

PLANNING COMMISSION

JANUARY 8, 2024

6:30 O'CLOCK P.M.

1. Call to Order
2. Minutes of the Previous Meeting – November 13, 2023

Public Hearings

- 3. Zoning + Comp Plan Amendment – Egan
 - 4. Zoning Amendment – Oscar Meadows
 - 5. Conditional Use Permit for Fence – John Kislinger
6. Concept Plan Review – Oscar Meadows
 7. Discussion on Landscaping Ordinance – MN Ag Group and A&A Electric
 8. Resolution Supporting TIF District – Edge Apartments

MINUTES OF PLANNING COMMISSION MEETING

November 13, 2023

Pursuant to due call and notice thereof, a regular Planning Commission meeting was held at City Hall on the 13th day of November, 2023 at 6:30 PM

THE FOLLOWING WERE PRESENT: Chairman Ferris, Commissioner Buckingham, Commissioner Hanson, Commissioner Eggler, Commissioner Tinsley and Commissioner Fitch

THE FOLLOWING WERE ABSENT: Commissioner Johnson

THE FOLLOWING WERE ALSO PRESENT: Ian Albers, Planning/EDA Assistant, City Clerk Linda Rappe, Nathan Gransee

CALL TO ORDER AT 6:30PM

MINUTES OF THE PREVIOUS MEETING — Motion to Approve the October 9, 2023 Minutes made by Commissioner Tinsley, second by Commissioner Eggler with All Voting Aye.

PUBLIC HEARINGS

Zoning + Comp Plan Amendment – A&A Electric – Community Development Assistant Ian Albers gave background, one part is to change the comp plan land use designation and the other is to rezone lots 1,2,3 and 4 of Block 1 South Bend subdivision. A & A is planning a 24,000 sf building to the east of the existing building. It fits the definition of a contractor yard and those are only permitted in the I-1 or I-2. Currently it is C-3. Southfork Subdivision is to the south and to the west it is vacant, to the north is Kwik Trip in a highway commercial district. To the east is vacant but could also be guided to the industrial district or commercial district.

Public Hearing Opened

Nathan Gransee introduced himself as the contractor for A & A Electric and stated that he is here to answer questions.

Public Hearing Closed.

Chairman Ferris – stated this is in line with what is going on in town.

Commissioner Tinsley has a question about the screening. Mr. Albers stated that what they have is a 6-foot fence planned for along lots 2 and 3.

Commissioner Fitch stated that the fence should go along lot 1 also. Then it is consistent along the entire property and then there is not push back from homeowners that abut the old shop.

Mr. Gransee asked if green screening would be sufficient along lot 1 since those neighbors already have fences. Commissioner Fitch stated that he would be amenable to that.

Motion to Approve the Rezone from C-3 to I-1 and Comp plan reguide to industrial made by Commissioner Eggler, second by Commissioner Buckingham with All Voting Aye.

ADJOURN – 6:41pm

Respectfully Submitted,

Linda Rappe, City Clerk

STAFF REPORT

TO: Planning Commission
FROM: Ian Albers, Community Development Assistant
DATE: December 26, 2023
SUBJECT: Zoning + Comp Plan Amendment – Egan Company
APPLICANT: Egan Company – Steve Grubish
OWNER: Egan Company (purchase agreement)
LOCATION: Parcel 24.004.0501
MEETING DATE: January 8, 2024
COMPREHENSIVE PLAN: Retail/Service Commercial (Current), Industrial/Manufacturing/Business (Proposed)
ZONING: C-3 Highway Commercial (Current), I-1 Business Park / Light Industrial (Proposed)

BACKGROUND

The applicant, Egan Company, has applied for amendments to the Comprehensive Plan and Zoning District for an approximately 12.5-acre parcel generally located east of the South Bend Commercial Subdivision and north of South Fork Second. The applicant is requesting a Comprehensive Plan and Zoning Amendment for a proposed development of the property that will consist of an approximately 50,000 sq ft building for premanufacturing electrical components and assemblies, warehousing/distributing, and administrative offices for Egan Company. The site is also proposed to include an outdoor contractor yard, parking areas, loading docks, and stormwater facilities.

The current zoning of the property is C-3 Highway Commercial, and the current Comp Plan future land use designation is Retail/Service Commercial. While the property is currently vacant, the proposed use of the property by Egan Company would be non-conforming according to the standards of the C-3 District and the guidance of the Comp Plan. Staff are recommending that the property be rezoned to the I-1 Business Park / Light Industrial and reguiled to Industrial/Manufacturing/Business.



REVIEW PROCEDURE

The application submitted include the following requests:

- Amend Comprehensive Plan future land use designation to Industrial/Manufacturing/Business
- Amend Zoning District to I-1 Business Park / Light Industrial

60-Day Land Use Application Review Process

Pursuant to Minnesota State Statutes Section 15.99, local government agencies are required to approve or deny land use requests within 60 days from receipt of a complete application. For the purpose of Minnesota Statutes Section 15.99, “Day 1” for the comp plan and rezoning applications was determined to be December 26, 2023. The City's deadline for action is on February 24, 2024.

Public Hearing

City Code §154.069 requires a public hearing for zoning amendment requests to be held by the Planning and Zoning Commission. The public hearing notice was published in the Dodge County Independent and mailed to all affected property owners located within 350 feet of the subject property.

COMPREHENSIVE PLAN AMENDMENT REVIEW

The property is currently guided for Retail/Service Commercial by the Comprehensive Plan. A Comprehensive Plan amendment is needed to reguide the area to the Industrial/Manufacturing/Business land use category. The proposed development includes a 50,000 sq ft building, equipment yard area, off-street parking, and stormwater facilities. This proposed development is consistent with the Industrial/Manufacturing/Business land use category. Land to the north and east of the site is guided for Retail/Service Commercial, while the land to the south of the site is guided for Low Density Residential (South Fork Second). The land directly to the west of the site (A&A Electric) was reguided for Industrial/Manufacturing/Business in November 2023.

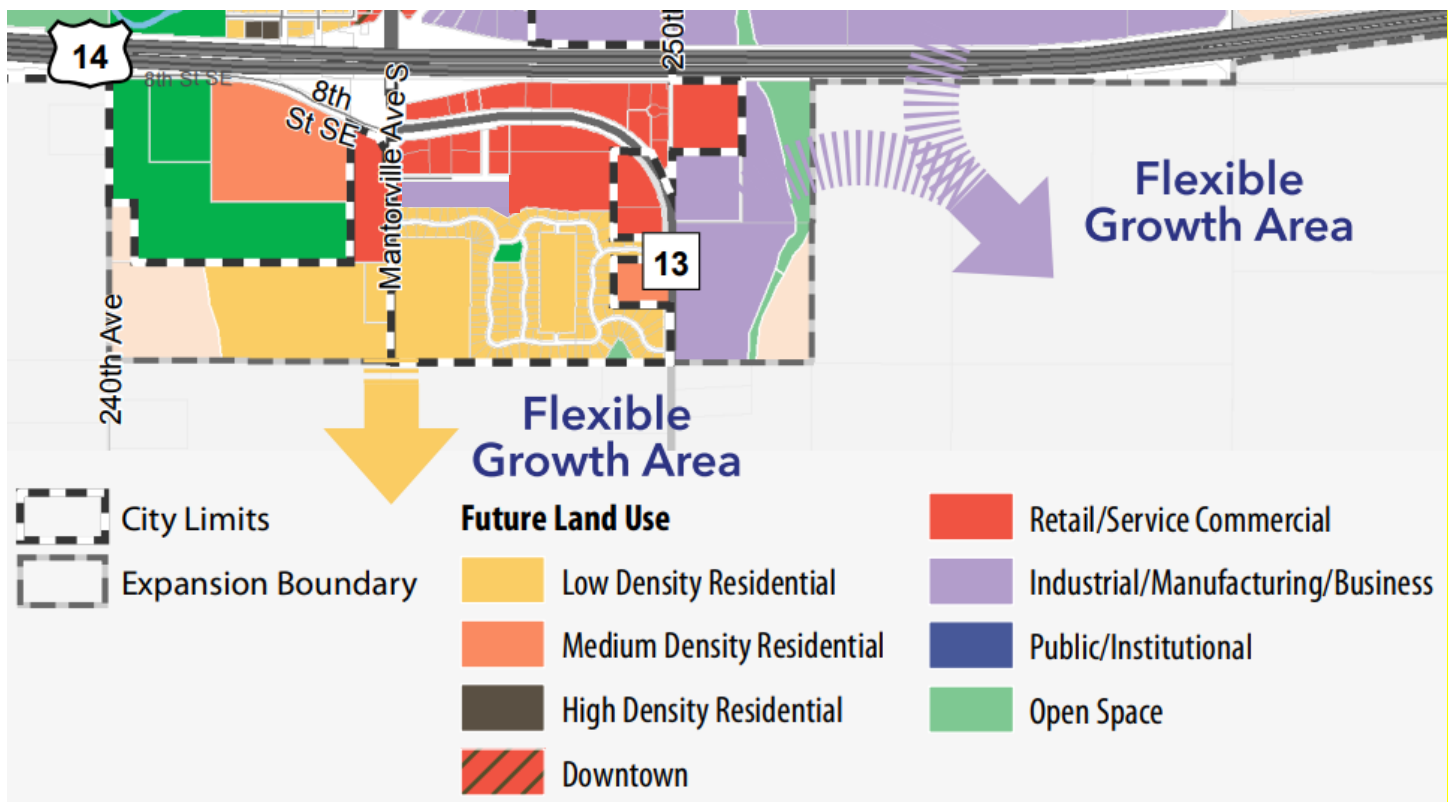
Future Land Use Map Amendment

Applicant Request:

Change the Future Land Use category of the site from Retail/Service Commercial to Industrial/Manufacturing/Business.

Description of Industrial/Manufacturing/Business from the Comprehensive Plan:

Intended to provide a coordinated and planned environment for business uses including manufacturing, light industrial, research and design, or professional offices. This category is less focused on retail goods and services and more focused on jobs. This use should be characterized by strict development standards, which include well designed buildings, generous landscaping, and limited outdoor operations.



REZONING REVIEW

The property is currently within the C-3 Highway Commercial District and is proposed to be changed to I-1 Business Park / Light Industrial. The property is currently vacant agricultural land, though the proposed use for the land after development includes a combination of light manufacturing, warehouse/distribution facility, and contractor yard. According to the Code of Ordinances, each of these uses are only permitted within the I-1 or I-2 District and are not permitted in the C-3 District. The land to the west (A&A Electric) was rezoned to I-1 in November 2023 for a proposed expansion project, while the land to the north is vacant agricultural land zoned C-3 Highway Commercial. The land to the east is a heavily screened homestead not within Kasson city limits. The land to the south (South Fork Second) is in a PUD-F Planned Unit Development – Fixed District. As the subject property abuts a residential district, screening and buffering are required to provide visual and noise separation. The applicants will need to go through the site plan review process before development of the site occurs – this will allow staff and consultants to review the screening and buffering plan according to the appropriate standards from the Code of Ordinances.

Description of I-1 Business Park / Light Industrial from the Code of Ordinances:

The purpose of the I-1 District is to provide locations for small and large scale business park uses as well as light industrial and light manufacturing uses which are compatible and may benefit from co-location with other similar uses.

Description of “Manufacturing, Light” from the Code of Ordinances:

The processing or fabrication of certain materials or products where no process involved will produce noise, vibration, air pollution, fire hazard, or noxious emission which will disturb or endanger neighboring properties.

Description of “Warehouse” from the Code of Ordinances:

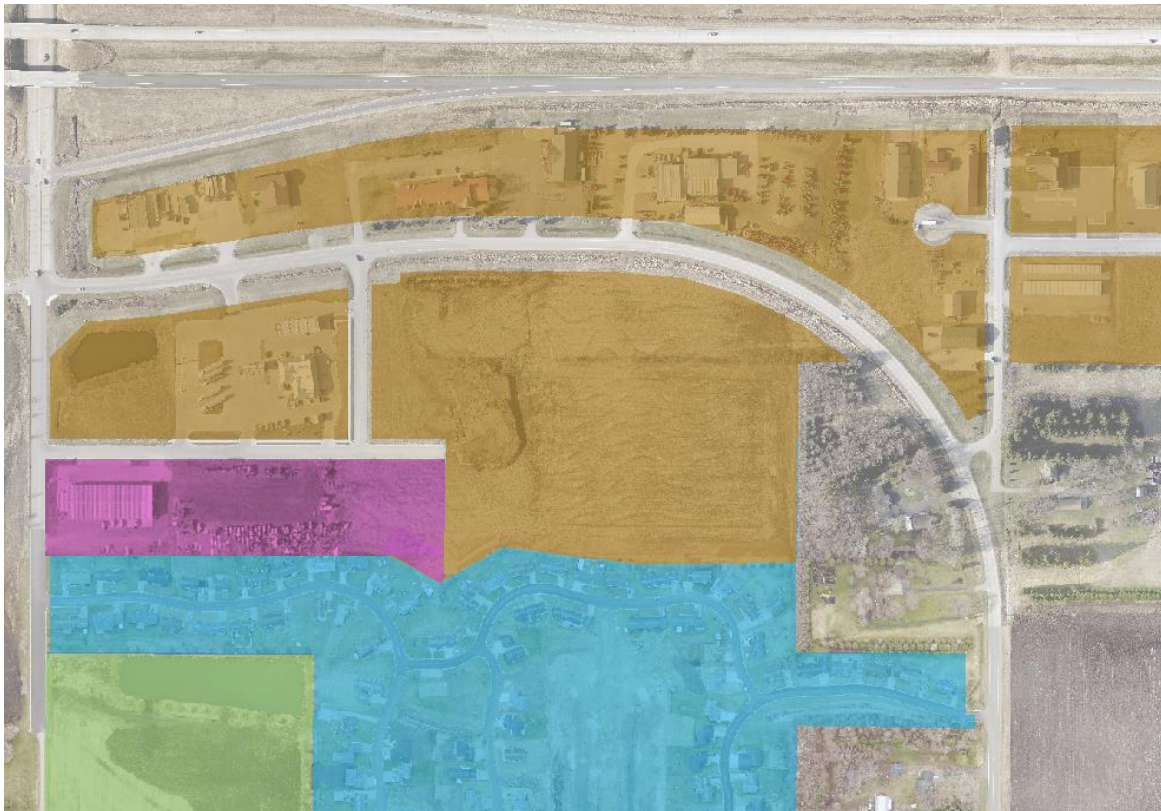
A building used primarily for the storage for goods and materials.

Description of “Contractor Yard” from the Code of Ordinances:

Any land or buildings used primarily for the storage of equipment, vehicles, machinery (new or used), building materials, paints, pipe, or electrical components used by the owner or occupant of the premises in the conduct of any contracting trades or business; such businesses include landscaping, construction and excavation.

As described in §154.069(D)(4), the following should be considered during review of a zoning amendment application:

- (1) The compliance of the zoning amendment with the overall guidance of the comprehensive plan; and
- (2) The effect the zoning district as a whole would have on the site and adjacent sites.



RECOMMENDED ACTION

Comprehensive Plan Amendment

Staff recommends that the Planning Commission makes a recommendation to the City Council to approve the proposed change in the future land use map for the subject property from Retail/Service Commercial to Industrial/Manufacturing/Business with no conditions attached.

Rezoning Amendment

Staff recommends that the Planning Commission makes a recommendation to the City Council to approve the rezoning of the subject property from C-3 Highway Commercial to I-1 Business Park / Light Industrial with no conditions attached.

These recommendations are based on the following findings of fact:

1. The proposed use of the development complies with the overall guidance of the Comprehensive Plan Industrial/Manufacturing/Business future land use designation and the I-1 Zoning District as amended.
2. The proposed Comprehensive Plan and Zoning Amendments will not have a negative impact on the function and character of the site and adjacent properties.

CITY COUNCIL REVIEW

In the event a recommendation is received from the Planning Commission and there are no significant outstanding issues or items to resolve, it will be forwarded to the City Council for action at the January 10, 2024 meeting.

ATTACHMENTS

- A. Application
- B. Egan Site Description
- C. Egan Site Concept
- D. Survey
- E. Email correspondence
- F. Purchase agreement



City of Kasson
401 Fifth Street S.E.
Kasson, MN 55944-2204
507.634.7071
(Fax) 507.634.4737
www.cityofkasson.com

Zoning Amendment / Rezoning Application – Supplemental Information

This form provides information related to the procedures and requirements for a Zoning Amendment Application with the City of Kasson. For full information on Zoning Amendments, please refer to § 154.069 of the City Code.

Date Submitted: December 6, 2023

Planning Case Number: _____
(City will fill out)

Pre-Application Meeting Date: October 5th, 2023

A pre-application meeting with the City of Kasson Zoning Administrator pursuant to § 154.069 (B) is required, prior to submitting a Zoning Amendment application.

Criteria for a Complete Submittal:

Submit one (1) printed Full-Size copy, one (1) printed 8 ½ X 11 copy, and one (1) digital (PDF or Similar) copy to the Zoning Administrator of the following:

<input type="checkbox"/>	Completed Application Form
<input type="checkbox"/>	Evidence of ownership or enforceable option on the property
<input type="checkbox"/>	A description of the proposed future use of the site or amendment to Chapter 154 Zoning of the City Code <i>Use the reverse side of this form to fill in the description, or attach to application</i>
<input type="checkbox"/>	A narrative by the applicant describing how the requested rezoning / amendment complies with the guidance of the Comprehensive Plan <i>Use the reverse side of this form to fill in the narrative, or attach to application</i>
<input type="checkbox"/>	If the amendment is related to a development, a preliminary building and site plan is required
<input type="checkbox"/>	Any additional information deemed necessary by the Zoning Administrator to determine the suitability of the particular site for the proposed use

Criteria for Review:

In making the determination, whether or not the zoning ordinance is to be amended, the City Council shall consider:

- The compliance of the zoning amendment with the overall guidance of the Comprehensive Plan.*
- The effect the zoning district as a whole would have on the site and adjacent sites.*

In making its determination, the City Council shall not utilize the preliminary building and site plan as reasoning to approve or deny the zoning amendment; furthermore, the approval or denial of a zoning amendment shall not be considered action taken nor approval given of a preliminary building and site plan.

Property Information:

Current Land Use Designation: Highway Commercial

Current Zoning District: C-3 Highway Commercial

Proposed Zoning District: I-1 Light Manufacturing

Rezoning / Amendment Description:

Per the recommendation of the City of Kasson, the change from C-3 to I-1 would better represent the building use.

Applicant Narrative:

Provide a written explanation as to how the requested rezoning / amendment complies with the guidance of the Comprehensive Plan

The parcel is an undeveloped site located on the south end of Kasson next to Kwik Trip and A&A

Electrical and is one block adjacent to the area identified in the Kasson Comprehensive Plan for

Industrial/Manufacturing. The requested rezoning is in keeping with the surrounding neighborhood

use and similar to the rezoning effort done by A&A Electrical approved on the 11-13-23 planning

meeting.



202 1st Avenue SW, Suite 200 507.281.8600
Rochester, MN 55902 HGA.COM

December 6, 2023

Re : Rezoning Application – Egan Company: future use of the site description

To : City of Kasson Planning Commission

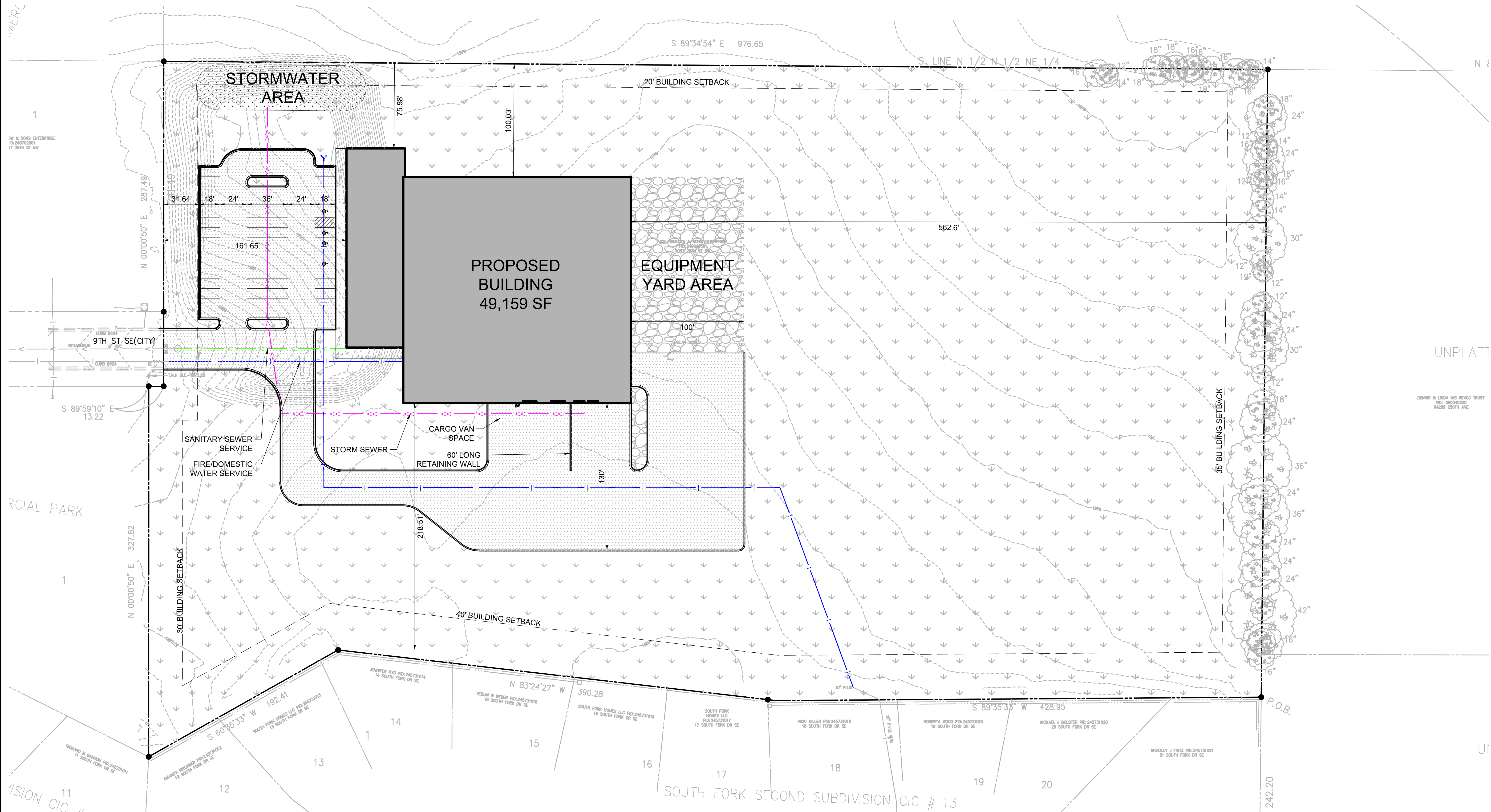
The proposed use of the site is to construct an approximately 50,000 sf building used to host the warehouse and administrative needs of Egan company.

The Warehouse will be used to premanufacture electrical components and assemblies used in Egan's electrical and mechanical contractor business.

Site elements will include parking for the warehouse and administrative staff, loading docks, exterior equipment yard, storm water area.

Sincerely,

Skyler Moon
Project Coordinator
507.281.8687
smoon@hga.com



ZONING REQUIREMENTS		SITE / PARCEL	AREA (ACRE)	AREA (S.F.)
EXISTING ZONING:	C-3		12.44	542,102
PROPOSED ZONING:	I-1 LIGHT INDUSTRIAL	PERVIOUS AREA EXISTING	12.44	542,102
ADJACENT ZONING:	NORTH: C3	PERVIOUS AREA PROPOSED	9.30	405,206
	SOUTH: R3	IMPERVIOUS AREA EXISTING	0	0
	EAST: N/A - PROPERTY NOT ANNEXED	IMPERVIOUS AREA PROPOSED	3.14	136,896
	WEST: C3			
SETBACKS:	BUILDING: FRONT/STREET = 30'			
	SIDE = 20', 40' WHEN ADJACENT TO R3			
	REAR = 35'			
	PARKING: FRONT = 10'			
	SIDE = 8' WHEN ADJACENT TO R3			
MIN. LOT AREA:	20,000 SF			
MIN BUFFER WIDTH BETWEEN I-1 AND R3 FOR LANDSCAPING:	20'			
PARKING SUMMARY		REQUIRED	PROVIDED	
EXISTING PARKING STALLS		0	3	
ADA STALLS - 9'x18'		0	3	
STD. STALLS - 9'x18' TOTAL		0	52	
TOTAL PARKING STALLS		0	55	
				*1.5 SPACES PER EVERY 2 EMPLOYEES ON THE MAXIMUM WORKS SHIFT

SITE INFORMATION

EXISTING PROPERTY OWNER:
JOEL BIGELOW & SONS ENTERPRISE
4057 28TH ST NW
ROCHESTER, MN 55901
PROPERTY:

A part of the Northeast Quarter of Section 4, Township 106 North, Range 16 West, Dodge County, Minnesota, described as follows:

Commencing at the southeast corner of the Northeast Quarter of said Section 4; thence North 00 degrees 35 minutes 33 seconds East (NOTE: All bearings are in relation with the Dodge County Coordinate System NAD '83, Adjusted 1996) along the East line of said Northeast Quarter for a distance of 1000.40 feet to the Southerly end of MN/DOT Right of Way Plat No. 20-5; thence North 89 degrees 32 minutes 19 seconds West, 74.80 feet to a found iron monument (R/W Plat corner); thence North 00 degrees 32 minutes 13 seconds East, 174.90 feet to a found 3/4" iron pipe on the Westerly line of said Right of Way Plat; thence North 89 degrees 51 minutes 27 seconds West, 473.03 feet; thence North 00 degrees 35 minutes 33 seconds East, parallel with the East line of said Northeast Quarter, 242.20 feet to the POINT OF BEGINNING; thence South 89 degrees 35 minutes 33 seconds West, 428.95 feet; thence North 83 degrees 24 minutes 27 seconds West, 390.28 feet; thence South 60 degrees 35 minutes 33 seconds West, 192.41 feet to the Southeast corner of Lot 4, Block 1, SOUTH BEND COMMERCIAL PARK; thence North 00 degrees 50 minutes 50 seconds East, along the East line of said Block 1, a distance of 127.82 feet to the Northeast corner of Lot 1, said Block 2; thence South 89 degrees 50 minutes 10 seconds East, along the Southerly line of said Street SE, a distance of 100.00 feet to the Southeast corner of Lot 1, said Block 2; thence North 00 degrees 50 minutes 50 seconds East, along the Southerly extension of the East line of Block 2, said SOUTH BEND COMMERCIAL PARK and along the East line of said Block 2, a distance of 287.49 feet to the Northeast corner of Lot 1, said Block 2 and to the South line of the North Half of the North Half of said Northeast Quarter; thence South 89 degrees 34 minutes 54 seconds East, along said South line, 976.65 feet; thence South 00 degrees 35 minutes 33 seconds West, 555.48 feet to the POINT OF BEGINNING.


Said parcel contains 12.44 acres, more or less.

LEGEND:


Diagram illustrating a pervious pavement drive. The diagram shows a cross-section of a driveway with a grid of small squares representing the pavement structure. Arrows indicate water flowing through the pavement into the ground below. The text "IMPERVIOUS PAVEMENT DRIVE" is written to the right of the diagram.



GRAVEL DRIVE/
LAYDOWN
AREA



CONCRETE
WALK

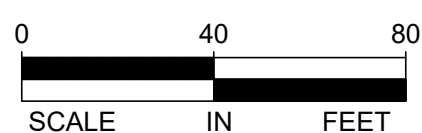
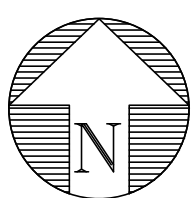
 PROPOSED
BUILDING

AREA

↓ ↓

BUFFER YARD/

Diagram showing a rectangular area with two downward arrows pointing to the text "BUFFER YARD/ PVIOUS AREA".



BOUNDARY/ TOPOGRAPHY SURVEY

NW COR. NE 1/4,
SEC. 4-106-16
5/8" SHAFT OF BROKEN
OFF MNDOT MON.

N 89°34'17" W 2655.50
N. LINE NE 1/4 SEC. 4

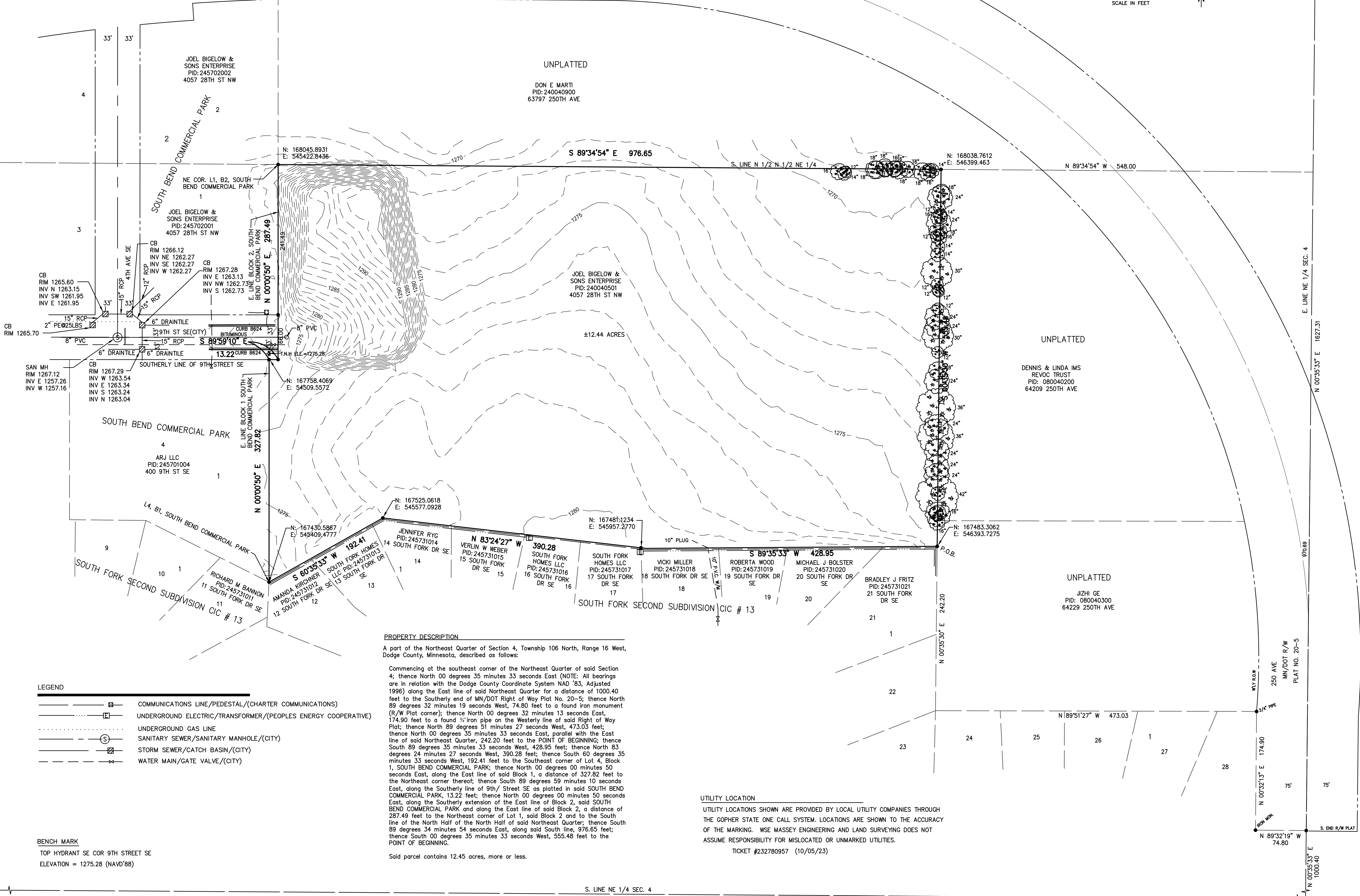
NE COR. NE 1/4,
SEC. 4-106-16
DODGE CO. MON.

MN/DOT R/W
PLAT NO. 20-5

VERTICAL DATUM
NAVD '88

BASIS OF BEARINGS
All Bearings are in relationship with
the Dodge County Coordinate
System NAD '83, Adjusted 1996.

0 30 60 90 120
SCALE IN FEET



LEGEND

- COMMUNICATIONS LINE/PEDESTAL/(CHARTER COMMUNICATIONS)
- UNDERGROUND ELECTRIC/TRANSFORMER/(PEOPLES ENERGY COOPERATIVE)
- UNDERGROUND GAS LINE
- SANITARY SEWER/SANITARY MANHOLE/(CITY)
- STORM SEWER/CATCH BASIN/(CITY)
- WATER MAIN/GATE VALVE/(CITY)

BENCH MARK

TOP HYDRANT SE COR 9TH STREET SE
ELEVATION = 1275.28 (NAVD'88)

PROPERTY DESCRIPTION

A part of the Northeast Quarter of Section 4, Township 106 North, Range 16 West, Dodge County, Minnesota, described as follows:

Commencing at the southeast corner of the Northeast Quarter of said Section 4; thence North 00 degrees 35 minutes 33 seconds East (NOTE: All bearings are in relation with the Dodge County Coordinate System NAD '83, Adjusted 1996) along the East line of said Northeast Quarter for a distance of 1000.40 feet to the Southerly end of MN/DOT Right of Way Plat No. 20-5; thence North 88 degrees 32 minutes 19 seconds West, 74.80 feet to a found iron monument (R/W Plat corner); thence North 00 degrees 32 minutes 13 seconds East, 174.90 feet to a found iron pipe on the Westerly line of said Right of Way Plat; thence North 89 degrees 51 minutes 27 seconds West, 473.03 feet; thence North 00 degrees 35 minutes 33 seconds East, parallel with the East line of said Northeast Quarter, 242.20 feet to the POINT OF BEGINNING; thence South 89 degrees 35 minutes 33 seconds West, 428.95 feet; thence North 83 degrees 24 minutes 27 seconds West, 390.28 feet; thence South 60 degrees 35 minutes 33 seconds West, 192.41 feet to the Southeast corner of Lot 4, Block 1, SOUTH BEND COMMERCIAL PARK; thence North 00 degrees 00 minutes 50 seconds East, along the East line of said Block 1, a distance of 327.82 feet to the Northeast corner thereof; thence South 89 degrees 59 minutes 10 seconds East, along the Southerly line of 9th/ Street SE as platted in said SOUTH BEND COMMERCIAL PARK, 13.22 feet; thence North 00 degrees 00 minutes 50 seconds East, along the Southerly extension of the East line of Block 2, said SOUTH BEND COMMERCIAL PARK, 287.49 feet to the Northeast corner of Lot 1, said Block 2 and to the South line of the North Half of the North Half of said Northeast Quarter; thence South 89 degrees 34 minutes 54 seconds East, along said South line, 976.65 feet; thence South 00 degrees 35 minutes 33 seconds West, 555.48 feet to the POINT OF BEGINNING.

Said parcel contains 12.45 acres, more or less.

UTILITY LOCATION

UTILITY LOCATIONS SHOWN ARE PROVIDED BY LOCAL UTILITY COMPANIES THROUGH THE GOPHER STATE ONE CALL SYSTEM. LOCATIONS ARE SHOWN TO THE ACCURACY OF THE MARKING. WSE MASSEY ENGINEERING AND LAND SURVEYING DOES NOT ASSUME RESPONSIBILITY FOR MISLOCATED OR UNMARKED UTILITIES.

TICKET #232780957 (10/05/23)

SW COR. NW 1/4,
SEC. 4-106-16
DODGE CO. MON.

SW COR. SE 1/4,
SEC. 4-106-16
C.I.M.

S. LINE NE 1/4 SEC. 4
N 89°37'42" W 2628.95

NE COR. NE 1/4,
SEC. 4-106-16
DODGE CO. MON.

MONUMENTS

FOUND 1/2" PIPE UNLESS NOTED OTHERWISE

SET 1/2" PIPE UNLESS NOTED OTHERWISE

DATE: 11/9/2023

DRAWN BY: G.D.A.

CHECKED BY: R.W.A.

JOB NUMBER: 4488

DWG. FILE: 4488502

REVISION DATE:

THIS SURVEY AND DRAWING WAS PREPARED FOR THE EXCLUSIVE USE OF:

ES&C COMPANY

CHAMPAIGN, ILL.

SHEET NO. 1 OF 1

PROPERTY LOCATION MAP

WSE MASSEY

ENGINEERING & LAND SURVEYING, LTD.

P.O. BOX 100, KASSON, MN 55944

PH. NO. 507-634-4505, EMAIL SURVEY@WSEENGINEERING

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly licensed Land Surveyor under the laws of the State of Minnesota.

Date: 11/9/2023

LIC. NO.: 59823

Reinhold W. Memon

From: Ian Albers <eda@cityofkasson.com>

Sent: Tuesday, January 17, 2023 4:20 PM

To: Tony Bigelow <tony@bigelowhomes.net>; Tim Ibisch <cityadministrator@cityofkasson.com>

Subject: RE: South Bend Commercial Kasson

Good afternoon Tony,

Tim and I have discussed your proposal from last week, and we are open to moving forward with it. Seeing as the property is not currently platted, we would have you go through the platting process. With this, you may include a road access to Cty Rd 13 in the plat, although this is not required – you may instead propose an easement for the utilities like you mentioned. We would also want to do a rezoning of the property to industrial rather than commercial, as this would allow for contractor-type uses in that area. I hope this information helps, and please feel free to reach out with additional questions as you have them.

Thank you,
Ian Albers

Community Development Assistant

Email: eda@cityofkasson.com

Phone: (507)-634-6328



STAFF REPORT

TO: Planning Commission
FROM: Ian Albers, Community Development Assistant
DATE: December 18, 2023 (Rezone) + January 2, 2024 (Concept Plan)
SUBJECT: Zoning Amendment + Concept Plan Review – Oscar Meadows
APPLICANT: Bigelow Homes – Tony Bigelow
OWNER: Bigelow Homes – Tony Bigelow
LOCATION: Parcel 24.029.0300
MEETING DATE: **January 8, 2024**
COMPREHENSIVE PLAN: Low Density Residential + Parks
ZONING: D-H Development Holding (Current), R-1 Single-Family Residential (Proposed)

BACKGROUND

The applicant, Bigelow Homes – Tony Bigelow, has applied for an amendment to the Zoning District and a Concept Plan Review for the proposed development of an approximately 40-acre parcel generally located north of the Bigelow-Voigt Eighth Subdivision and east of 8th Ave NW. The property was annexed into city limits in March of 2022 and at that time was known as the Englestad Property. The site is currently vacant, though it is being used as a tree farm and agricultural land. The proposed use of the property is single-family residential with 82 lots indicated in the concept. The site is also proposed to include a connection to 8th Ave NW and the future 16th St NW, in addition to a pedestrian/bicycle trail running along the west side of the property.

The current zoning of the property is D-H Development Holding, and the Comp Plan future land use designation is mostly Low Density Residential with a small section of Parks on the east side of the site. As the property is currently in the Development Holding District, and the proposed use of the property by Bigelow Homes is single-family residential, an amendment to the Zoning District is required. The proposed use is consistent with the Comp Plan future land use designation, so an amendment to the Comp Plan is not required. For the Concept Plan Review, the Planning Commission will provide review and comment only – no official action is required.



REVIEW PROCEDURE

The application submitted includes the following requests:

- Amend Zoning District to R-1 Single-Family Residential
- Review and comment on the submitted Concept Plan

60-Day Land Use Application Review Process

Pursuant to Minnesota State Statutes Section 15.99, local government agencies are required to approve or deny land use requests within 60 days from receipt of a complete application. For the purpose of Minnesota Statutes Section 15.99, “Day 1” for the rezoning application was determined to be December 18, 2023. The City's deadline for action is on February 16, 2024.

Public Hearing

City Code §154.069 requires a public hearing for zoning amendment requests to be held by the Planning and Zoning Commission. The public hearing notice was published in the Dodge County Independent and mailed to all affected property owners located within 350 feet of the subject property.

REZONING REVIEW

The property is currently within the D-H Development Holding District and is proposed to be changed to R-1 Single-Family Residential. The property is currently vacant agricultural land, though the proposed use for the land after development is single-family residential. The land to the west (the Schuette Property) was annexed into Kasson city limits in 2021 and is currently in the D-H District with a residential use proposed for the side adjacent to Oscar Meadows. The land to the north and east is homestead/agricultural land and is not within Kasson city limits. The land to the south (Bigelow-Voigt Eighth) is in the R-1 District and a PUD-F Planned Unit Development – Fixed District. Additionally, to the south is Wilker’s Retaining Walls & Landscaping – this is in the R-2 Mixed Residential District and has a Conditional Use Permit which includes requirements for screening.

Description of R-1 Single-Family Residential from the Code of Ordinances:

The purpose of the R-1 Single Family-Residential District is to provide for low to moderate density dwellings and directly related, complementary uses.

As described in §154.069(D)(4), the following should be considered during review of a zoning amendment application:

- (1) The compliance of the zoning amendment with the overall guidance of the comprehensive plan; and
- (2) The effect the zoning district as a whole would have on the site and adjacent sites.



CONCEPT PLAN REVIEW

The Concept Plan Review exhibits are included on the following pages.

Key points for discussion include:

- **Park Land:** The closest park to the subject property is Prairie View Park – approximately ¼ mile to the south. There is a proposed trail corridor to connect Oscar Meadows to Prairie View Park (see exhibits from the Comp Plan). This proposed trail corridor extends along the west side of the subject property to the future 16th St NW. Consideration of parkland dedication will occur during the platting process.
- **Street Connections:** 11th Ave NW is proposed to be extended from the south to the north of the site and is proposed to connect to a future 16th St NW. Further discussion on 16th St NW will be included as part of the platting process in addition to the proposed 14th St NW connection to 8th Ave NW (see correspondence with Dodge County).
- **Stormwater/Greenway Corridor:** There is a drainage corridor present that extends along the entirety of the west side of the property. The concept also includes a greenway/parkland strip along the west side of the property that could contain the proposed trail. The applicants have proposed to place the trail on the west side of the existing swale, though placement on the east side of the swale would better align with the proposed trail connection to the south of the property.
- **Public and Private Utilities:** The subject property is partly or fully in Xcel's electric service territory. The applicants have been directed to work with Kasson Public Works on how/when to service the property going forward. Additional utility review will take place during the platting process.
- **Entitlement Process:** Following approval of the rezone request, the applicants intend to initiate the process for preliminary and final plats.

RECOMMENDED ACTION

Rezoning Amendment

Staff recommends that the Planning Commission makes a recommendation to the City Council to approve the rezoning of the subject property from D-H Development Holding to R-1 Single-Family Residential with no conditions attached.

These recommendations are based on the following findings of fact:

1. The proposed use of the development complies with the overall guidance of the Comprehensive Plan Low Density Residential future land use designation and the R-1 Zoning District as amended.
2. The proposed Zoning Amendment will not have a negative impact on the function and character of the site and adjacent properties.

Concept Plan Review

The Planning Commission will provide review and comment only – no official action is required. The applicants intend to initiate the platting process following review of the concept plan.

CITY COUNCIL REVIEW

In the event a recommendation is received from the Planning Commission and there are no significant outstanding issues or items to resolve, it will be forwarded to the City Council for action at the January 10, 2024 meeting. In addition, the Concept Plan will also receive comments from the City Council at the January 10, 2024 meeting.

ATTACHMENTS

- A. Application
- B. Oscar Meadows Concept Plan
- C. Annexation Exhibit
- D. Survey
- E. Staff Comments and Applicant Responses
- F. Dodge County Email Correspondence
- G. Comp Plan Figures 6.1 and 7.2



City of Kasson
401 Fifth Street S.E.
Kasson, MN 55944-2204
507.634.7071
(Fax) 507.634.4737
www.cityofkasson.com

Zoning Amendment / Rezoning Application – Supplemental Information

This form provides information related to the procedures and requirements for a Zoning Amendment Application with the City of Kasson. For full information on Zoning Amendments, please refer to § 154.069 of the City Code.

Date Submitted: 12-18-23

Planning Case Number: _____
(City will fill out)

Pre-Application Meeting Date: 8-17-23

A pre-application meeting with the City of Kasson Zoning Administrator pursuant to § 154.069 (B) is required, prior to submitting a Zoning Amendment application.

Criteria for a Complete Submittal:

Submit one (1) printed Full-Size copy, one (1) printed 8 ½ X 11 copy, and one (1) digital (PDF or Similar) copy to the Zoning Administrator of the following:

<input checked="" type="checkbox"/>	Completed Application Form
<input checked="" type="checkbox"/>	Evidence of ownership or enforceable option on the property
<input checked="" type="checkbox"/>	A description of the proposed future use of the site or amendment to Chapter 154 Zoning of the City Code <i>Use the reverse side of this form to fill in the description, or attach to application</i>
<input checked="" type="checkbox"/>	A narrative by the applicant describing how the requested rezoning / amendment complies with the guidance of the Comprehensive Plan <i>Use the reverse side of this form to fill in the narrative, or attach to application</i>
<input checked="" type="checkbox"/>	If the amendment is related to a development, a preliminary building and site plan is required
<input type="checkbox"/>	Any additional information deemed necessary by the Zoning Administrator to determine the suitability of the particular site for the proposed use

Criteria for Review:

In making the determination, whether or not the zoning ordinance is to be amended, the City Council shall consider:

- The compliance of the zoning amendment with the overall guidance of the Comprehensive Plan.*
- The effect the zoning district as a whole would have on the site and adjacent sites.*

In making its determination, the City Council shall not utilize the preliminary building and site plan as reasoning to approve or deny the zoning amendment; furthermore, the approval or denial of a zoning amendment shall not be considered action taken nor approval given of a preliminary building and site plan.

Property Information:

Current Land Use Designation: AG

Current Zoning District: DH

Proposed Zoning District: R-1

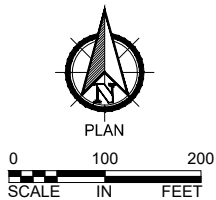
Rezoning / Amendment Description:

Rezone ANNEXED Property to R1

Applicant Narrative:

Provide a written explanation as to how the requested rezoning / amendment complies with the guidance of the Comprehensive Plan

R1 zoning is consistent w/ Kasson Comp Plan



LEGEND	
[Symbol]	PROPOSED LOT
[Symbol]	PROPOSED ROW
[Symbol]	PROPOSED CENTERLINE
[Symbol]	WETLAND BOUNDARY
[Symbol]	SETBACK LIMITS

SITE INFORMATION	
NO OF BLOCKS	5
NO OF LOTS	44
TOTAL SITE AREA	19.89 AC

LAND USE SUMMARY BLOCK 1 SITE INFORMATION	
PARCEL	TOTAL AREA
LOT 1	29816
LOT 1	9782
LOT 2	29846
LOT 3	29622
LOT 4	29585
LOT 5	29622

LAND USE SUMMARY BLOCK 4 SITE INFORMATION	
PARCEL	TOTAL AREA
LOT 1	9782
LOT 2	8052
LOT 3	8052
LOT 4	8052
LOT 5	8052
LOT 6	8052
LOT 7	8052
LOT 8	8052
LOT 9	11131
LOT 10	20554

LAND USE SUMMARY BLOCK 2 SITE INFORMATION	
PARCEL	TOTAL AREA
LOT 1	16660
LOT 2	12258
LOT 3	12254
LOT 4	12251
LOT 5	12247
LOT 6	12244
LOT 7	12240
LOT 8	16758

LAND USE SUMMARY BLOCK 5 SITE INFORMATION	
PARCEL	TOTAL AREA
LOT 1	8646
LOT 2	8110
LOT 3	8108
LOT 4	8106
LOT 5	8105
LOT 6	8104
LOT 7	8101
LOT 8	8641
LOT 9	8651
LOT 10	8100
LOT 11	8100
LOT 12	8100
LOT 13	8100
LOT 14	8100
LOT 15	8100
LOT 16	8640

LAND USE SUMMARY BLOCK 3 SITE INFORMATION	
PARCEL	TOTAL AREA
LOT 1	9398
LOT 2	8236
LOT 3	8191
LOT 4	8147
LOT 5	8835

PH. NO. 507-634-4505
PLANS@WSE.ENGINEERING
www.wse.engineering

KASSON OFFICE
P.O. BOX 100
33 B E VETERANS
MEMORIAL HIGHWAY
KASSON, MN 55944

PLAINVIEW OFFICE
320 WEST BROADWAY
SUITE 3
PLAINVIEW, MN 55964

ROCHESTER OFFICE
1712 RESTORATION
DRIVE SW
ROCHESTER, MN 55902

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

Les Conway
23292 01/02/2024
Number Date

DESCRIPTION:
REV: DATE:

GENERAL DEVELOPMENT PLAN
OSCAR MEADOWS
KASSON, MINNESOTA

SCALE: 1" = 100'
DATE: 01/02/2024
DRAWN BY: PRIMAVERSE
JOB NUMBER: 3759
DWG. FILE: 3759 GDP

Sheet 1 of 1

NW COR SW 1/4
SEC. 29-107-16
DODGE CO. MON.

N 00°02'44" W
2639.62

NW COR NE 1/4
SEC. 29-107-16
DODGE CO. MON.

NW COR SW 1/4
SEC. 29-107-16
DODGE CO. MON.

S 89°30'46" E 1321.18

N. LINE SE 1/4 SEC. 29

Q DOC No. A 156674

NE 1/4 SE 1/4

Q DOC No. A 209695

All Bearings are in relationship with the Dodge County Coordinate System NAD '83, Adjusted 1996.

S. LINE NE SE 1/4

1270.63

S 89°36'05" E 1320.63

CITY OF KASSON

The Northeast Quarter of the Southeast Quarter of
Section 29, Township 107 North, Range 16 West,
Dodge County, Minnesota.

SE 1/4 SE 1/4

0 150 300 450 600

SCALE IN FEET

S. LINE SE 1/4 SEC. 29

1320.09

N 89°41'26" W 2640.19

SW COR SE 1/4
SEC. 29-107-16
DODGE CO. MON.

SE COR SE 1/4
SEC. 29-107-16
BRASS DISC

T. 107 N. R. 16 W.

N.W. 1/4

N.E. 1/4

-29-

S.W. 1/4

S.E. 1/4

No Scale

ENGINEERING & LAND SURVEYING

P.O. BOX 100, KASSON, MN 55944

PH. NO. 507-634-4505, EMAIL SURVEY@WSE.ENGINEERING

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

Date 12/6/2021

LIC. NO.: 41814

Richard J. Massey

THIS SURVEY AND DRAWING
WAS PREPARED FOR THE
EXCLUSIVE USE OF:

BIGELOW HOLMES LLC
ROCHESTER, MN

MONUMENTS

- ☒ FOUND (AS INDICATED)
☐ SET (5/8" PIPE UNLESS NOTED OTHERWISE)

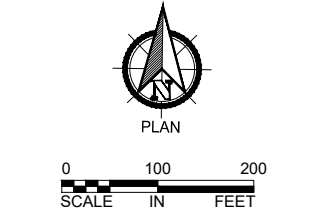
DATE: 12/6/2021

DWG NO. 3759ANEX JOB NO. 3759

DRAWN BY: G.D.Z. SHEET 1 OF 1

3759SP01.dwg

12/14/2023 2:56:44 PM



LEGEND	
x 46.84	DENOTES PROPOSED SPOT ELEVATION
1131	DENOTES EXISTING COUNTOURS
	DENOTES WATERMAIN
	DENOTES STORM
	DENOTES SANITARY SEWER
	DENOTES PROPERTY BOUNDARY
	DENOTES RIGHT-OF-WAY
	DENOTES BUILDING
	DENOTES FENCE
	DENOTES BITUMINOUS
	DENOTES GRAVEL
	DENOTES CONCRETE
	DENOTES WETLAND

Engineering & Surveying

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MEMORIAL HIGHWAY
KASSON, MN 55944

PLAINVIEW OFFICE
320 WEST BROADWAY
SUITE 3
PLAINVIEW, MN 55964

REV.	DATE:	DESCRIPTION:

TOPOGRAPHIC SURVEY
OSCAR MEADOWS
KASSON, MINNESOTA

SCALE: _____
DATE: _____
DRAWN BY: _____
JOB NUMBER: _____
DWG. FILE: _____

Oscar Meadows
Concept Plan Review – Response and Staff Comments

Revised
01/02/24
LC

Submittal Date: 12.15.23

Zoning:

- Most of the proposed lots do not meet the minimum standard for lot area. The minimum lot area for single-family in the R-1 District is 8,000 sq ft (see §154.126). **REVISED**
- The minimum setback lines are inaccurate for every proposed corner lot. For corner lots, any yard fronting a street should have the minimum front yard setbacks and any remaining yard should have the minimum side yard setbacks (see §154.127). **REVISED**
- The concept plan should show a layout for the entirety of the parcel – not just south half.
 - Engineer has an alternative layout to consider – see following pages. **REVISED**
- Need more information for street alignment and numbering – how do the proposed streets align with existing streets and proposed streets of concepts for nearby properties?
 - The concept for the Schuette property to the east includes a connection to 8th Ave NW at a proposed 13th St NW. How does this connection align with the proposed 14th St NW connection of Oscar Meadows? **COUNTY REVIEW COMMENTS ATTACHED**
 - Also need guidance from the Planning Commission on giving names to public streets that do not conform to the established numbering system (Oscar Drive NW). **NAMES STREETS HOWEVER YOU WANT**

Public Works:

- See Engineer's comments

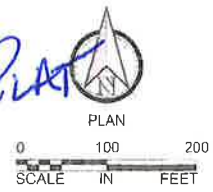
Electric:

- This is either partly or fully in Xcel's service territory. We can serve them when the time comes and territory discussions and agreements are completed.
- KPU will need notification as early as possible if we are serving them initially to ensure material availability in a timely manner and our ability to energize services without delay.
- We do have some issues that are currently working towards resolution. Depending on the actual development timing it may make sense for Xcel to serve them temporarily and we acquire them at a later date.

Engineer:

- See following pages with comments

General Note: Utility layouts will be provided on Prelim Plat



LEGAL DESCRIPTION
That part of the Northeast Quarter of the Southeast Quarter of Section 29, Township 107 North, Range 16 West, Kasson City, Dodge County, Minnesota, lying easterly of the following described line:

Commencing at the northeast Quarter of the Southeast Quarter of said Section 29; thence North 89 degrees 36 minutes 05 seconds East (NOTE: All bearings are in relationship with the Dodge County Coordinate System NAD '83, Adjusted 1996). The 240th Ave road running in a northerly direction North 00 degrees 00 minutes 01 seconds East, along the Centerline of said 240th Ave road and the north line of the Northeast Quarter of the Southeast Quarter of said Section 29 a distance of 1314.15 feet.

Containing 39.88 acres, more or less.

Subject to 240th Ave right of way over the east xx.xx feet thereof.

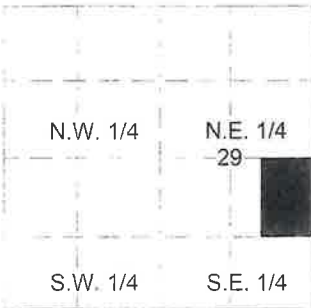
Subject to an easement for an underground existing 70" gas line.

CITY ENGINEERS / SURVEYORS
WSE & MASSEY ENGINEERING & SURVEYING
P.O. BOX 100
KASSON, MN 55944
PHONE NO. 507-529-1161

OWNER / DEVELOPER
BIGELOW HOMES, LLC
4057 28TH ST NW
ROCHESTER, MN 55901
PHONE NO. (507) 529-1161

LAND USE SUMMARY
NUMBER OF LOTS = 48 LOTS
TOTAL AREA OF PROPERTY = 39.88 ACRES
TOTAL AREA OF ROW = 4.52 ACRES

LEGEND	
	DENOTES EXISTING GAS EASEMENT
	DENOTES EXISTING CONTOURS
	DENOTES PROPERTY BOUNDARY
	DENOTES BUILDING
	PROPOSED ROW
	PROPOSED LOT
	PROPOSED CENTERLINE
	WETLAND BOUNDARY EASEMENT
	SETBACK LIMITS



No Scale
LOCATION MAP



PH. NO. 507-634-4505
PLANS@WSE.ENGINEERING
www.wse.engineering

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DRIVE SW
ROCHESTER, MN 55902

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the State of Minnesota.

Les Conway
23292 12/13/2023
Number Date

DESCRIPTION:

REV: DATE

GENERAL DEVELOPMENT PLAN
OSCAR MEADOWS
KASSON, MINNESOTA

SCALE: 1" = 100'
DATE: 12/13/2023
DRAWN BY: PRIMAVARSE
JOB NUMBER: 3759
DWG. FILE: 3759 PP

Les Conway

From: Kohlhofer, Guy <Guy.Kohlhofer@dodgecountymn.gov>
Sent: Thursday, August 24, 2023 12:03 PM
To: Les Conway
Cc: Brandon Theobald (BTheobald@Whks.com)
Subject: RE: New 13th St intersection on 8th Ave Kasson

Les,

The location of intersections for 12th, 13th and 16th are fine. When the city constructs 16th St. they have been directed to install a right turn lane. The design threshold for these are a main road with 1,000+ ADT and a side street with ADT of 100+. MnDOT traffic manual uses 10 trips per day for single family dwellings. The southbound access to 13th St. will certainly exceed the 100 ADT for those coming off the 16th St route. As the northbound 13th intersection will likely carry the traffic from at least 10 of the residences on the east side that too will exceed 100 ADT. As we get further out of the 35 mph zone turn lanes become more critical (it should have been done for 12th St. but was missed). I realize contractors don't build turn lanes for free but I can't see how the access traffic would see less than 100 ADT.

There are two other issues:

1. The likely extension to the west of 16th St and leaving the area in the NW portion of the Engelstad First development open.
2. The likelihood of a future round about at the 16th St / 8th Ave. intersection. The county holds all but the SW quadrant so we will need additional R/W there. We would be looking to the developer and the city to protect enough R/W to allow future construction as needed.

Brandon, Can you jump in here to help determine and assure the appropriate amount of R/W for a round about is platted? I don't picture this being the last development in NW Kasson and it is difficult to take houses down for road construction.

Let me know when you have further questions.

Guy Kohlhofer, P.E.
Dodge County Engineer
(507)374-6694



From: Les Conway <Les@wse.engineering>
Sent: Thursday, August 24, 2023 9:16 AM
To: Kohlhofer, Guy <Guy.Kohlhofer@dodgecountymn.gov>
Subject: FW: New 13th St intersection on 8th Ave Kasson

Good morning Guy,



[illegible]

STAFF REPORT

TO: Planning Commission
FROM: Ian Albers, Community Development Assistant
DATE: December 19, 2023
SUBJECT: Kislinger CUP for Fence
APPLICANT: John Kislinger
OWNER: John and Jessica Kislinger
LOCATION: 906 8th Ave NE
MEETING DATE: **January 8, 2024**
COMPREHENSIVE PLAN: Low Density Residential
ZONING: R-1 Single Family Residential

BACKGROUND

The applicant, John Kislinger, has applied for a conditional use permit for a recently constructed fence placed closer than 3 feet to the property lines at 906 8th Ave NE. The fence extends from the north side wall of the house to the shared side property line and then eastward to connect to a neighbor's existing fence. The applicant has also constructed a fence parallel to the rear property line, though this section is more than 3 feet from that property line. The final section of fence extends southward from the south wall of the house in order to connect to a neighbor's existing fence that runs along the shared property line. A conditional use permit is required to allow the fence to be placed closer than 3 feet to the property line.

REVIEW PROCEDURE

60-Day Land Use Application Review Process

Pursuant to Minnesota State Statutes Section 15.99, local government agencies are required to approve or deny land use requests within 60 days. Within the 60-day period, an automatic extension of no more than 60 days can be obtained by providing the applicant written notice containing the reason for the extension and specifying how much additional time is needed. For the purpose of Minnesota Statutes Section 15.99, "Day 1" for the conditional use permit application was determined to be December 19, 2023. The City's deadline for action is on February 17, 2023.

Public Hearing

City Code § 154.312(B)(3) requires a public hearing for review of a conditional use permit to be held by the Planning and Zoning Commission. The public hearing notice for the CUP was published in the Dodge County Independent and mailed to all affected property owners located within 350 feet of the subject property.

APPLICATION REVIEW

Existing Site Character

See attached pictures.

Conditional Use Permit Review

As described in Section 154.067(D)(4), the following should be considered during review of a conditional use permit application:

- (1) The effects of the proposed use on the comprehensive plan; and
- (2) The effects of the proposed use upon the health, safety and general welfare of occupants of surrounding lands.

Additionally, the following findings should be made, when applicable:

- (1) The proposed conditional use meets all of the applicable use specific standards listed within § 154.175 to 154.178;
- (2) The use is not in conflict with the comprehensive plan of the city;
- (3) The use is consistent with the purpose of this chapter and the purposes of the zoning district in which the applicant intends to locate the proposed use;
- (4) The use will not cause traffic hazards and the traffic generated by the proposed use can be safely accommodated on existing or planned street systems; and the existing public roads providing access to the site will not need to be upgraded by the city in order to handle additional traffic generated by the use;
- (5) Adequate measures have been taken or are proposed to prevent or control offensive odor, fumes, dust, noise, vibration or lighting which would otherwise disturb the use of the neighboring property;
- (6) Adequate utilities, parking, drainage and other necessary facilities will be provided;
- (7) The proposed use will not impede the normal and orderly development or improvements of the surrounding property;
- (8) The proposed use will not be injurious to the use and enjoyment of other property in the neighborhood and will not significantly diminish or impair the values of the property;
- (9) The use will not disrupt the character of the neighborhood; and
- (10) The structure and site shall have an appearance that will not have an adverse effect upon adjacent residential properties.

RECOMMENDATION

Staff recommends to the Planning Commission to recommend approval of the application for a CUP to allow placement of a fence closer than 3 feet to the property lines with the following conditions:

- (1) An access agreement shall be notarized and recorded with the property owner to the north of 906 8th Ave NE so that the fence can be placed closer than 3 feet to the shared property line.
- (2) The property owner at 906 8th Ave NE acknowledges that any section of the fence that is located within a utility easement may be dismantled at the owner's expense if this easement is utilized.

In recommending approval of the conditional use permit, staff offers the following findings of fact:

- (1) The property has a 5-foot utility easement along the rear property line.

ArcGIS WebMap



December 12, 2023

Roads

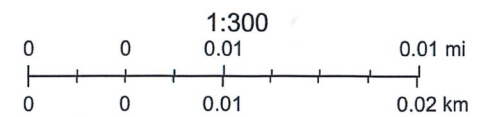
PIN

Name



Parcels

CITY



MEMO

TO: The Planning Commission
FROM: Ian Albers, Community Development Assistant
DATE: January 8, 2024
RE: Discussion on Landscaping Ordinance – MN Ag Group and A&A Electric

As part of the administrative site plan review process, applicants must submit a landscape plan as required in §154.310 (see below). This section of the code includes general landscaping guidelines that specify everything that must be included in a landscape plan, including but not limited to the size, type, location, and minimum number of plant materials needed.

The requirement to submit a landscape plan for review is applicable to all site and subdivision applications with the exception of those consisting of single-family or two-family dwellings. In effect, this means that the same standards for landscape plans apply to projects in all zoning districts regardless of the principal use at each property. Further, the only distinction in landscape plan requirements between new development vs redevelopment projects is the number of shrubs needed, as this is calculated by the square footage of new construction.

There are two expansion projects that are in the process of administrative site plan review – MN Ag Group and A&A Electric. Both site plan reviews included review of their respective landscape plans according to the code standards, and both landscape plans are not in compliance. For MN Ag Group to be in compliance, their landscape plan would need to include a minimum of 42 canopy or evergreen trees and 41 shrubs based on the amount of street frontage and the square footage of new construction. For A&A Electric to be in compliance, their site would need 52 canopy or evergreen trees and 48 shrubs. However, both of the current landscape plans do not meet these minimum requirements, and the applicants of both projects have requested that a deviation from the requirements be granted for various reasons (see the following memos, current landscape plans, and aerial photos).

To move forward, there are a couple of routes that could be taken: the applicants could either revise their landscape plans to comply with the general landscaping requirements as specified in the code, or the code could be changed in some manner. I've looked into code requirements from nearby cities, and the requirements vary substantially – some differentiate requirements according to the zoning district or particular use, while others are more generalized. I've also reviewed the Minnesota GreenStep Cities' model landscape ordinance (see below), which I believe may offer some solutions, such as processing landscape plans as a conditional use or considering alternative compliance/landscape options when certain site conditions are present.

The Planning Commission is asked to review the following materials and provide guidance on how best to proceed with this matter.

§ 154.310 GENERAL LANDSCAPING.

(A) All open areas of a lot not used for buildings, parking, circulations, patios or storage must be landscaped with a combination of canopy trees, ornamental trees, evergreen trees, shrubs, flowers, sod, ground cover and other site design features to ensure soil stabilization. This requirement shall not apply to undisturbed areas retained in a natural state.

(B) Fences, hedges, walls and other landscaping shall be located entirely upon the property which they serve. Fences, hedges, walls and other landscaping obstructing a utility or drainage easement or extending beyond the legal property boundary may be removed at the owner's expense.

(C) Landscape plans shall be submitted for all site and subdivision related applications where exterior construction and development activity will occur, except for the construction of an individual single-family or two-family dwelling.

(D) Landscape plans shall be prepared by a registered landscape architect for planned unit developments or development where there is greater than one acre of site disturbance.

(E) The following minimum number of plant materials shall be provided:

(1) All residential one and two-unit developments shall require two canopy trees per dwelling unit installed in the city right-of-way.

(2) All residential uses with three or more units and nonresidential uses shall provide:

(a) One canopy or evergreen tree per 25 lineal feet of street frontage.

(b) All structures must have foundation plantings consisting of shrubs, perennials and native grasses.

(c) All additions, expansions or additional structures shall require an additional two shrubs per 1,000 square feet of new construction.

(F) *Off-street parking area landscaping.*

(1) All off-street parking areas containing more than 50 stalls or two or more drive aisles must include landscaped, interior parking lot islands as follows:

(a) Islands are required at the end of each row of cars, at vehicle circulation aisles or driveways, or every 15 stalls, whichever is less.

(b) Islands shall be provided to separate pedestrian and vehicular traffic.

(c) Islands shall contain trees, shrubs, perennials and native grasses.

(d) Islands shall be bounded by a raised concrete curb or approved equivalent and shall contain mulch to retain soil moisture.

(e) Turf grass is permitted within landscaped areas located around the periphery of a parking lot.

(2) All open, off-street parking areas shall have a minimum of one square foot of landscaping per ten square feet of parking using trees, shrubs or ground cover plants. The preservation of existing trees, shrubs and other natural vegetation in the parking area may be included in the calculation of the required minimum landscape area.

(G) *All plant materials must:*

(1) Meet the minimum standards set by the American National Standards Institute in ANSI Z60.1 American Standard for Nursery Stock.

(2) Landscape species shall be indigenous or proven adaptable to the climate, but shall not be invasive species.

(3) Landscape materials shall be tolerant of specific site conditions, including but not limited to heat, drought and salt.

(4) Existing healthy plant material may be utilized to satisfy landscaping requirements, provided it meets the minimum plant size specified in this division.

(H) Not more than 30% of the required number of trees shall be of the same species.

(I) Trees and shrubs may be clustered and do not need to be evenly spaced.

(1) It is preferable that trees be located between the sidewalk and the curb, within the landscaped area of a boulevard or in tree wells installed in pavement or concrete.

(2) If placement of street trees within the right-of-way will interfere with utility lines, trees may be planted within the front yard setback adjacent to the sidewalk.

(J) The minimum size of plantings shall be as follows:

(1) Canopy trees – 2.5-inch caliper.

(2) Ornamental trees – 1.5-inch caliper.

(3) Evergreen tree – six-foot height.

(4) Deciduous or evergreen shrub – five-gallon pot.

(K) Mulch shall consist of shredded bark, chipped wood, or stone installed at a minimum depth of two inches. If stone is used it shall be spread over a permeable weed barrier fabric.

(L) All required plant materials shall be planted prior to issuing a certificate of occupancy.

(1) In the event that the project is completed during a time of year when planting is impractical, a performance guarantee meeting the requirements of and in the amount of the remaining improvements may be required.

(2) In such case that a performance guarantee is required, all landscaping shall be completed within one year after the certificate of occupancy has been issued.

(M) The continued maintenance of all required landscaping materials in a live and healthy state is a requirement of this code and is the responsibility of the owner and tenant of the property on which the materials are required.

(1) Plantings which have died shall be promptly replaced by the property owner in accordance with the landscape plan approved for the site.

(2) This requirement shall run with the land and be binding upon all future property owners.

(3) Failure to comply with this maintenance requirement shall be a violation of this section.

(N) Prior to the issuance of a building permit for all projects requiring approval of a landscape plan, the developers, contractor, or property owners shall deposit a security with the city to guarantee compliance with and to indemnify the city for any expenses incurred in enforcing the requirements of this section.

(1) Landscape security for all uses except one or two unit dwellings shall be in a form approved by the Departments and shall be equal to 125% of the estimated cost necessary to furnish and plant the required landscaping and any ancillary screening improvements such as fencing.

(2) The estimated cost shall be subject to approval by the city.

(Ord. 879, passed 10-28-2020)

Landscape Requirements

Intent: The purpose of these regulations is to implement orderly business development and the environmental goals from the Comprehensive Plan; to conserve higher quality existing site features during planning and construction; promote biodiversity and preserve the natural richness of the site; restore natural areas damaged by construction so the site can sustain its water, soil, and plant cover functions; and prevent construction and other developmental impacts from damaging off-site natural resources. General requirements shall apply to all zoning districts and include the following:

1. GENERAL LANDSCAPE REQUIREMENTS

A. Landscape Plan: When applicable and as a part of a project's permit review process, a landscape plan shall be submitted to the city providing all information required in the *Anycity Landscape Policy Guide*. The city shall base its permit decisions regarding the matters addressed in the landscape plan on the best practices described in the *Anycity Landscape Policy Guide*.

B. Areas Disturbed By Grading, Other Construction Activities, and Permanent Changes to the Site:

1. When a landscape plan is required for a development, it shall include the following information as regards on-and-off-site trees that may be affected by construction activities and permanent changes to the site:
 - a. The location and species of on-site and off-site trees having a trunk diameter of at least 8 inches measured at breast height (diameter at breast height or *DBH*) that have any part of its tree root protection zone (as defined in the *Anycity Landscape Policy Guide*) within the subject site.
 - b. The determination by a certified arborist whether the subject trees are classified as "Significant," "Desirable," or "Undesirable," based on generally acceptable arboriculture standards and as described in the *Anycity Landscape Policy Guide*.
 - c. Demonstration that no land-disturbing activities or permanent changes to the site will have a deleterious effect upon the tree root protection zones of either on-site or off-site trees categorized as "Significant" or "Desirable."
2. All areas disturbed by grading that are not built upon, paved, or retained as a natural area shall contain sod, be seeded, or defined as a landscape planting bed with approved vegetation, ground covers, shrubbery and trees with a mulch cover, unless specifically approved as part of the overall landscape plan.
3. A minimum of 75% of total vegetated area on the site shall be native to the local area. In addition, a minimum of 75% of all trees and shrubs, by quantity, are to be native material. Native is defined as naturally growing within a 200-mile radius of the site. The removal of existing, non-invasive vegetation is not required in order to achieve this threshold.³

³ Cities may choose to modify this language to accommodate the evolving practice of "managed relocation" or "assisted migration," which involves the intentional movement of flora and fauna into new areas where they are expected to thrive in response to climate change.

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4. Maintain or supplement the tree trunk area of the site so that there is no net loss of tree trunk area (square inches) at diameter at breast height (4.5 ft.). The calculation of pre-project tree trunk area may disregard existing trees less than 8 inches in diameter. Replaced tree trunk area may include trees of any diameter.

C. Prohibited Species: Prohibited species that shall not be planted within the city are identified in the *Anycity Landscape Policy Guide*.

D. Compliance: If the applicant and the city manager cannot agree on the proposed landscaping design, the applicant shall be required to make an application for a conditional use permit to prove compatibility.

E. Alternative compliance: The city manager may approve or recommend the city approve the substitution or reduction of landscaped plant materials, landscaped area, or other landscaping or screening standards upon finding any of the following:

1. The alternative meets the intent of this chapter and the site plan is similar in form, scale, and materials to existing features of the site and to surrounding development, and it includes amenities or improvements that address any adverse effects of the alternative. Site amenities may include but are not limited to additional open space, additional landscaping and screening, green roof, decorative or pervious pavers, state-of-the art stormwater management as described in the *Anycity Landscape Policy Guide*, ornamental metal fencing, architectural enhancements, transit facilities, bicycle facilities, preservation of natural features, restoration of previously damaged natural environment, and rehabilitation of existing structures and places that have been locally designated or have been determined to be eligible for local designation as having historic significance.
2. Strict adherence to the requirements is impractical because of site location or conditions and the proposed alternative meets the intent of this chapter.
3. Existing plant materials, walls, fences or the topography of the site and its surroundings make the required landscaping or screening less necessary.
4. The required landscaping or screening will hinder truck access and service necessary to the operation of the use.
5. The required landscaping and screening may obstruct views of traffic or reduce natural surveillance of the site.⁴

F. Alternative Landscape Options: The city encourages the use of special design features such as Xeriscaping, rain gardens/bio-retention systems, landscaping with native species, green rooftops, heat island reduction, and aesthetic design. All site development and redevelopment projects must include two (2) of the following alternative landscape options:

1. Xeriscaping: Xeriscaping is landscaping that uses plants that have low water requirements that make them able to withstand extended periods of drought.
2. Rain Gardens/Bio-retention Systems: Bio-retention systems are shallow, landscaped depressions commonly located in parking lot islands or within areas that receive stormwater runoff. For credit under this section, the rain garden/bio-retention system shall be aboveground and a visible part of the green or landscaped area. Stormwater flows into

⁴ Refer to the Crime Prevention Through Environmental Design (CPTED) principles in the *Anycity Landscape Policy Guide*.

Model Landscape Ordinance for a Municipal Zoning Code

the bio-retention area, ponds on the surface, and gradually infiltrates into the soil bed. Pollutants are removed by a number of processes including absorption, filtration, volatilization, ion exchange, and decomposition. Filtered runoff can either be allowed to infiltrate into the surrounding soil (functioning as an infiltration basin or rainwater garden), or discharged to the storm sewer or directly to receiving waters (functioning like a surface filter). The use of under-drain systems is discouraged unless where infiltration is prohibited by the water resources management plan.

3. Lake-scaping to preserve or restore the natural buffer along a shoreline: The buffer shall be at least thirty feet (30') wide and be planted with grasses and species of plants included in the *Anycity Landscape Policy Guide*.
4. Green Rooftops: Green rooftops are veneers of living vegetation installed atop buildings, from small garages to large industrial structures. Green rooftops help manage stormwater by mimicking a variety of hydrologic processes normally associated with open space. Plants capture rainwater on their foliage and absorb it in their root zone, encouraging evapotranspiration and preventing much stormwater from ever entering runoff streams. What water does leave the roof is slowed and kept cooler, a benefit for downstream water bodies. Green roofs are especially effective in controlling intense, short duration storms and have been shown to reduce cumulative annual runoff by fifty percent (50%) in temperate climates.
5. Aesthetic Design: Sites shall be designed to include three (3) of the following: public art, fountains, plazas, perennial beds, entrance landscaping and walls or fences, or other amenities reviewed and approved by the city.

G. *Anycity Landscape Policy Guide*: The city shall develop a document to be maintained by the city manager that will serve as a policy guide and a complement to the landscape regulations in the City Code. It shall describe best practices regarding all matters pertinent to permit decisions regarding landscaping including (but not limited to) technical requirements regarding the following:

1. Protection of trees and soils
2. Stormwater management and erosion control
3. Sun and wind orientation
4. Submission requirements for land use permits
5. Acceptable and unacceptable plants
6. Plant diversity definitions and goals
7. Crime Prevention Through Environmental Design
8. Contractor licensing requirements

2. LANDSCAPING REQUIREMENTS IN RESIDENTIAL DISTRICTS

A. Low-density Residential Districts:

1. Required Landscaping:
 - a. All front yards, boulevards, and side yards to the rear of the structure shall have sod, hydroseeding, or landscaping with mulch cover properly installed within sixty (60) days, weather permitting, after the home is constructed upon the lot, but no later than one hundred eighty (180) days after issuance of a building permit. During winter conditions, when plants cannot be installed due to weather, the city will issue a

Model Landscape Ordinance for a Municipal Zoning Code

temporary certificate of occupancy and specify a date for landscaping to be installed during the growing season.

- b. Silt fences shall be installed and maintained.
- c. Each lot shall have not less than one overstory tree for each 500 square feet of lot area or fraction thereof not occupied by buildings. At minimum, two (2) trees per lot shall be installed, in the front yard and side yard if facing a street, concurrently with sodding requirements.
- d. The lot shall have, at minimum, one overstory tree and either one ornamental tree or evergreen tree. The lot may have two (2) overstory trees as long as they are not identical species. This provision may be waived if existing trees meet the requirements of this subsection and are shown on the certificate of survey.
- e. All trees shall be planted on private property at least five feet (5') from the property line unless the city manager approves an alternative spacing.

B. Medium Density and High Density Residential:

- 1. At least fifty percent (50%) of the total site area shall be landscaped. For the purpose of this subsection, landscaping may also include prairies, wetlands, woodlands, ponds, pervious outdoor play areas, outdoor recreational courts, and outdoor swimming and wading pools.
- 2. All maintained landscaped areas shall have in-ground irrigation systems consistent with the specifications in the *Anycity Landscape Policy Guide* unless the city manager approves an alternative method.

3. LANDSCAPING REQUIREMENTS IN MULTIPLE-FAMILY RESIDENTIAL, BUSINESS, MIXED USE, AND INDUSTRIAL DISTRICTS

A. General Requirements: General requirements that shall apply in all multiple-family residential, business, mixed use, and industrial districts include the following:

- 1. Minimum Tree and Shrub Requirements: The landscape plan shall, at a minimum, provide at least the following required numbers of trees and shrubs. The shrub requirement shall be in addition to any shrubs required for screening in subsections A.4 and B of this section:
 - a. Two overstory trees per three thousand (3,000) square feet of the site not occupied by buildings.
 - b. One ornamental tree per one thousand five hundred (1,500) square feet of the site not occupied by buildings.
 - c. Two evergreen trees per three thousand (3,000) square feet of the site not occupied by buildings.
 - d. One deciduous or evergreen shrub per one hundred (100) square feet of the site not occupied by buildings.
 - e. A minimum of two (2) cubic feet of uncompacted, biologically healthy soil that allows healthy tree root growth shall be provided per one square foot of mature tree canopy.
 - f. Since construction activities can make soil unable to support trees, the above tree root volume requirement must be satisfied with undisturbed soils.
- 2. Building Perimeter Landscaping: At least fifty percent (50%) of the total building perimeter shall be sodded or landscaped with approved ground cover, shrubbery, and trees in an area of no less than six feet (6') in width.

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3. Heat-Island Reduction: To minimize impact on microclimate and on human and wildlife habitat, shading of parking lots is required. At least two overstory trees shall be planted for every five (5) parking stalls on site. To satisfy this requirement trees must be located at least four feet (4') and within ten feet (10') of a curb adjacent to any internal parking or drive area. Said trees shall count toward meeting the overall site green space and landscaping requirements identified by this chapter for the underlying zoning district.
4. Buffer Yards:
 - a. Buffer Yard Location: Where any business, institutional, or industrial use (i.e., structure, parking, or storage) abuts a residential zone or use, such business or industry shall provide a buffer yard and screening along the boundary of the residential property. The buffer area and screening shall also be provided where a business, institution, or industry is across the street from a residential zone or use, but not on that side of a business, institution, or industry considered to be the front as defined by the city.
 - b. Buffer Yard Design: Except in areas of steep slopes or where natural vegetation is acceptable, as approved by the city manager, buffer yards shall contain a combination of earth berms, plantings, or privacy fencing of a sufficient density to provide a minimum visual screen and a reasonable buffer to the following heights:
 - (1) Plantings: All designated buffer yards must be seeded or sodded except in areas of steep slopes where natural vegetation is acceptable as approved by the city manager. All plantings within designated buffer yards shall adhere to the following:
 - (a) Planting screens shall be fully irrigated, consist of healthy, hardy plants, at least six feet (6') in height and designed to provide a minimum year round opaqueness of eighty percent (80%) at the time of installation whenever screening or buffering is required.
 - (b) Plant material centers shall not be located closer than five feet (5') from the fence line and property line, and shall not conflict with public plantings, sidewalks, trails, etc.
 - (c) Landscape screen plant material shall be in two (2) or more rows. Plantings shall be staggered in rows unless otherwise approved by the city.
 - (d) Shrubs shall be arranged to lessen the visual gaps between trees. Along arterial streets, all plantings of deciduous trees shall be supplemented with shrubs such that the buffer yard contains a continuous band of plants.
 - (e) Deciduous shrubs shall not be planted more than four feet (4') on center, and/or evergreen shrubs shall not be planted more than three feet (3') on center.
 - (f) Where parking or loading areas front on a public street or path, there shall be at least one canopy tree per 25 linear feet or fraction thereof of frontage. Deciduous trees intended for screening shall be planted not more than forty feet (40') apart. Evergreen trees intended for screening shall be planted not more than fifteen feet (15') apart.
 - (2) Walls And Fences: All walls and fences erected within designated buffer yards shall meet the following conditions:
 - (a) A screening fence or wall shall be constructed of attractive, permanent finished materials compatible with those used in construction of the permanent structure. Such screens shall be at least six feet (6') in height and provide a minimum opaqueness of eighty percent (80%).

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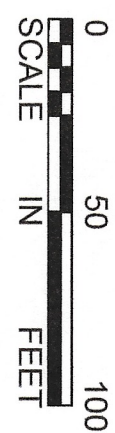
- (b) Fences may be exposed no more than a maximum length of twenty feet (20') between landscaping areas or clusters.
- (c) For interior lots, a gate constructed of the same material as the fence shall be provided in the wall or fence to allow for maintenance of the street side boulevard.
- (d) Fences and landscaping shall not be located within the traffic sight visibility (as defined by the National Association of City Transportation Officials or an approved equivalent).
- (3) Earth Berms: Earth berms shall adhere to the following:
 - (a) Except in areas of steep slopes or where other topographic features or physical characteristics will not permit, as determined by the city engineer, an earth berm shall be installed in all designated buffer yards in accordance with the following requirements:
 - i. Berms shall be a minimum of four feet (4') in height.
 - ii. The slope of the earth berm shall not exceed a three to one (3:1) slope unless approved by the city engineer.
 - iii. The earth berm shall contain no less than four inches (4") of topsoil.

B. Parking Lot Landscaping Requirements: The following shall apply to all new development and redevelopment of parking lots for expansions creating five thousand (5,000) square feet or more of impervious surface or disturbance of one-half ($\frac{1}{2}$) acre or more of land.

- 1. Parking Lot Screening: Parking lot screening shall be designed to reduce the visual impact of surface parking lots; mitigate glare from headlights; improve the aesthetic quality of the area for users of the site, adjacent sites, roadways, and sidewalks; and define the perimeter of the parking lot as follows:
 - a. Off Street Parking Containing Six Or More Parking Spaces: Parking lot screening must be provided between those portions of an off street parking area containing six (6) or more parking spaces and a different zoning district or a public street.
 - c. Parking Lot Screening Standards:
 - (1) Parking lot screening must be provided within ten feet (10') of the perimeter of the parking lot to be screened, except for parking lots adjacent to rain gardens/bio-retention systems, other landscape features, or where screening may impact the traffic sight visibility triangle (as defined by the National Association of City Transportation Officials or an approved equivalent).
 - (2) Parking lot screening shall be not less than eighty percent (80%) opaque and be a minimum of three feet (3') and a maximum of four feet (4') in height as measured from the adjacent finished surface of the parking area. When shrubs are used to provide the screen, such shrubs must be at least two feet (2') tall at planting and anticipated to grow to at least three feet (3') tall at maturity.
 - (3) No landscaping or screening shall interfere with driver or pedestrian visibility for vehicles entering or exiting the premises.
 - (4) Screening for a parking lot may be comprised of one hundred percent (100%) evergreen planting materials.
 - d. Content: Parking lot screening must consist of at least two (2) of the following:

Model Landscape Ordinance for a Municipal Zoning Code

- (1) A compact hedge of evergreen or densely twigged deciduous shrubs spaced to ensure closure into a solid hedge at maturity.
 - (2) A berm with plantings as described above.
 - (3) Transit shelters, benches, bicycle racks, and similar features may be integrated as a part of the screen.
 - (4) Fencing may be integrated as part of the screen. All wood fencing shall be stained and sealed with a weatherproof product.
2. Parking Island Design: Off street parking areas with at least twenty-five (25) parking stalls shall contain interior landscaped islands. Such islands shall be bounded by a raised concrete curb, pervious curbing, or an approved equivalent, and shall contain mulch (as prescribed by the *Anycity Landscape Policy Guide*) to retain soil moisture. This provision shall not apply to parking structures. The standards for landscape islands are as follows:
 - a. Landscape parking lot islands shall be required at the beginning and end of each parking row and shall contain a minimum of one hundred eighty (180) square feet and a minimum width of nine feet (9').
 - b. A minimum of one overstory tree shall be provided for each island with soil volumes as prescribed in sections 3.a.1.e. and f. The design shall inhibit damage to the tree root protection zone as defined by the *Anycity Landscape Policy Guide*.
 - c. Shrubs, perennials or ornamental grass shall be incorporated in each landscaped island that does not contain a tree.
 - d. Islands shall be prepared with healthy topsoil to a depth of two feet (2') and improved to ensure adequate drainage, nutrient, and moisture retention levels for the establishment of plantings.
 - e. All perimeter and interior landscaped areas in parking lots shall be equipped with a permanent irrigation system, unless drought tolerant plant materials are used exclusively. Where drought tolerant plant materials are used, irrigation shall be required only for the two (2) year period following plant installation and may be accomplished using hoses, water trucks, or other nonpermanent means.
3. Orientation: Where practical, tree plantings shall be grouped and oriented in response to the sun and wind consistent with the requirements in the *Anycity Landscape Policy Guide*.



WSE + MASSEY
INCORPORATED
 Engineering & Surveying

PH. NO. 507-634-4505
 PLANS@WSE-ENGINEERING.COM
 WWW.WSE-ENGINEERING.COM

KASSON OFFICE
 P.O. BOX 100
 33 B. VETERANS
 MEMORIAL HIGHWAY
 KASSON, MN 55944

PLAINVIEW OFFICE
 320 WEST BROADWAY
 SUITE 3
 PLAINVIEW, MN 55964

ROCHESTER OFFICE
 1712 RESTORATION
 DRIVE SW
 ROCHESTER, MN 55902

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the State of Minnesota.

Les Conway
23292 11/01/2023
Number Date

[illegible]

LANDSCAPE PLAN
MN AG GROUP
KASSON, MINNESOTA

SCALE: _____ 1"=50'

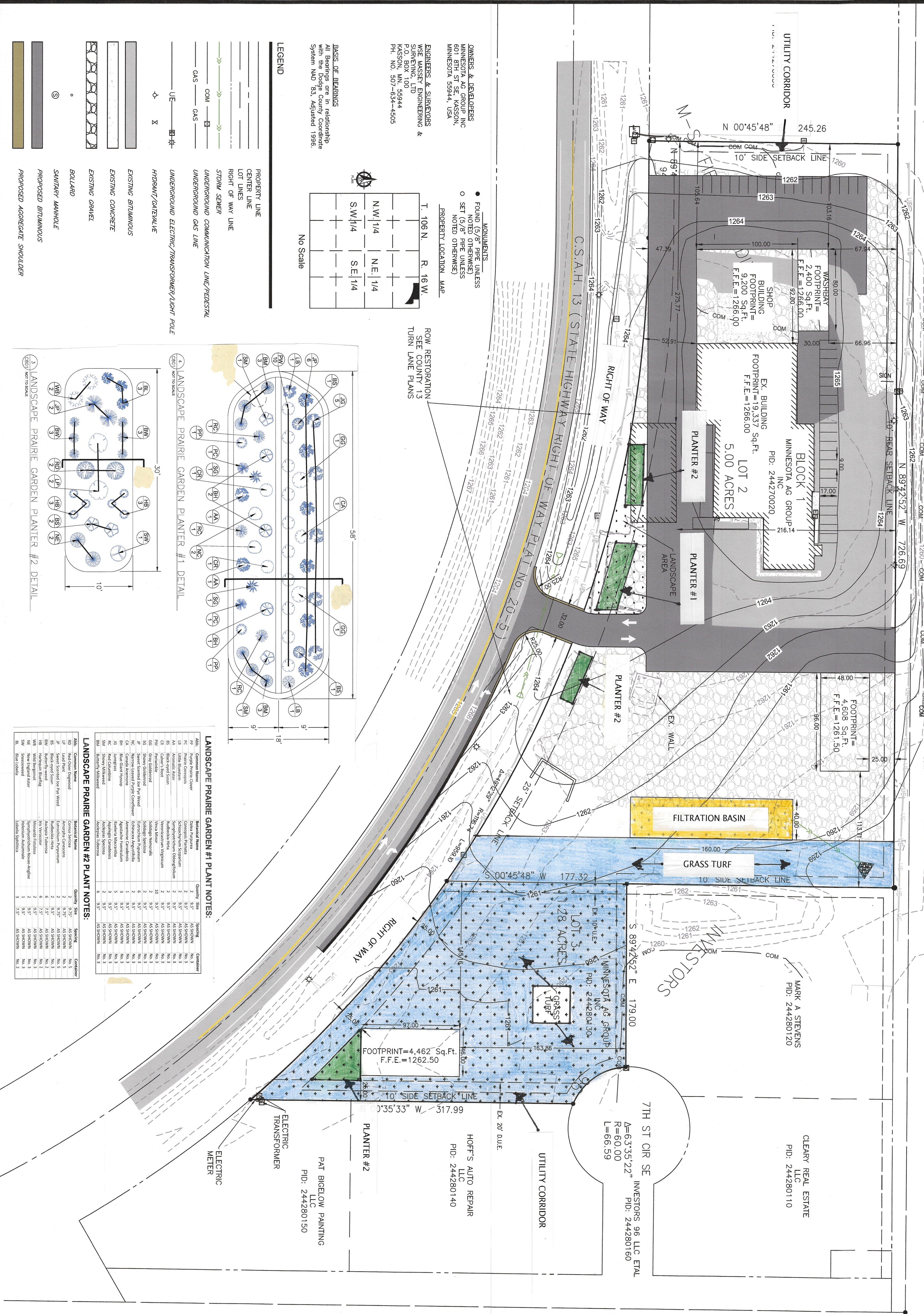
DATE: _____ 11/01/2023

DRAWN BY: _____ PRIMAVERSE

JOB NUMBER: _____ 4403

DWG. FILE: _____ 4403.SP

Sheet 9 of 9



LANDSCAPE PRAIRIE #1 PLANT NOTES:						
Abbs	Common Name	Botanical Name	Quantity	Spacing	Container	
1	Prickly Pear Cactus	<i>Cylindropuntia</i>	2	9.5"	NO.3	
2	Little Bluestem	<i>Andropogon scoparius</i>	2	9.5"	NO.3	
3	Little Bluestem	<i>Andropogon scoparius</i>	2	9.5"	NO.3	
4	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
5	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
6	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
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60	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
61	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	

LANDSCAPE PRAIRIE GARDEN #2 PLANT NOTES:						
Abbs	Common Name	Botanical Name	Quantity	Spacing	Container	
1	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
2	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
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29	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
30	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
31	Assorted Aster	<i>Syrnophora integrifolia</i>	2	9.5"	NO.3	
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M e m o r a n d u m

To: Ian Albers/City of Kasson

From: Les Conway/WSE Massey

Copy:

Date: November 28, 2023

Re: Landscape Plan for MN AG Group Expansion

As per our discussions on November 16, 2023, we have prepared a landscape plan with more details for your review. The landscape plan offers four (4) dense planter areas with State of Minnesota approved prairie species. The east portion of the site will be grass turf.

In our discussions, we spoke about trees and bushes/shrubs. This criterion was outlined in Section 154.310. For the MN AG Group Expansion, we are requesting a deviation from the tree and shrub requirements of Section 154-310.

Bigelow Homes developed this commercial business park about 20 years ago. Discussions with Tony Bigelow indicate that dense landscaping requirements were intentionally avoided during development. Most of the commercial sites do not have any trees and that was intentional. Dodge County did not want any trees as obstructions in the ROW or in line with driveways for line-of-sight distances. The HC/Highway Commercial zoning is designed for clear viewing from the County and State roads. This takes advantage of high traffic counts. There is a good justification to avoid trees and shrubs in this development based on the zoning and use.

The MN AG Group site has additional restrictions. The north side of the site is Hwy 14 ROW. Again, this side of the site is intended to take advantage of high visibility and the Hwy 14 traffic counts. The south side of the site is County Road 13 ROW. Dodge County would prefer this area to remain clear and free of any site obstructions. The west property line has electrical and communication utilities.

MN AG Group sells and leases farm and agriculture equipment. Much of this equipment is very large. Trees and shrubs would be an added restraint across the site for maneuvering and loading.

Please evaluate the dense planting areas and the grass turf as adequate landscaping for the MN AG Group Expansion. It will be very beneficial to avoid the encumbrances from heavy tree and shrub plantings.

MN AG and 7th St Businesses

Lau

Saker's Sports Bar & Grill

Minnesota Ag Group, Inc. - Kasson

BISHOP & WACHHOLZ, INC

Hoff Auto Repair

KA Moe & Associates Acco

Google Earth

300 ft

Commercial Park

Hotel and Restaurant

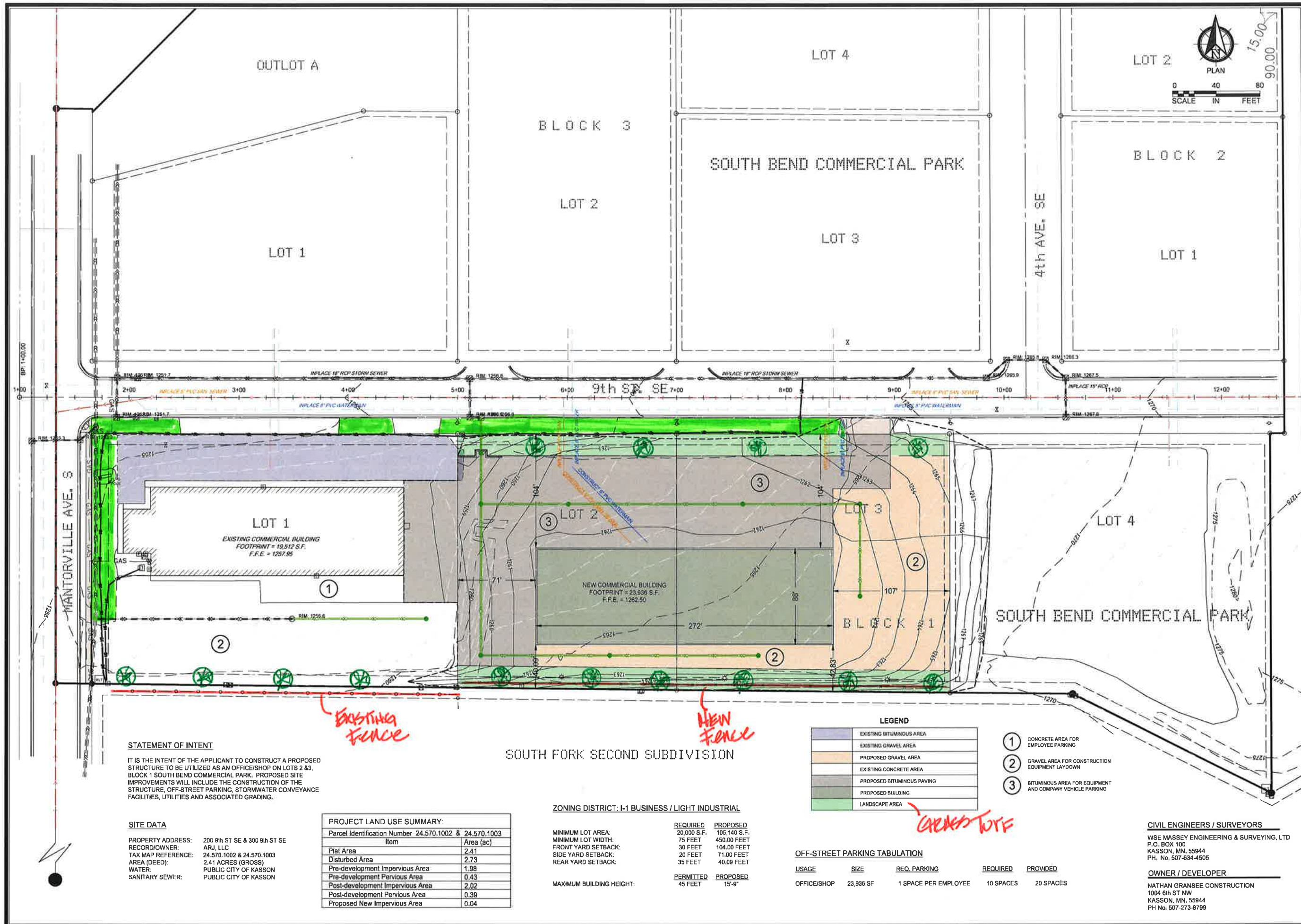
Legend



Google Earth

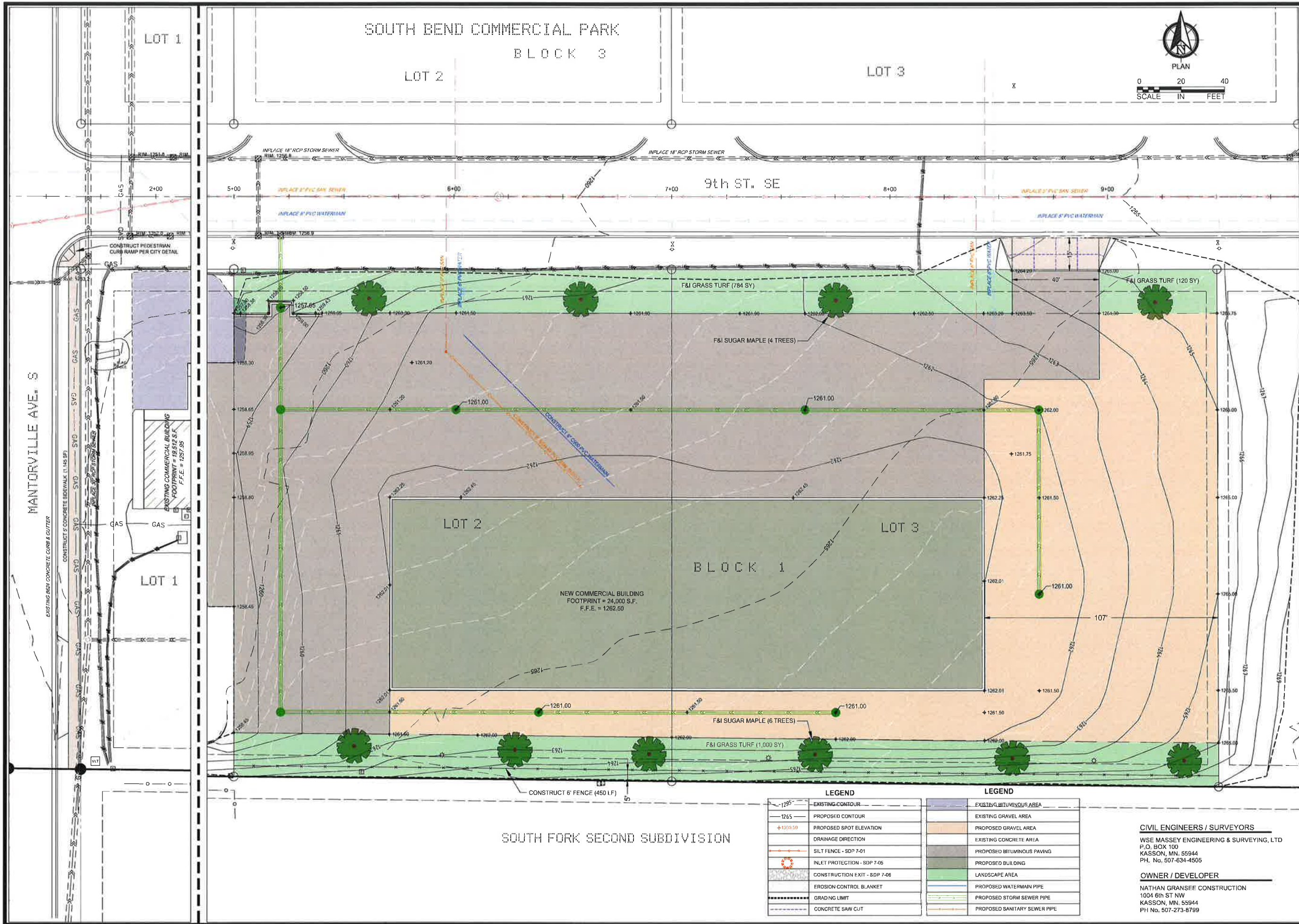


200 ft



137-234389 CG01.dwg

10/30/2023 3:28:30 PM



PH. NO. 507-634-4505
PLANS@WSE.ENGINEERING
www.wse.engineering

KASSON OFFICE
P.O. BOX 100
33 B E VETERANS
MEMORIAL HIGHWAY
KASSON, MN 55944

PLAINVIEW OFFICE
320 WEST BROADWAY
SUITE 3
PLAINVIEW, MN 55964

ROCHESTER OFFICE
1712 RESTORATION
DRIVE SW
ROCHESTER, MN 55902

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

Les Conway
Les Conway
23292 10/30/2023
Number Date

LANDSCAPE PLAN
A&A ELECTRIC BUILDING EXPANSION
KASSON, MINNESOTA

SCALE: AS SHOWN
DATE: 10/30/2023
DRAWN BY: CJK
JOB NUMBER: 137-234389
DWG. FILE: 137-234389 CG01

CIVIL ENGINEERS / SURVEYORS
WSE MASSEY ENGINEERING & SURVEYING, LTD
P.O. BOX 100
KASSON, MN. 55944
PH. No. 507-634-4505

OWNER / DEVELOPER
NATHAN GRANSEE CONSTRUCTION
1004 6th ST NW
KASSON, MN. 55944
PH No. 507-273-8799

Memorandum

To: Ian Albers/City of Kasson

From: Les Conway/WSE Massey

Copy:

Date: January 3, 2024

Re: Landscape Plan for A&A Underground Electric Expansion

For the A & A Underground Electric Expansion, we are requesting a deviation from the tree and shrub requirements of Section 154-310.

Bigelow Homes developed this commercial business park about 20 years ago. Discussions with Tony Bigelow indicate that dense landscaping requirements were intentionally avoided during development. Most of the commercial sites do not have any trees and that was intentional. Dodge County did not want any trees as obstructions in the ROW or in line with driveways for line-of-sight distances. The HC/Highway Commercial zoning is designed for clear viewing from the County and State roads. This takes advantage of high traffic counts. There is a good justification to avoid trees and shrubs in this development based on the zoning and use.

The A & A Underground Electric site has additional restrictions. The south boundary of the site abuts a residential area. There is a fence line between the residential area and the existing A & A building. The fence line is on the residential side of the property line. It is recommended that 4 trees be planted along the fence line on the A & A side of the property line. The new expansion area will also have a new fence along the property line and 6 new trees. There will also be grass turf along the new south property line. The north property line along the expansion can also include 4 trees and grass turf.

Please evaluate the trees and the grass turf as adequate landscaping for the A & A Underground Electric Expansion.

Commercial Park

A&A Electric

Legend



9th St SE

245th Ave

A & A Electric & Underground...

Southfork Dr SE

Southfork Dr SE

Google Earth

200 ft



Commercial Park

Kwik Trip

Legend

Midwest Floor Solutions

Baymont by Wyndham Kasson Rochester

CAT Scale

KWIK TRIP #619

Google Earth



200 ft

MEMO

TO: The Planning Commission
FROM: Ian Albers, Community Development Assistant
DATE: January 8, 2024
RE: Resolution for Edge Apartments TIF District

Now that the platting of the Vail Second Subdivision has been completed, the City and the developer of the proposed Edge Apartments are in the process of establishing a TIF District. There are a few items that the Planning Commission must review as a necessary piece of establishing a TIF District – these are included in the following draft TIF Plan.

Modified Municipal Development District No. 1 – see page 15 of the TIF Plan

The Municipal Development District No. 1 is meant to be coterminous with Kasson's city limits. As Kasson's city limits have changed since the last time a new TIF District was created, there is a need to modify the MDD boundaries to reflect these changes.

Tax Increment Financing District No. 1-19 – see pages 15-16 of the TIF Plan

The Tax Increment Financing District No. 1-19 defines the specific area that will be subject to the rules of TIF and will ultimately receive the financial assistance provided through TIF. In this case, the TIF District will include all of Lot 2, Block 1 of the Vail Second Subdivision.

The Planning Commission is asked to recommend approval of the following resolution regarding the modification of Municipal Development District No. 1 and the establishment of Tax Increment Financing District No. 1-19.

DRAFT

City of Kasson, Minnesota

Modified Development Program for
Municipal Development District No. 1

&

Tax Increment Financing Plan for
Tax Increment Financing District No. 1-19
(Edge Apartments Housing Project)

Public Hearing: January 24, 2024



DDA

David Drown Associates, Inc.
Public Finance Advisors

Minneapolis Office:
5029 Upton Avenue South
Minneapolis, MN 55410
612-920-3320 (phone); 612-605-2375 (fax)
www.daviddrown.com

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Modified Development Program for Municipal Development District No. 1

Amended Sections Only

Introduction

The City of Kasson has been approached by Access Development LLC for TIF assistance in conjunction with the development of 48-unit multi-family housing project which will provide access to rental housing for low and moderate-income families as required by the TIF Act. Since the approval of the last TIF District, the City's corporate limits have changed, and the City wishes to clarify the boundaries of Municipal Development District No. 1.

Municipal Development District No. 1, as amended, was originally approved on September 18, 1985. This current amendment is prepared in conjunction with the proposed creation of Tax Increment Financing District No. 1-19. Sections of the Development Program are amended as follows:

NARRATIVE BOUNDARY DESCRIPTION OF MUNICIPAL DEVELOPMENT DISTRICT NO. 1

The boundaries of Municipal Development District No. 1 are hereby modified to be coterminous with the current corporate limits of the City of Kasson. The City reserves the right to adjust the boundaries of the Development District in the future.

Tax Increment Financing Plan for Tax Increment Financing District No. 1-19

Section 1 Definitions

The terms defined in this section have the meanings given herein, unless the context in which they are used indicates a different meaning:

"City" means the City of Kasson, Minnesota.

"County" means Dodge County, Minnesota.

"County Board" means the County Board of Commissioners.

"Developer" means any person undertaking construction or renovation of taxable property within the Project Area, including Access Development LLC, their successors and assigns.

"Development Program" means the Development Program for Municipal Development District No. 1.

"Project" means the development of a 48-unit apartment complex along with any associated site and public improvements.

"Project Area" means the geographic area of the Development District.

"School District" means the Independent School District No. 204.

"State" means the State of Minnesota.

"TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1794, both inclusive.

"TIF District" means Tax Increment Financing District No. 1-19.

"TIF Plan" means the tax increment financing plan for the TIF District (this document).

Section 2 Statement of Need and Public Purpose

See the Development Program, as amended, for Municipal Development District No. 1 which is on file at the City Administrator's office at City Hall in Kasson.

Section 3 Statutory Authorization

The City is empowered under the provisions of the TIF Act to establish a tax increment financing district.

Section 4 Statement of Objectives

The objectives of this tax increment financing plan are consistent with the objectives outlined in the Development Program, as amended, for Municipal Development District No. 1.

Section 5 Specific Development Expected to Occur in the TIF District

Access Development LLC (the "Developer") has proposed to develop and construct an affordable, multi-family housing project (48 units) on a vacant site along 8th Avenue SW in the City of Kasson. The Project is commonly referred to as "Edge Apartments." The Developer intends to maximize the affordability of the units and is pursuing low-income housing tax credits. However, additional local support is necessary for the Project to cash flow. As such, the City intends to provide Tax Increment Financing assistance, on a "pay as you go" basis, to reimburse the Developers for eligible site improvement expenses.

Section 6 Property to be Included in the TIF District

The Project location is currently part of tax parcel no. 24.650.0010 which is in the process of being subdivided. As such, the parcel number for the TIF District is unknown at this time. However, it will encompass all of Lot 2, Block 1 of the Vail Second Subdivision once the subdividing process is complete.

A map showing the location of the TIF District is shown in Exhibits 1a and 1b, and the estimated original value is summarized in Exhibit 2.

The area encompassed by the TIF District shall also include all street rights-of-way and utility or drainage easements located upon or adjacent to the property described in Exhibits 1a, 1b, and Exhibit 2.

Section 7 Estimated Sources and Uses of Funds (Public Costs)

The estimated costs of the proposed development in the TIF District which are eligible for reimbursement with tax increments and the projected sources of revenue available to fund these costs are summarized below.

Uses of Funds (Public Costs)

<u>Capital Costs:</u>	
Site Improvements	<u>251,831</u>
Subtotal Capital Costs	251,831
<u>Finance Costs:</u>	
Bond & Note Interest Payments	196,157
<u>Administrative Costs:</u>	
Administrative Costs	<u>49,776</u>
TOTAL USES OF FUNDS	497,764

Sources of Funds

Tax Increment	<u>497,764</u>
TOTAL SOURCES OF FUNDS	497,764

The City reserves the right to adjust the amount of Capital and Administrative line items listed above or to incorporate additional eligible items, so long as the total Capital and Administrative costs are not increased (\$301,607). Adjusting financing costs, principal or interest, will require a public hearing and formal TIF Plan modification process pursuant to Minnesota Statutes Section 469.175 Subd. 4. The City also reserves the right to fund any of the identified costs with any other legally available revenues but anticipates that such costs will be primarily financed with tax increments. Therefore, the total estimated costs to be financed with tax increments, including capital costs, administrative costs and financing costs (interest) is \$497,764.

Section 8 Estimated Impact on Other Taxing Jurisdictions

Exhibit 4 shows the estimated impact on other taxing jurisdictions if the projected Retained Captured Net Tax Capacity of the TIF District were hypothetically available to the other jurisdictions. The City believes that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District, since only limited development would have occurred without the establishment of the TIF District and the provision of public assistance. A positive impact on other taxing jurisdictions will occur when the TIF District is decertified and the development therein becomes part of the general taxbase.

Section 9 Fiscal and Economic Implications

M.S. Section 469.175 Subdivision (2b) requires a specific description of the fiscal and economic implications of the proposed TIF District on City-provided services, plus an estimate of the total TIF that will be generated over the life of the TIF District attributable to each taxing jurisdiction.

City Service Costs. The proposed project will result in a new 48-unit apartment complex. While sizeable, the expected impact on general government and administration expenses is actually expected to be minor as the project essentially provides for infill development within the City.

The City proposes to assist the Developer by financing site improvement costs via the issuance of a pay-as-you-go contract. As such, the tax impact on existing taxpayers is expected to be minimal.

This type of assistance does not impede the City's ability to issue General Obligation bonds in the future.

TIF Attribution. The City projects TIF collections will total \$497,764 over the life of the TIF District. Assuming current tax rates remain unchanged, \$240,745 will come from the City share of taxes; \$150,452 from the County share, and \$106,566 from the School share.

Section 10 Property to be acquired in the TIF District

The Developer is in the process of acquiring all property to be included in the TIF District. See Exhibits 1a, 1b, and Exhibit 2.

Section 11 Estimated Amount of Bonded Indebtedness

The City reserves the right to issue G.O. TIF bonds, or any other type of allowable bonds (including interfund loans) in an amount not to exceed \$301,607.

Section 12 Designation of TIF District as a Housing District

The Tax Increment District qualifies as a housing district. A housing district is a type of tax increment financing district which consists of a project intended for occupancy, in part, by persons or families of low and moderate income. Low and moderate income is defined by federal, state, and sometimes local legislation. A housing district may contain and provide assistance to commercial, retail, or other nonresidential uses, as long as the square footage of these uses does not exceed 20% of the total square footage of buildings in the TIF District. No assistance may be provided to these uses, however.

Housing districts are subject to various income limitations. For owner occupied residential property, 95% of the housing units must be initially purchased and occupied by individuals whose family income is less than or equal to the income requirements for qualified mortgage bond projects under Section 143(f) of the Internal Revenue Code. Generally, the initial occupants must have incomes of 100% or less of statewide median income for families of two or less, and 115% of statewide median income for families of three or more. For residential rental property, the property must satisfy the income requirements for a qualified residential rental project as defined in Section 142(d) of the Internal Revenue Code. This requires that at least 40% of the units are rented to families with incomes at or below 60% of county median income, or 20% of the units rented to families with incomes at or below 50% of county median income, adjusted for family size. These requirements apply for the life of the District.

The City will assure housing development within the District meets the above criteria. The City reserves the right, however, to remove property from the TIF District to accommodate proposed housing development(s) that do not meet these criteria.

Section 13 Original Net Tax Capacity

The County Auditor shall certify the Original Net Tax Capacity of the TIF District, which will be the total Net Tax Capacity of all property in the TIF District as certified by the State Commissioner of Revenue. For districts certified between January 1 and June 30, inclusive, this value is based on the previous assessment year. For districts certified between July 1 and December 31, inclusive, this value is based on the current assessment year.

The Estimated Market Value of all property within the TIF District as of January 1, 2023 for taxes payable in 2024 is estimated at \$77,653. Based on this amount, the Original Net Tax Capacity of the TIF District is estimated at \$194. However, since the request for certification will not be made until on or after July 1, 2024, the actual Original Tax Capacity will be based taxes payable 2025 (value assessed on January 1, 2024).

Each year the County Auditor will certify the amount that the Original Net Tax Capacity has increased or decreased as a result of:

1. changes in the tax-exempt status of property;
2. reductions or enlargements of the geographic area of the TIF District;
3. changes due to stipulation agreements or abatements; or
4. changes in classification rates.

Section 14 Original Local Tax Rate

The County Auditor will also certify the Original Tax Capacity Rate of the TIF District. This rate is the sum of all local tax rates that apply to property in the TIF District. This rate must match the same taxes payable year as the Original Net Tax Capacity.

In future years, the amount of tax increment generated by the TIF District will be calculated using the lesser of (a) the sum of the current local tax rates at that time or (b) the Original Tax Capacity Rate of the TIF District.

The sum of all local tax rates that apply to property in the TIF District for taxes levied in 2023 and payable in 2024 is **119.726%**. The final Original Local Tax Rate may be higher or lower than this value because the request for certification will take place on or after July 1, 2024. This means the Original Local Tax Rate will be based upon taxes payable 2025, which is unknown at this time. The Pay 2024 rates are used for estimation purposes only.

<u>Taxing Jurisdiction</u>	<u>Payable 2024 Tax Rate</u>
City of Kasson	57.906%
Dodge County	36.188%
ISD # 204*	25.632%
Other	0.000%
Total	119.726%

** The operating referendum market value tax rate for the School District is not captured by the TIF District. Also, Minnesota Statutes Section 469.177 Subd. 1a was amended in 2013 redefining what portion of the local school district tax capacity rate will be used in calculating tax increments. Specifically, this amendment now excludes that portion of the school rate attributable to the general education levy under Section 126C.13. The rate shown is an estimate of the applicable rate.*

Section 15 Projected Retained Captured Net Tax Capacity and Tax Increment

Each year the County Auditor will determine the current Net Tax Capacity of all property in the TIF District. To the extent that this total exceeds the Original Net Tax Capacity, the difference is known as the Captured Net Tax Capacity of the TIF District. It is the City's intention to retain 100% of the Captured Net Tax Capacity of the TIF District. Such amount shall be known as the Retained Captured Net Tax Capacity of the TIF District.

Exhibit 3 estimates the total amount of retained net captured tax capacity, gross tax increments, adjustments, and the net tax increment revenues which will be available annually and cumulatively over the life of the TIF District.

Section 16 Statutory Duration of the TIF District

Housing districts may remain in existence through the end of the 25th year following receipt of the first tax increment, resulting in 26 TIF collections. The City anticipates that the TIF District will receive the first increment payment in 2026 and elects to have the first collection year be 2026. The District is expected to remain in existence the maximum duration allowed by law (projected to be through 2051). Modifications of this plan (see Section 28) shall not extend these duration limits.

Section 17 Use of Tax Increments – Housing Districts

Tax increments derived from a housing district must be used solely to finance the costs of housing projects defined in Section 12. The cost of public improvements directly related to the housing projects and the allocated administrative expenses of the City may be included in the cost of a housing project.

Section 18 Use of Tax Increments – General

Each year the county treasurer will deduct an estimated 0.36% of the annual tax increment generated by the TIF District and pay such amount to the state general fund. Such amounts will be appropriated to the state auditor for the cost of financial reporting and auditing of tax increment financing information throughout the state. Exhibit 3 shows the projected deduction for this purpose over the anticipated life of the TIF District.

The City has determined that it will use 100% of the remaining tax increment generated by the TIF District for any of the following purposes:

1. pay for the estimated public costs of the TIF District (including administrative expenses, see Section 7) and City administrative costs associated with the TIF District (see Section 22);
2. pay principal and interest on tax increment bonds, notes or other financial obligations issued to finance the public costs of the TIF District;
3. accumulate a reserve securing the payment of tax increment bonds or other bonds issued to finance the public costs of the TIF District;
4. pay all or a portion of the county road costs as may be required by the County Board under M.S. Section 469.175, Subdivision 1a; or
5. return excess tax increments to the County Auditor for redistribution to the City, County and School District in proportion to their local tax capacity rates.

Tax increments from property located in one county must be expended for the direct and primary benefit of a project located within that county, unless both County Boards involved waive this requirement. Tax increments shall not be used to circumvent levy limitations.

Tax increment cannot be used to finance the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the State or Federal government. This prohibition does not apply to the construction or renovation of a parking structure, a common area used as a public park, or a facility used for social, recreational, or conference purposes and not primarily for conducting the business of the community.

If any type of agreement or arrangement exists providing for the developer, or other beneficiary of assistance, to repay all or a portion of the assistance that was paid or financed with tax increments, such payments shall be subject to all of the restrictions imposed on the use of tax increments. Assistance includes sales of property at less than the cost of acquisition or fair market value, grants, ground or other leases at less than fair market rent, interest rate subsidies, utility service connections, roads, or other similar assistance that would otherwise be paid for by the developer or beneficiary.

Section 19 “Green Acres”

A TIF District may NOT include parcels that qualified as “green acres” in any of the five (5) years preceding the request for certification, unless 85% of development in the district is restricted to qualified manufacturing or distribution facilities directly related to production of tangible personal property and paying at least 90% of its employee’s wages equal to or greater than 160% of the federal minimum wage, or the development in the district is a qualified housing project.

None of the property to be included in this TIF District has been enrolled in the Green Acres Program in the past five years.

Section 20 4-Year Knock-Down Rule

If after four years from certification of the TIF District no demolition, rehabilitation, renovation, or qualified improvement of an adjacent street has commenced on a parcel located within the TIF District, then that parcel shall be excluded from the TIF District and the Original Net Tax Capacity shall be adjusted accordingly. Qualified improvements of a street are limited to construction or opening of a new street, relocation of a street, or substantial reconstruction or rebuilding of an existing street. The City must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the City or owner of the parcel subsequently commences any of the above activities, the City shall certify to the County Auditor that such activity has commenced, and the parcel shall once again be included in the TIF District. The County Auditor shall certify the Net Tax Capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the Original Net Tax Capacity of the TIF District.

Section 21 Tax Increment Pooling – 5-year Rule

At least 80 percent of tax increments from the Tax Increment Financing District No. 1-19 must be expended on activities in Tax Increment Financing District No. 1-19 or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities within said district or to pay, or secure payment of, debt service on credit enhanced bonds, provided that in the case of a housing district, a housing project as defined in Minnesota Statutes, Section 469.174, Sub. 11, is deemed to be an activity in the District, even if the expenditure occurred after five years. Not more than 20 percent of said tax increments may be expended, through a development fund or otherwise, on activities outside of Tax Increment Financing District No. 1-19 except to pay, or secure payment of, debt service on credit enhanced bonds, provided that in the case of a housing district, a housing project as defined in Minnesota Statutes, Section 469.174, Sub. 11, is deemed to be an activity in the District, even if the expenditure occurred after five years. For purpose of applying this restriction, all administrative expenses must be treated as if they were solely for activities outside of Tax Increment Financing District No. 1-19.

Tax increments derived from Tax Increment Financing District No. 1-19 shall be deemed to have satisfied the 80 percent test set forth in the paragraph above only if the five year rule set forth in Minnesota Statutes, Section 469.1763, Sub. 3, has been satisfied; and beginning with the sixth year following certification of Tax Increment Financing District No. 1-19, 80 percent of said tax increments that remain after expenditures permitted under said five year rule must be used only to pay previously committed expenditures or credit enhanced bonds as more fully set forth in Minnesota Statutes, Section 469.1763, Sub. 5, provided that in the case of a housing district, a housing project as defined in Minnesota Statutes, Section 469.174, Subd. 11, is deemed to be an activity in the District, even if the expenditure occurred after five years.

The City elects the option provided by M.S. 469.1763 to increase the amount of expenditures permitted outside the District by up to an additional 10%. However, these expenditures are limited to assisting housing which meets the requirements of a low-income housing building defined under section 42(c) of the Internal Revenue Code.

Section 22 Excess Tax Increment

On December 31st of each year, the City must determine the amount of excess increments for the TIF District. See M.S. Section 469.176 subdivision 2 for a complete definition. Excess increments may only be used to:

1. prepay any outstanding tax increment bonds, notes or other obligations;
2. discharge the pledge of tax increments thereon.
3. pay amounts into an escrow account dedicated to the payment of the tax increment bonds, notes or other obligations; or
4. return excess tax increments to the County Auditor for redistribution to the City, County and School District in proportion to their local tax capacity rates. The County Auditor must report to the Commissioner of Education the amount of any excess tax increment redistributed to the School District within 30 days of such redistribution.

Allocation of excess increments must be completed by September 30th in the year following the year in which the excess increments were generated.

Section 23 Limitation on Administrative Expenses

Administrative expenses are defined as all costs of the City other than:

1. amounts paid for the purchase of land;
2. amounts paid for materials and services, including architectural and engineering services directly connected with the proposed development within the TIF District;
3. relocation benefits paid to, or services provided for, persons or businesses located within the TIF District; or

4. amounts used to pay principal or interest on, fund a reserve for, or sell at a discount, tax increment bonds.
5. amounts used to make payments on other financial obligations used to finance costs outlined above.

Administrative expenses include amounts paid for services provided by bond counsel, fiscal consultants, planning or economic development consultants, and actual costs incurred by the City in administering the TIF District. Tax increments may be used to pay administrative expenses of the TIF District up to the lesser of (a) 10% of the total estimated public costs authorized by the TIF Plan or (b) 10% of the total tax increment expenditures of the project.

Section 24 Prior Planned Improvements

The City shall accompany its request for certification to the County Auditor with a listing of all properties within the TIF District for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan. The County Auditor shall increase the Original Net Tax Capacity of the TIF District by the Net Tax Capacity of each improvement for which a building permit was issued.

No permits were issued in the prior 18 months.

Section 25 Development Agreements

If more than 10% of the acreage of a project (which contains a housing district) is to be acquired by the City with proceeds from tax increment bonds then, prior to such acquisition, the City must enter into an agreement for the development of the property. Such agreement must provide recourse for the City should the development not be completed.

Section 26 Exempt from Business Subsidy Laws

Minnesota Statutes 116J.991 requires a City providing a business with a subsidy worth \$150,000 to complete a subsidy approval process. Housing assistance, however, is exempt from the requirements.

Section 27 Assessment Agreements

The City may, upon entering into a development agreement, also enter into an assessment agreement with the developer, which establishes a minimum market value of the land and improvements for each year during the life of the TIF District.

The assessment agreement shall be presented to the County or City Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land, and so long as the minimum market value contained in the assessment agreement appears to be a reasonable estimate, shall certify the assessment agreement as reasonable. The assessment agreement shall be filed for record in the office of the County Recorder of each county where the property is located. Any modification or premature termination of this agreement must first be approved by the City, and if the project is valued below the minimum market value, also approved by the County and School District.

Section 28 Modifications of the Tax Increment Financing Plan

Any reduction or enlargement in the geographic area of the Project Area or the TIF District; increase in the amount of bonded indebtedness to be incurred; increase in the amount of capitalized interest; increase in that portion of the Captured Net Tax Capacity to be retained by the City; increase in the total estimated public costs; or designation of additional property to be acquired by the City shall be approved only after satisfying all the necessary requirements for approval of the original TIF Plan. These restrictions do not apply if:

1. the only modification is elimination of parcels from the Project Area or the TIF District; and
2. the current Net Tax Capacity of the parcels eliminated equals or exceeds the Net Tax Capacity of those parcels in the TIF District's Original Net Tax Capacity, or the City agrees that the TIF District's Original Net Tax Capacity will be reduced by no more than the current Net Tax Capacity of the parcels eliminated.

The City must notify the County Auditor of any modification that reduces or enlarges the geographic area of the Project Area or the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

Section 29 Administration of the Tax Increment Financing Plan

Upon adoption of the TIF Plan, the City shall submit a copy of such plan to the State Auditor's Office. The City shall also request that the County Auditor certify the Original Net Tax Capacity and Net Tax Capacity Rate of the TIF District. To assist the County Auditor in this process, the City shall submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements. The City shall also send the County Assessor any assessment agreements establishing the minimum market value of land and improvements in the TIF District and shall request that the County Assessor review and certify any assessment agreements as reasonable.

The County shall distribute to the City the amount of tax increment as it becomes available. The amount of tax increment in any year represents the applicable property taxes generated by the Retained Captured Net Tax Capacity of the TIF District. The amount of tax increment may change due to development anticipated by the TIF Plan, other development, inflation of property values, or changes in property classification rates or formulas.

In administering and implementing the TIF Plan, the following actions should occur on an annual basis:

1. Prior to July 1, the City shall notify the County Assessor of any new development that has occurred in the TIF District during the past year to ensure that the new value will be recorded in a timely manner.
2. If the County Auditor receives the request for certification of a new TIF District, or for modification of an existing TIF District, before July 1, the request shall be recognized in determining local tax rates for the current and subsequent levy years. Requests received on or after July 1 shall be used to determine local tax rates in subsequent years.

Each year the County Auditor shall certify the amount of the Original Net Tax Capacity of the TIF District. The amount certified shall reflect any changes that occur as a result of the following:

- a) the value of property that changes from tax-exempt to taxable shall be added to the Original Net Tax Capacity of the TIF District. The reverse shall also apply;
- b) the Original Net Tax Capacity may be modified by any approved enlargement or reduction of the TIF District;
- c) if the TIF District is classified as an economic development district, then the Original Net Tax Capacity shall be increased by the amount of the annual adjustment factor; and
- d) if laws governing the classification of real property cause changes to the percentage of Estimated Market Value to be applied for property tax purposes, then the resulting increase or decrease in Net Tax Capacity shall be applied proportionately to the Original Net Tax Capacity and the Retained Captured Net Tax Capacity of the TIF District.

The County Auditor shall notify the City of all changes made to the Original Net Tax Capacity of the TIF District.

Section 30 Financial Reporting and Disclosure Requirements

The City is responsible for information and financial reporting on the activities of the TIF District. These responsibilities include:

1. Prepare and Publish an Annual Statement. No later than August 1 of each year, the City must prepare and publish an annual statement which includes at least the following information:
 - (a) tax increment received and expended in that year
 - (b) Original Net Tax Capacity
 - (c) captured Net Tax Capacity
 - (d) amount of outstanding bonded indebtedness

- (e) increments paid to other government bodies
- (f) administrative costs
- (g) increments paid directly or indirectly outside of the district
- (h) if a fiscal disparities contribution is computed under section 469.177, Subd. 3(a), the increase in property tax imposed on other properties in the municipality as a result of the fiscal disparities contribution in the manner prescribed by the commissioner of revenue.

A copy of the annual statement must also be provided to the State Auditor, county board and county auditor, and the municipality.

2. Prepare an Annual Report. (469.175 Subds. 5 and 6) The State Auditor enforces the provisions of the TIF Act and has full responsibility for financial and compliance auditing of the City's use of tax increment financing. The State Auditor's office provides detailed tax increment reporting forms for use in complying with annual reporting requirements. On or before August 1 of each year, the City and/or the County must prepare a status and financial report for the TIF District and submit it to the state auditor, the county board, the county auditor, and the governing body of the municipality, if the municipality is not also the authority.

Section 31 Findings and Need for Tax Increment Financing

In establishing the TIF District, the City makes the following findings:

1. The TIF District qualifies as a housing district;
See Section 12 of this document for the reasons and facts supporting this finding.
2. The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future, and the increased market value of the site that could reasonably be expected to occur without the use of tax increment would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan;

The Developer has indicated that TIF assistance is necessary to control certain development costs such that the resulting rental rates can be maintained at affordable levels. Without assistance, the Developer has indicated that the project will not be feasible.

A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above. Such analysis is included as Exhibit 5, and indicates that:

1. *The increase in estimated market value of the proposed developments is \$6,022,347; and*
2. *The present value of expected tax increments collected over the maximum duration of the TIF District is \$279,812 and*
3. *The expected increased estimated market value of the site without the use of tax increment is \$20,190, assuming the land remains mostly vacant; and*
4. *No development is expected to occur that would create a market value increase of at least \$5,742,535 without TIF assistance (the amount in line 1 less the amount in line 2).*

3. The TIF Plan conforms to the general plan for development or redevelopment of the City as a whole.

The reasons and facts supporting this finding are that the housing development proposed for the TIF District are generally consistent with the City's development plan and zoning ordinances and serves to promote the City's development objectives. These findings are supported by a Resolution adopted by the City's Planning Commission.

4. The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of the Project Area by private enterprise.

The reasons and facts supporting this finding are that the activities contemplated in this TIF Plan are necessary so that development and redevelopment by private enterprise can occur within the Development District.

Exhibits

Map of Financing District and Project Area..... Exhibits 1a & 1b

Parcels and Valuations..... Exhibit 2

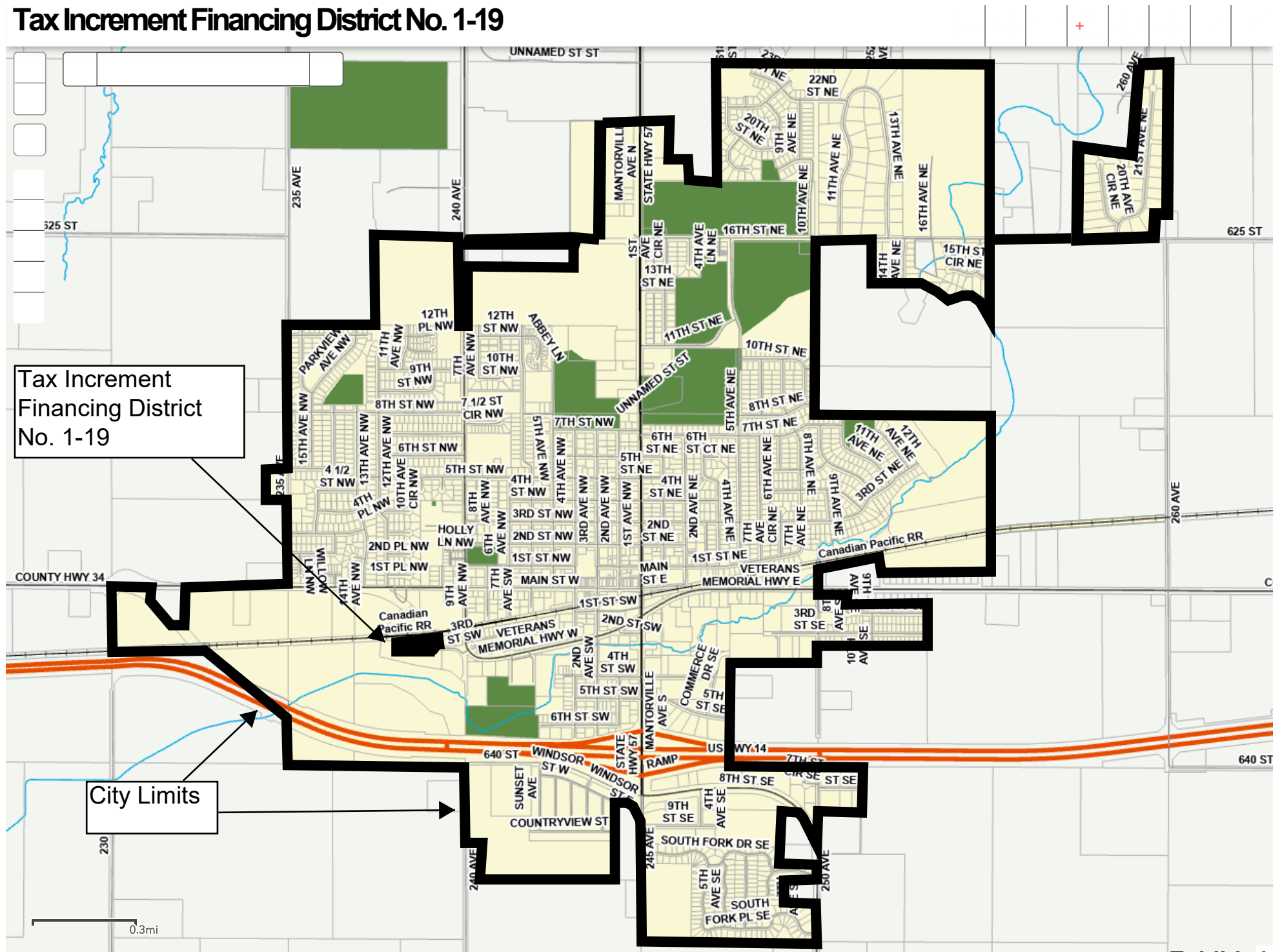
Tax Increment Projections..... Exhibit 3

Statement of Fiscal and Economic Impacts..... Exhibit 4

Market Value Analysis..... Exhibit 5

City of Kasson, Minnesota

Tax Increment Financing District No. 1-19



The boundaries of Municipal Development District No. 1 are coterminous with City Limits.

UNPLATTED



City of Kasson, Minnesota
Housing Tax Increment Financing District No. 1-19

Edge Apartments Project

PARCEL INFORMATION

#	PIN #	Owner	ESTIMATED VALUATION**		
			Total M.V.	Taxable MV	Tax Cap.
1	TBD*	Access Development LLC	77,653	77,653	194
			77,653	77,653	194

* The boundaries of the TIF District are being subdivided from Parcel No. 24.650.0010. The TIF District will completely encompass Lot 2, Block 1 of the Vail Second Subdivision after the subdividing process is complete and will be assigned its own separate parcel number at that time.

** The estimated valuation shown above is taken by taking a proportionate value of the TIF District from the original parcel prior to subdivision. Original Tax Capacity is subject to change.

TIF PROJECTIONS

Valuations & Projected Increases

	Market	Tax Capacity
Estimated Original value	77,653	194
Completed Value after Development	6,100,000	15,250
Captured / Increased Values	6,022,347	15,056
Estimated Total Taxes Paid (1st year) >>	28,037	

Tax Rate Assumptions:

	Approximate	Projected
	Tax Rate*	TIF Tax Rate**
City	57.906%	57.906%
County	36.188%	36.188%
School	30.521%	25.632%
Other	0.000%	0.000%
State	0.000%	0.000%
	124.615%	119.726%
School MV Rate >>	0.14808%	

Projected Tax Increment

Assumed inflation rate: 0.50%

Payable	Original	Projected	Net Captured	Less Fiscal	Retained	Projected	0.36%	Gross
Year	Tax Capacity	Tax Capacity	Tax Capacity	Disparities	Net Captured	Tax	Less	Tax
					Tax Capacity	Rate	OSA Fees	Increment
2024	194	194	-	-	-			-
2025	194	194	-	-	-	119.726%		-
2026	194	15,250	15,056	-	15,056	119.726%	(65)	17,961
2027	194	15,326	15,132	-	15,132	119.726%	(65)	18,052
2028	194	15,403	15,209	-	15,209	119.726%	(66)	18,143
2029	194	15,480	15,286	-	15,286	119.726%	(66)	18,235
2030	194	15,557	15,363	-	15,363	119.726%	(66)	18,328
2031	194	15,635	15,441	-	15,441	119.726%	(67)	18,420
2032	194	15,713	15,519	-	15,519	119.726%	(67)	18,514
2033	194	15,792	15,598	-	15,598	119.726%	(67)	18,607
2034	194	15,871	15,677	-	15,677	119.726%	(68)	18,701
2035	194	15,950	15,756	-	15,756	119.726%	(68)	18,796
2036	194	16,030	15,836	-	15,836	119.726%	(68)	18,891
2037	194	16,110	15,916	-	15,916	119.726%	(69)	18,987
2038	194	16,191	15,996	-	15,996	119.726%	(69)	19,083
2039	194	16,272	16,077	-	16,077	119.726%	(69)	19,180
2040	194	16,353	16,159	-	16,159	119.726%	(70)	19,277
2041	194	16,435	16,241	-	16,241	119.726%	(70)	19,374
2042	194	16,517	16,323	-	16,323	119.726%	(70)	19,472
2043	194	16,599	16,405	-	16,405	119.726%	(71)	19,571
2044	194	16,682	16,488	-	16,488	119.726%	(71)	19,670
2045	194	16,766	16,572	-	16,572	119.726%	(71)	19,769
2046	194	16,850	16,656	-	16,656	119.726%	(72)	19,869
2047	194	16,934	16,740	-	16,740	119.726%	(72)	19,970
2048	194	17,019	16,824	-	16,824	119.726%	(73)	20,071
2049	194	17,104	16,910	-	16,910	119.726%	(73)	20,172
2050	194	17,189	16,995	-	16,995	119.726%	(73)	20,274
2051	194	17,275	17,081	-	17,081	119.726%	(74)	20,377
								497,764

Adjustments

10.00%	0.00%	TOTAL
Admin.	Other	NET
Retainage	Deductions	REVENUES
-	-	-
1,796	-	16,165
1,805	-	16,247
1,814	-	16,329
1,824	-	16,412
1,833	-	16,495
1,842	-	16,578
1,851	-	16,662
1,861	-	16,747
1,870	-	16,831
1,880	-	16,917
1,889	-	17,002
1,899	-	17,088
1,908	-	17,175
1,918	-	17,262
1,928	-	17,349
1,937	-	17,437
1,947	-	17,525
1,957	-	17,614
1,967	-	17,703
1,977	-	17,792
1,987	-	17,882
1,997	-	17,973
2,007	-	18,064
2,017	-	18,155
2,027	-	18,247
2,038	-	18,339
		447,988

Present Value @ 4% >> 251,831

NOTES:

- * Original Values and Local Tax Rate are based upon PRELIMINARY rates for Taxes Payable Year 2024 and are subject to change as request for certification will take place AFTER July 1, 2024.
- The actual Original Local Tax Capacity Rate will be based upon rates associated with taxes payable 2025 which are unknown at this time.
- ** Due to changes of Minnesota Statutes Section 469.177 Subd. 1a, that portion of the school tax rate attributable to the general education levy is no longer included in determining the Original Local Tax Capacity Rate for TIF Districts with certification request dates after April 15, 2013. Rate is an estimate.

City of Kasson, Minnesota
Housing Tax Increment Financing District No. 1-19

STATEMENT OF FISCAL AND ECONOMIC IMPACTS

Taxing Jurisdiction	Without TIF District		With TIF District					
	2023/2024 Taxable Net Tax Capacity ⁽¹⁾	Original Local Tax Rate	2023/2024 Taxable Net Tax Capacity ⁽¹⁾	Projected Captured Net Tax Capacity	Hypothetical Tax Generated By TIF	New Taxable Net Tax Capacity	Hypothetical Adjusted Local Tax Rate	Hypothetical Decrease in Tax Rate
City of Kasson	7,265,190	57.906%	7,265,190	15,056	8,718	7,280,246	57.786%	0.120%
Dodge County	47,133,001	36.188%	47,133,001	15,056	5,448	47,148,057	36.176%	0.012%
School District	17,011,186	30.521%	17,011,186	15,056	4,595	17,026,242	30.494%	0.027%
Other ⁽²⁾	--	0.000%	--	15,056	-	--	0.000%	--
Totals		124.615%			18,762		124.457%	0.158%

Statement #1: If all of the projected captured net tax capacity of the project were hypothetically immediately available to each taxing jurisdiction if TIF were not used, the tax capacities of each jurisdiction would be increased by the amounts shown above, and the local tax rates of each jurisdiction would be decreased by the amounts shown.

Statement #2: As the projected captured tax capacity of the project would not be available without the use of TIF, the tax capacities and tax rates of each jurisdiction will not be affected.

Statement #3: The estimated amount of tax increment (gross increment less State Auditor's deduction) generated over the life of the TIF District is estimated to be \$497,764.

Statement #4: A description of the probable impact of the TIF District on City services as a result of the creation of this TIF District would include the following: The City will be collecting an estimated \$240,745 in city property tax revenue from the proposed project area and applying it to project related expenses rather than general services such as police, fire, and other services not paid by user fees.

Statement #5: The estimated amount of increment attributed to the school district's tax levies and captured as a result of the creation of this TIF District is \$106,566 for School District 204.

Statement #6: The estimated amount of increment attributed to the county tax levy and captured as a result of the creation of this TIF district is \$150,452.

Statement #7: The final Original Net Tax Capacity and Local Tax Rate of the TIF District will be based upon data for taxes payable 2025 as the Authority intends to request certification of the TIF District after July 1, 2024.

⁽¹⁾ Taxable net tax capacity = total net tax capacity less value captured in TIF Districts and powerline value.

⁽²⁾ The impacts upon other taxing jurisdictions not included since they represent a small percentage of the total tax rate.

City of Kasson, Minnesota

Housing Tax Increment Financing District No. 1-19

MARKET VALUE ANALYSIS

Increased Market Value of Site	6,022,347
Less Present Value of TIF Revenues	<u>279,812</u>
	5,742,535
Reasonably expected increase w/out TIF*	<u>20,190</u>
Net Value Increase	5,722,345

Present Value Calculation

Calculation Date	12/31/2024
Present Value Factor	4.00%

#	Year	Gross Tax Increment	Present Value
1	2024	-	-
2	2025	-	-
3	2026	17,961	15,967
4	2027	18,052	15,431
5	2028	18,143	14,912
6	2029	18,235	14,412
7	2030	18,328	13,927
8	2031	18,420	13,460
9	2032	18,514	13,007
10	2033	18,607	12,570
11	2034	18,701	12,148
12	2035	18,796	11,740
13	2036	18,891	11,346
14	2037	18,987	10,964
15	2038	19,083	10,596
16	2039	19,180	10,240
17	2040	19,277	9,896
18	2041	19,374	9,564
19	2042	19,472	9,242
20	2043	19,571	8,932
21	2044	19,670	8,632
22	2045	19,769	8,342
23	2046	19,869	8,061
24	2047	19,970	7,791
25	2048	20,071	7,529
26	2049	20,172	7,276
27	2050	20,274	7,031
28	2051	20,377	6,795
		<u>497,764</u>	<u>279,812</u>

* Without the use of TIF, market value increases would be expected to be limited to infaltion only. No development is expected without the use of TIF. Inflation is estimated at 1% per year for 26 years.

**EXTRACT OF MINUTES OF A MEETING OF THE
PLANNING COMMISSION OF
THE CITY OF KASSON, MINNESOTA**

HELD: January 8, 2024

Pursuant to due call and notice thereof, a regular meeting of the Planning Commission of the City of Kasson, Dodge County, Minnesota, was duly held at City Hall on the 8th day of January, 2024, at _____.m. for the purpose, in part, of making a recommendation to the City Council on the modification of Municipal Development District No. 1 and the establishment of Tax Increment Financing District No. 1-19 therein, and the adoption of a modified Development Program and Tax Increment Financing Plan relating thereto.

The following Commissioners were present:

And the following were absent:

Commissioner _____ introduced the following resolution and moved its adoption;

**RESOLUTION RECOMMENDING APPROVAL
OF THE MODIFICATION OF MUNICIPAL DEVELOPMENT DISTRICT NO. 1,
THE ADOPTION OF A MODIFIED DEVELOPMENT PROGRAM THEREFOR,
THE ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-19 THEREIN
AND THE ADOPTION OF A TAX INCREMENT FINANCING PLAN RELATING THERETO**

WHEREAS, the Planning Commission has reviewed the documents relating to the proposed modification of Municipal Development District No. 1 and the establishment of Tax Increment Financing District No. 1-19 therein; and

WHEREAS, the Planning Commission has been asked to provide a recommendation to the City Council regarding the adoption of the same;

NOW THEREFORE BE IT RESOLVED by the Planning Commission of the City of Kasson, Dodge County, Minnesota (the "City"), as follows:

1. The proposed development of the project area as described in the Municipal Development Program and Tax Increment Financing Plan are generally consistent with the City's development plan and zoning ordinances, will serve to complement the City's plans for creation of development opportunities in the City, and will serve to promote the City's development objectives.

The motion for the adoption of the foregoing resolution was duly seconded by Commissioner_____ and upon vote being taken thereon, the following voted in favor:

And the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
CITY OF KASSON) SS.
COUNTY OF DODGE)

I, the undersigned, being the _____ of the Planning Commission of the City of Kasson, Minnesota, DO HEREBY CERTIFY that the attached resolution is a true and correct copy of an extract of minutes of a meeting of the Planning Commission of the City of Kasson, Minnesota duly called and held, as such minutes relate to the modification of Municipal Development District No. 1 and the establishment of Tax Increment Financing District No. 1-19 therein.

WITNESSED:

Date