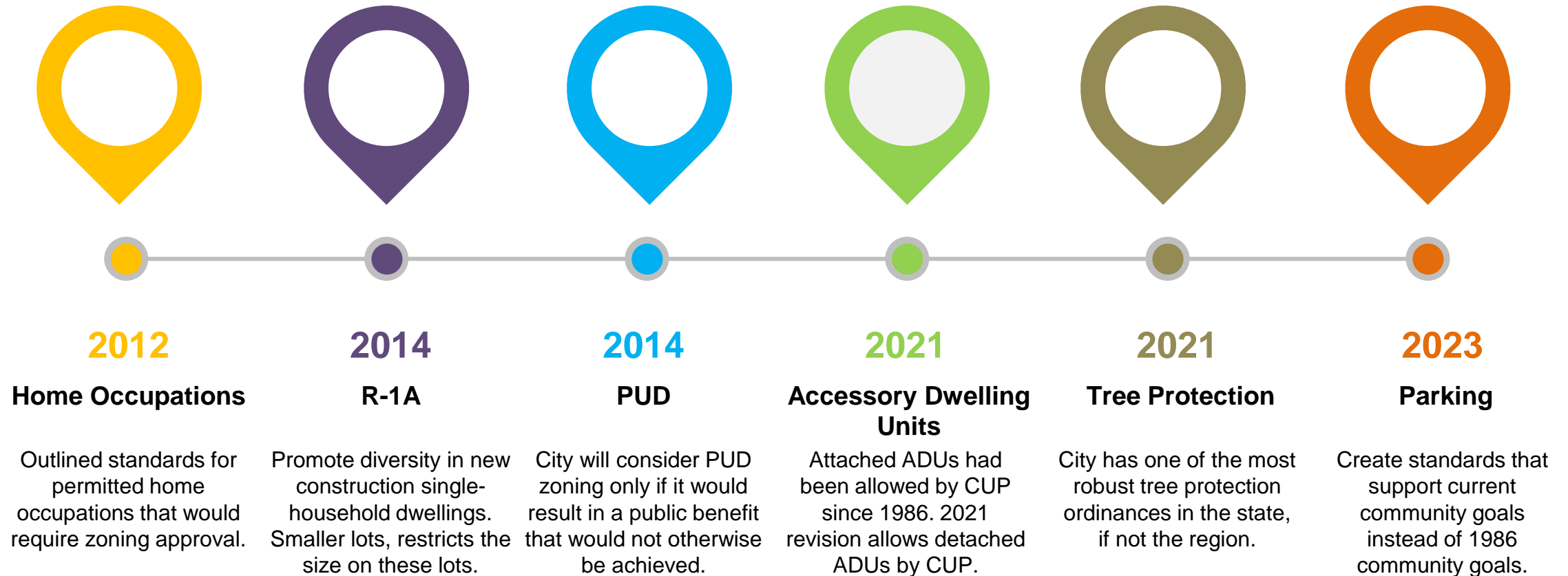
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CODE CONSISTENCY

Use	B-1	B-2	B-3	I-1	I-394	Notes
Residential dwelling units	C	C	C	-	-	Not well defined.
Administrative, executive, professional or other offices or	P	P	P	-	-	
Auto body repair and painting businesses	-	-	-	C	-	
Automobile, truck, trailer or boat sales or rentals that are accessory to another use	-	C	-	-	-	
Automobile, truck, trailer or boat sales or rentals	-	-	C	-	-	
Business service uses normally associated with office developments and containing limited retail activity	C	-	-	-	-	Consider Permitted with review of specific regulations
Business service uses normally associated with office developments on properties designated for office use and containing limited retail activity	-	-	-	-	C	
Cabinets no larger than 150 cubic feet that hold utility equipment	P	P	P	-	P	Remove
Cemeteries	C	C	C	C	-	
Evergreen material sales if in compliance with the standards specified in section 300.15 subd. 13, and the city planner has given approval	-	-	-	P	-	
Exterior display, sales or storage consistent with the provisions of section 300.31, subd. 4(a)(3)	-	-	-	-	C	

Zoning in Minnetonka: Amendments



Zoning in Minnetonka: Amendments

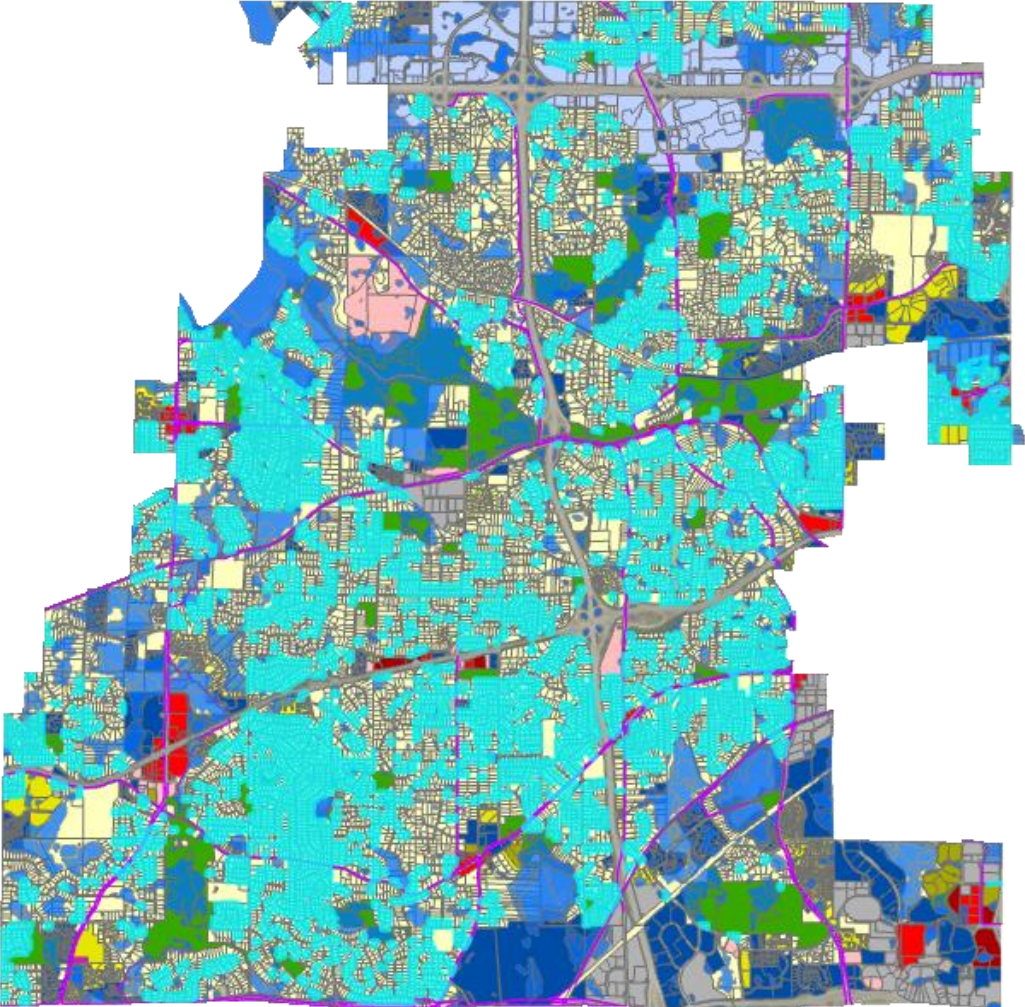
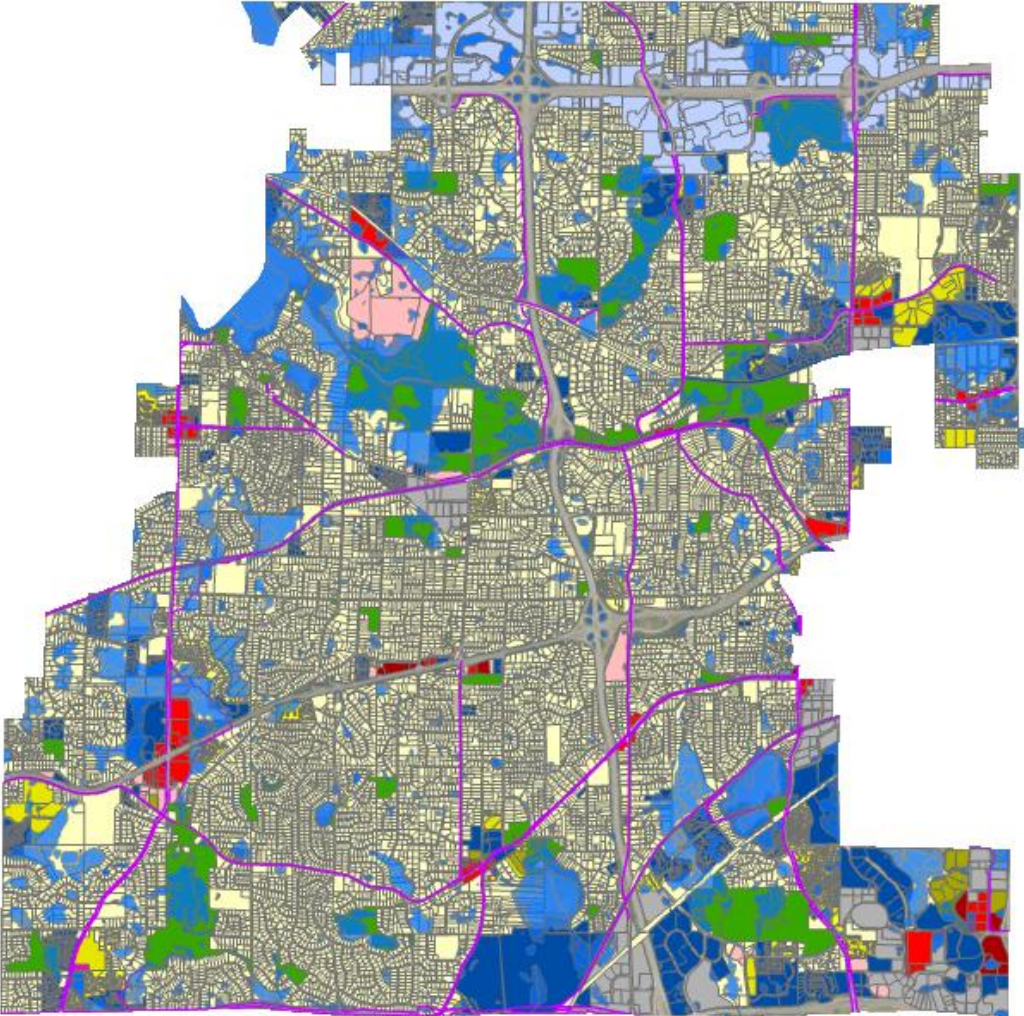
182 Ordinances since 2001

132 Sections

338 Amendments

DISTRICTS Vs. BUILT ENVIRONMENT:

R-1



DISTRICTS Vs. BUILT ENVIRONMENT:

R-1: Lot Area 22,000

Number of Total Parcels:	13,434
Number of non-conforming Parcels:	5,529
Percent Non-confirming:	41%

Non-conforming Lots

Lot size range:	.10 - .50 acres (4,356 - 21,780 sq. ft.)
Average lot size:	.38 acres (16,552 sq. ft.)

STAKEHOLDER INTERVIEWS

1. Zoning and Development Flexibility
2. Affordability and Housing
3. Tree Preservation and Environment
4. Transport and Connectivity
5. Community Engagement and Collaboration
6. Economic Viability and Return on Investment (ROI)



COUNCIL & PLAN COMMISSION SURVEY



NEXT STEPS

- Bi-weekly meetings with staff
- Continue reviewing Zoning Code, Comprehensive Plan
- Finalize stakeholder interviews & provide summary
- Review survey results from City Council, Planning Commission
- Discuss summaries with staff
- Draft Diagnostic review with staff – later this year
- Draft Diagnostic Presentation – later this year

Thank You!

Katherine A. Westaby

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Storm Water Utility Fees

City Council Study Session

September 11, 2023



Why are we here?

- History & storm water utility fee policy
- CIP & operational expenses
- Consideration of incentives
- Recommended next steps
- Discussion

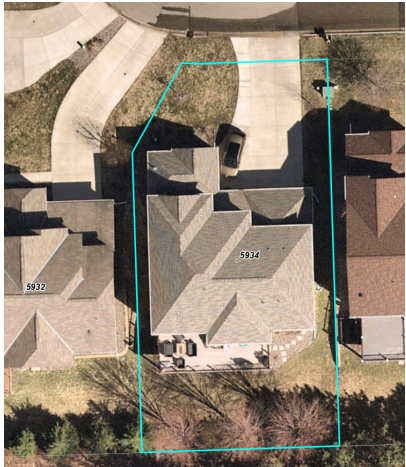
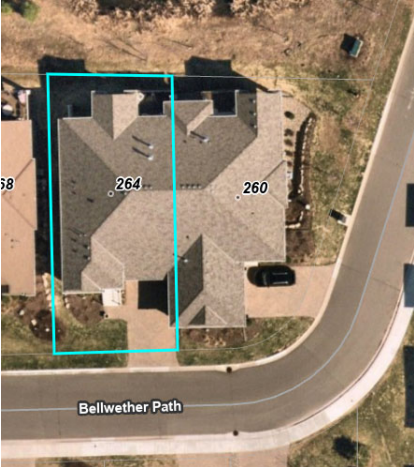


Storm Water Utility Fees

- Council adopted a policy to establish storm water utility fees on January 27, 2003.
- Fees fund the city's storm water management system.
- System is user based.
- Residential lots are assigned the same basic rate for ease of implementation and fairness.
- Assessments for storm water projects prior to establishment of utility fees.

Storm Water Utility Fees

Examples of residential properties:



Expenses: 2024-2027 Capital Improvement Plan

- Reconstruction projects: \$2,900,000 in CIP
Ex: Tonka-Woodcroft: \$4,500,000 (2022/2023)
- Mill and overlay projects: \$50,000 - \$100,000 annually
- High-risk pipe repair and replacement: \$250,000 annually
- Water quality projects: \$300,000 in CIP
- Watershed modeling: \$25,000 annually
- Pond rehabilitation: \$200,000 annually
- Storm sewer lift station improvements: \$1,000,000 in CIP



Expenses: Operational costs

- Storm sewer repairs by public works staff
- Fleet costs for public works vehicles associated with storm water maintenance
- MS4 permit compliance
- Consulting services:
 - Assist with development review
 - Design for small projects
- Engineering staffing:
 - Water resources engineer
 - Assistant city engineer (1/2 salary)
 - 3 interns



2023 Storm Water Utility Fees

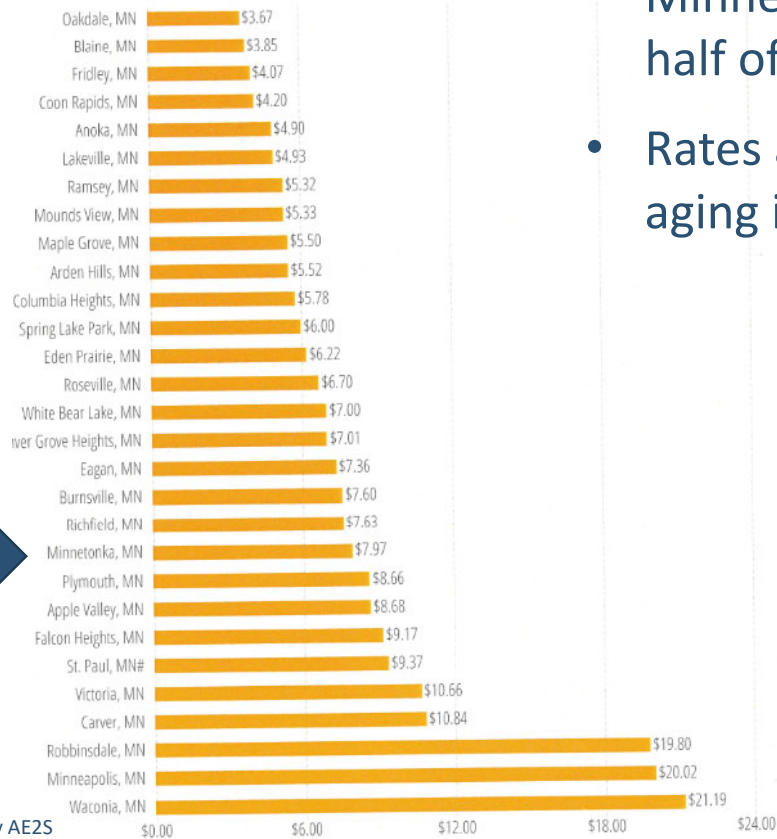
Parcel Type	Residential Equivalent Factor (REF)	Rate
Open Space, Golf Courses, Undeveloped	.45	\$3.59/acre/month
Single-Family and Two/Three-Family Residential	1.00	\$7.97/unit/month
Churches, Schools, and Government Buildings	2.70	\$21.52/acre/month
Apartment, Condos, and Railroad R/W	3.00	\$23.92/acre/month
Commercial and Industrial	7.56	\$60.20/acre/month

- Approximate Annual Revenue: \$3,000,000



2023 Storm Water Utility Fees

MINNEAPOLIS/ST. PAUL METRO



- Minnetonka storm water utility rates are in the upper half of surveyed cities
- Rates are higher due to large capital projects due to aging infrastructure

Consideration of Incentives & Fee Credits

- Resident requests for an incentive program to encourage private property owners to go above and beyond with storm water management.
- Fee incentives would likely encourage private projects however city expenses are not reduced.
- Complexities of a fee incentive program:
 - Private projects do not help meet permit requirements.
 - Rate increases would be needed to cover costs of incentives.
 - Characteristics of every residential property are different.
 - More involved from tracking and billing standpoint.

Consideration of Incentives & Fee Credits

Incentive Programs				
		Stormwater Utility Credit program?	Water Quality Project Incentive Program?	Residential BMP Funding Amount
Comparable Cities	Brooklyn Park			
	Edina			
	Plymouth			
	Lakeville			
	St. Louis Park		✓	up to \$1,500 - \$3,000
	Woodbury			
	Eden Prairie		✓	up to \$2,000
	Burnsville		✓	up to \$1,000
	Blaine			
	Apple Valley		✓	up to \$500
	Eagan			
	Maple Grove			
	Bloomington			
	Minneapolis	✓		
	Roseville	✓		

Example: St. Louis Park

- Rainwater Rewards Program
- \$50,000 annually
- Lottery for raingarden
 - Homeowner cost of \$50
 - Contract with Metro Blooms
 - Portion of construction subsidized by grant through Clean Water Fund
- Cost share program (50%-75%)
 - Resident led and cost share rebate available through program

Next Steps

- Recommend to continue “user based” system.
- Not recommending any fee reduction due to costs of storm water management system and issues a credit system may create.
- Enhance education, outreach and communication efforts by continuing to offer construction of free garden during reconstruction projects for interested property owners.
 - Groveland-Bay Neighborhood:
 - Initial resident interest: 20
 - Rain gardens installed: 3
 - Tonka-Woodcroft Neighborhood:
 - Initial resident interest: 15
 - Rain gardens in progress: 4



Next Steps

Tonka-Woodcroft Neighborhood:

- Rain garden bid cost: \$4,450 each, total cost of \$17,800 for 4 rain gardens
- Residential storm water utility fee: \$7.97/month
- ~46 years for storm water fees to cover cost of rain gardens



Next Steps

- Resilient Minnetonka program to engage residents in resilient landscaping practices - turf removal, invasive species removal, native plantings, rain gardens, wetland buffers, etc. (current program contracted with Metro Blooms)



Alternative Consideration

- A storm water best management practice (BMP) program could be considered.
- \$25,000 annually for a sustainable program.
- Expansion of Resilient Minnetonka program with more incentive opportunities
 - Additional technical assistance for design
 - Rebate opportunities for construction of water quality projects on private property.
- A storm water utility rate increase of 3.8% would be needed, compared to a proposed 3% rate increase in 2024.

Alternative Consideration

Storm Water Utility Fees with Water Quality BMP Incentives (monthly)				
Classification	Description	2023 Rate	Proposed 2024 Rate (3.0% increase)	Proposed 2024 Rate plus BMP Incentive Program (3.82% increase)
1	Open space, Golf Courses, Undeveloped	\$3.59/acre	\$3.69/acre	\$3.72/acre
2	Single-Family and Two/Three-Family Residential	\$7.97/unit	\$8.21/unit	\$8.27/unit
3	Churches, Schools, and Government Buildings	\$21.52/acre	\$22.16/acre	\$22.34/acre
4	Apartments, Condos, And Railroad R/W	\$23.91/acre	\$24.63/acre	\$24.82/acre
5	Commercial and Industrial	\$60.25/acre	\$62.06/acre	\$62.55/acre

- Larger rate increases expected as outcome of current asset management study.

Discussion Questions

1. Does council support the current “user based” storm water utility rate fee structure as per the current policy?
2. Does council wish to consider an increase to the storm water fee from the proposed 3% increase to 3.8% increase to fund a water quality project incentive program?



CITY OF
MINNETONKA