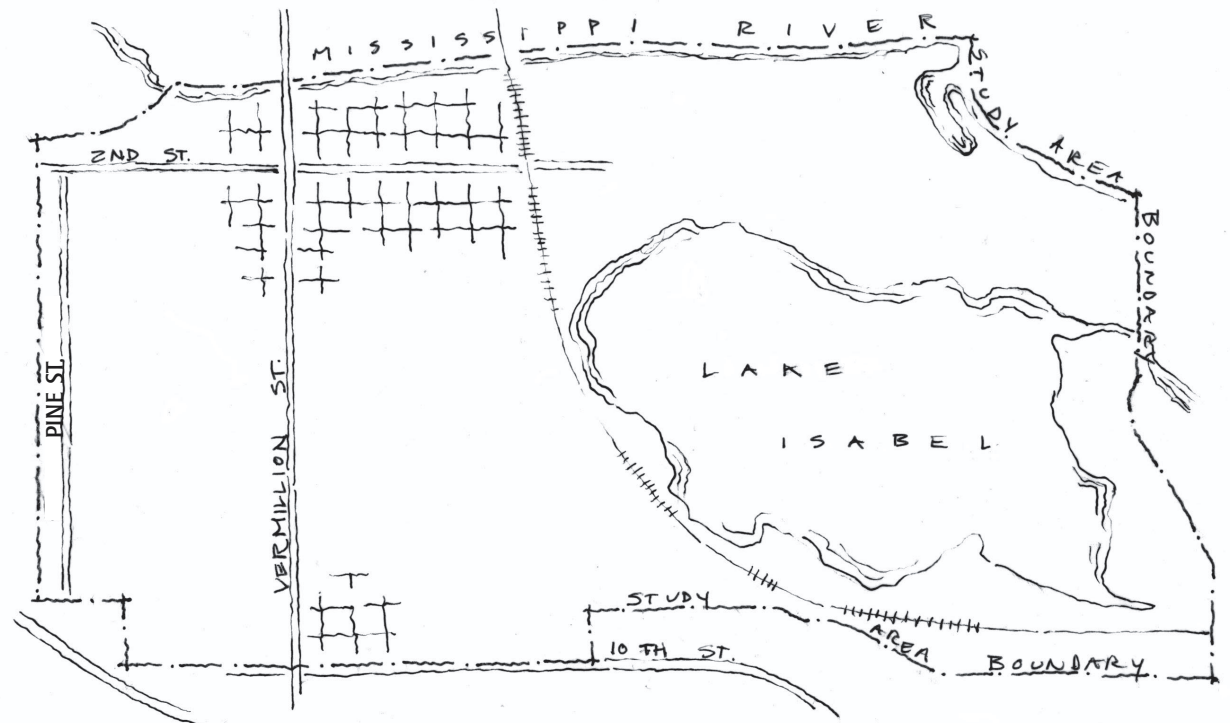




# Improving on the Original

## A Plan for the Heart of Hastings

June 2003

Prepared for: Hastings Housing and Redevelopment Authority



Prepared by: Hoisington Koegler Group Inc. with Claybaugh Preservation Architecture Inc. Bonz/REA WSB and Associates, Inc. MMC Associates IBI Group

## Credits

### Hastings Housing & Redevelopment Authority

Harold Birkeland ..... Chair  
Robert Hollenbeck  
Kurt Keena  
Dennis Martodam  
Ronald Toppin

### City Council

Michael Werner ..... Mayor  
Turney Hazlet  
Paul Hicks  
Lynn Moratzka  
Edward Riveness  
Danna Elling Schultz  
Janette Yandrasits

### City Staff

John Grossman ..... HRA Director  
John Hinzman ..... Planning Director  
David Osberg ..... City Administrator

Special thanks to Professor Lance Neckar and his team at the College of Architecture and Landscape Architecture for their valuable study of commuter rail station conceptual design.

## Contents

### Guide to Initiatives

#### Introduction

Why Plan?  
Focus of the Plan  
A Few Things to Keep in Mind

### Plan Considerations

Development Pattern  
Regional Context  
Current Land Uses  
Infrastructure  
Redevelopment Opportunities  
Transportation Patterns  
Market Forces

### Vision & Guiding Principles

#### Land Use Plan

#### Composite Master Plan

#### Initiatives

#### Implementation Tools

#### Appendices

Code Modifications  
Design Guidelines

### Guide-1

1-1

2-1

3-1

4-1

5-1

6-1

7-1

CM-1

DG-1

## Contents & Credits

### Consultants



Hoisington Koegler Group Inc.  
123 North Third Street  
Suite 100  
Minneapolis, Minnesota 55401



Claybaugh Preservation  
Architecture, Inc.  
361 West Government Street  
Taylors Falls, Minnesota 55084



WSB & Associates, Inc.  
4150 Olson Memorial Highway  
Suite 300  
Minneapolis, Minnesota 55422



Bonz/REA  
67 Batterymarch Street  
Boston, Massachusetts 02110



MMC Associates  
1077 Fairmount Avenue  
St. Paul, MN 55105



IBI Group  
18401 Von Karman Avenue  
#110  
Irvine, CA 92612



Improving on the Original

A Plan for the  
Heart of Hastings

## About the Guide

Chapter Six of The Downtown Plan for Original Hastings contains a number of initiatives covering a wide variety of downtown development topics. The following pages contain a chart that summarizes those initiatives, the recommended timeframe for action, the key components

of the initiative, the Guiding Principle upon which each initiative is based, in some cases a projected public cost, and the page number on which a more detailed discussion of each initiative can be found.

| Timeframe | Initiative                                                          | Key Components                                                                                                                                                                                                                                                                                                      | Applicable Guiding Principle                                                                            | Public Cost Budget                  | On Page...        |
|-----------|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------|
| Ongoing   | Extend Levee Park                                                   | <ul style="list-style-type: none"> <li>Continuous public riverfront from marina to the Lock &amp; Dam</li> <li>Much of this land already publicly held</li> <li>Focus on the mix of habitat restoration and public amenity creation</li> </ul>                                                                      | Diversify visitor destinations with a strong focus on the Mississippi riverfront                        | \$1.2 million                       | 6-18              |
|           | Construct Stormwater "Treatment Trains"                             | <ul style="list-style-type: none"> <li>Intercepts, treats and infiltrates stormwater before draining into lakes and the river</li> </ul>                                                                                                                                                                            | Introduce ecological function as a integral component of all infrastructure and development investments | \$400,000                           | 6-24 through 6-25 |
|           | Reserve the Grain Elevator Block for a Commuter Rail Station        | <ul style="list-style-type: none"> <li>Reserve full block until roughly 2007 for potential Red Rock station area and complementary redevelopment</li> <li>Cooperate with Red Rock Corridor for future station</li> <li>Determine negotiating positions</li> <li>Hastings would be southernmost rail stop</li> </ul> | Prepare for the time when downtown will be home to a commuter rail transit hub                          | Staff time & any land holding costs | 6-10 through 6-12 |
|           | Encourage Rainwater Gardens and Rooftop Gardens on Private Property | <ul style="list-style-type: none"> <li>Reduces downstream environmental impact</li> <li>Reduces public stormwater infrastructure needs</li> <li>Can be used on structurally-capable roofs to reduce stormwater runoff and environmental heat gain</li> </ul>                                                        | Introduce ecological function as a integral component of all infrastructure and development investments | —                                   | 6-24 through 6-25 |

| Timeframe       | Initiative                                    | Key Components                                                                                                                                                                                                                                                                   | Applicable Guiding Principle                                                                            | Public Cost Budget                                   | On Page...                      |
|-----------------|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------|
| Ongoing         | Install Stormwater Grit Chambers Where Needed | <ul style="list-style-type: none"> <li>Not as beneficial as treatment trains, but effective in removing stormwater sediment where space is limited</li> </ul>                                                                                                                    | Introduce ecological function as a integral component of all infrastructure and development investments | Unknown                                              | 6-25                            |
|                 | Implement Streetscape Enhancements            | <ul style="list-style-type: none"> <li>Finer streetscaping details should be implemented in tandem with individual redevelopment projects</li> <li>Broader streetscape improvements can be implemented on a larger scale</li> </ul>                                              | Embrace public/private redevelopment partnerships                                                       | Unknown                                              | 6-10                            |
| Within One Year | Amend Comprehensive Plan/Zoning Ordinance     | <ul style="list-style-type: none"> <li>Establishment of new land use districts with zoning standards appropriate to historic neighborhood patterns of Original Hastings</li> </ul>                                                                                               | Preserve and enhance traditional neighborhood character                                                 | Staff time                                           | 6-2, Chapter 4 and Appendix CM  |
|                 | Adopt Original Hastings Design Guidelines     | <ul style="list-style-type: none"> <li>Complementary to historic district standards</li> <li>Address public and private spaces within Original Hastings inside and outside of historic districts</li> <li>Intended as communication tool and basis for project review</li> </ul> | Preserve and enhance traditional neighborhood character                                                 | Staff time                                           | 6-2 through 6-3 and Appendix DG |
|                 | Redevelop the Levee Area                      | <ul style="list-style-type: none"> <li>City support of important private redevelopment</li> <li>Redevelopment RFP</li> <li>In conjunction with Levee Park, streetscape enhancements</li> </ul>                                                                                   | Embrace public/private redevelopment partnerships                                                       | \$20,000<br>Redevelopment Coordination<br>Use of TIF | 6-3 through 6-4                 |
|                 | Offer Strategic Flexibility in Zoning Codes   | <ul style="list-style-type: none"> <li>Encourage mixed-use retail/residential projects, carriage house apartments and attached housing options</li> </ul>                                                                                                                        | Embrace optional housing types                                                                          | ---                                                  | 6-19                            |
|                 | Conduct a Marina Feasibility Study            | <ul style="list-style-type: none"> <li>Study should explore option at Lake Rebecca, levee area, and existing marina</li> </ul>                                                                                                                                                   | Diversify visitor destinations with a strong focus on the Mississippi riverfront                        | \$30,000                                             | 6-17                            |

| Timeframe         | Initiative                                                         | Key Components                                                                                                                                                                                                      | Applicable Guiding Principle                                                     | Public Cost Budget                             | On Page...        |
|-------------------|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------|-------------------|
| One to Five Years | Establish Financial Incentives for Housing Reinvestment            | <ul style="list-style-type: none"> <li>Used to stabilize neighborhood and promote reinvestment</li> <li>Could be used to achieve other housing objectives such as incentives for first-time home buyers</li> </ul>  | Preserve and enhance traditional neighborhood character                          | \$10,000 (start up)                            | 6-20              |
|                   | Enhance Vermillion Street Pedestrian Crossings                     | <ul style="list-style-type: none"> <li>Pedestrian-friendly amenities such as ornamental street lighting, benches, landscaping and decorative paving</li> </ul>                                                      | Preserve and enhance traditional neighborhood character                          | \$120,000                                      | 6-20 through 6-21 |
|                   | Consider Creating a Neighborhood Park on the Catholic School Block | <ul style="list-style-type: none"> <li>Catholic school anticipates relocating elsewhere in Hastings; currently occupies one full block</li> <li>Site can be cleared and developed as a neighborhood park</li> </ul> | Preserve and enhance traditional neighborhood character                          | \$300,000 (Park development)                   | 6-21 through 6-22 |
|                   | Redevelop the Post Office Block                                    | <ul style="list-style-type: none"> <li>Highest priority redevelopment area behind levee area</li> <li>Redevelop full block</li> </ul>                                                                               | Embrace public/private redevelopment partnerships                                | \$20,000 Redevelopment Coordination Use of TIF | 6-4 through 6-7   |
|                   | Explore the Use of Railroad Redevelopment TIF                      | <ul style="list-style-type: none"> <li>TIF district powers involving rail property are broad; explore the potential for using this tool to implement rail-related initiatives</li> </ul>                            | Prepare for the time when downtown will be home to a commuter rail transit hub   | \$5,000 (staff & consultant time)              | 6-14              |
|                   | Construct the Hastings River Flats                                 | <ul style="list-style-type: none"> <li>Offers diverse regional attraction</li> <li>Restores riverfront habitat</li> </ul>                                                                                           | Diversify visitor destinations with a strong focus on the Mississippi riverfront | \$3 million                                    | 6-17              |
|                   | Find Permanent Location for Downtown Farmer's Market               | <ul style="list-style-type: none"> <li>Creates riverfront "buzz"</li> <li>Enhances downtown retail environment &amp; housing redevelopment opportunities</li> </ul>                                                 | Diversify visitor destinations with a strong focus on the Mississippi riverfront | \$600,000                                      | 6-18 through 6-19 |

| Timeframe         | Initiative                                                    | Key Components                                                                                                                                                                                                                         | Applicable Guiding Principle                                                                            | Public Cost Budget  | On Page...        |
|-------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------|-------------------|
| One to Five Years | Develop a Riverboat Attraction at Levee Park                  | <ul style="list-style-type: none"> <li>Support a private effort by assisting with a landing facility at Levee Park.</li> </ul>                                                                                                         | Diversify visitor destinations with a strong focus on the Mississippi riverfront                        | \$150,000           | 6-18              |
|                   | Establish a Special Service District in Downtown              | <ul style="list-style-type: none"> <li>Can be used for commercial district services and maintenance beyond standard level</li> <li>Could be used to fund visitor signs, visitor's center, district marketing and promotion</li> </ul>  | Serve visitors                                                                                          | \$10,000 (start-up) | 6-9               |
|                   | Maintain Dialogue with Hudson Concerning Relocation and Reuse | <ul style="list-style-type: none"> <li>Respect Hudson's desire to stay at current location or relocate, but make clear City's desire for eventual relocation elsewhere within Hastings and reuse of current Hudson facility</li> </ul> | Embrace public/private redevelopment partnerships                                                       | Staff Time          | 6-7 through 6-8   |
|                   | Establish a Housing Trust                                     | <ul style="list-style-type: none"> <li>Keeps scattered homes affordable by capping the rate of realized property value increase over time</li> </ul>                                                                                   | Embrace optional housing types                                                                          | \$20,000 (start-up) | 6-22 through 6-23 |
|                   | Establish Stormwater Funding Mechanisms                       | Potential funding sources include: <ul style="list-style-type: none"> <li>Stormwater utilities</li> <li>Storm sewer improvement district</li> </ul>                                                                                    | Introduce ecological function as a integral component of all infrastructure and development investments | \$20,000 (start-up) | 6-25 through 6-26 |
|                   | Rehabilitate the Hastings Marina                              | <ul style="list-style-type: none"> <li>Provide slips for short-term visitors who might patronize downtown businesses</li> <li>Marina is important river "gateway" to community</li> <li>Could assist downtown redevelopment</li> </ul> | Diversify visitor destinations with a strong focus on the Mississippi riverfront                        | 1 million           | 6-18              |

| Timeframe         | Initiative                                                                   | Key Components                                                                                                                                                                                                                                                                                                                                         | Applicable Guiding Principle                                                         | Public Cost Budget | On Page...        |
|-------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------|-------------------|
| Five to Ten Years | Relocate Bailly Street as a Parkway and Convert Ramsey/Tyler One-Way Streets | <ul style="list-style-type: none"> <li>Bailly Parkway could be a catalyst for redevelopment and provide an open space amenity for new neighborhood</li> <li>Bailly Street would replace collector function of Ramsey and Tyler Streets</li> <li>Contingent on relocation of the rail switching yard</li> </ul>                                         | Prepare for the time when downtown will be home to a commuter rail transit hub       |                    | 6-13 through 6-14 |
|                   | Relocate the Rail Switching Yard                                             | <ul style="list-style-type: none"> <li>Would accommodate a downtown commuter rail station, alleviate some daily rail car blockage of the 2<sup>nd</sup> Street crossing and allow for the proposed alignment of Bailly Parkway</li> <li>Feasible alternative location identified on southern edge of Lake Isabel on current industrial land</li> </ul> | Prepare for the time when downtown will be home to a commuter rail transit hub       |                    | 6-12 through 6-13 |
|                   | Redevelop the UBC property                                                   | <ul style="list-style-type: none"> <li>Housing redevelopment potential improves if/when commuter rail is constructed through Hastings</li> </ul>                                                                                                                                                                                                       | Embrace public/private redevelopment partnerships                                    |                    | 6-8 through 6-9   |
|                   | Reuse the Wastewater Treatment Plant Site                                    | <ul style="list-style-type: none"> <li>If site becomes available, redevelopment could include additional open space and higher density housing</li> </ul>                                                                                                                                                                                              | Embrace public/private redevelopment partnerships                                    |                    | 6-10              |
|                   | Close the 3 <sup>rd</sup> Street Rail Crossing                               | <ul style="list-style-type: none"> <li>Crossing receives minor use and closure is recommended, but City should retain crossing right of way</li> </ul>                                                                                                                                                                                                 | Prepare for the time when downtown will be home to a commuter rail transit hub       |                    | 6-13              |
|                   | Use Future Bridge Replacement as Catalyst for Redevelopment                  | <ul style="list-style-type: none"> <li>Bridge construction will impact Hudson's and First National Bank blocks; begin earnest coordination with current property owners on relocation and redevelopment</li> </ul>                                                                                                                                     | Use a new river bridge to strengthen the character and function of Original Hastings |                    | 6-16              |



| Timeframe           | Initiative                                                  | Key Components                                                                                                                                                                                                                                                | Applicable Guiding Principle                                                         | Public Cost Budget | On Page...        |
|---------------------|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------|-------------------|
| Ten to Twenty Years | Redevelop Areas as “Open Space Residential Neighborhoods”   | <ul style="list-style-type: none"> <li>Housing clustered in higher density pockets surrounded by common open space, creating greater open space and trail connections to transit, parks and downtown, more easily accommodate stormwater treatment</li> </ul> | Embrace optional housing types                                                       |                    | 6-23 through 6-24 |
|                     | Enhance Vehicular Access (Bridge to 2 <sup>nd</sup> Street) | <ul style="list-style-type: none"> <li>Continue to allow right-in/right-out access at 3<sup>rd</sup> and Vermillion Streets</li> <li>Provide facilities to allow safe and convenient exit and entrance to bridge from 3<sup>rd</sup> Street</li> </ul>        | Use a new river bridge to strengthen the character and function of Original Hastings |                    | 6-15              |
|                     | Construct Bike/Pedestrian Lanes on New Bridge               | <ul style="list-style-type: none"> <li>Promenade links directly to area’s regional train system</li> <li>Provides easy access to downtown</li> </ul>                                                                                                          | Use a new river bridge to strengthen the character and function of Original Hastings |                    | 6-17              |
|                     | Enhance Visual Access (Bridge Deck to Downtown)             | <ul style="list-style-type: none"> <li>Allow visitors to see downtown retail district before they actually arrive in downtown</li> </ul>                                                                                                                      | Use a new river bridge to strengthen the character and function of Original Hastings |                    | 6-15 through 6-16 |
|                     | Expand Visitor Parking at Western Edge of Downtown          | <ul style="list-style-type: none"> <li>Utilize under-bridge space that is useful for little else</li> <li>Fulfill need identified by recent parking analysis</li> <li>Should include a high degree of decorative amenities to welcome visitors</li> </ul>     | Use a new river bridge to strengthen the character and function of Original Hastings |                    | 6-16              |
|                     | Adaptively Reuse the Hudson’s Manufacturing Site            | <ul style="list-style-type: none"> <li>City should strive to keep Hudson in Hastings when the plant relocates</li> <li>Preserve the historic Hudson’s buildings for adaptive reuse</li> </ul>                                                                 | Embrace public/private redevelopment partnerships                                    |                    | 6-7 through 6-8   |
|                     | Replace the River Bridge with an “Architectural Landmark”   | <ul style="list-style-type: none"> <li>Maintain the City’s tradition of architecturally significant bridges</li> </ul>                                                                                                                                        | Use a new river bridge to strengthen the character and function of Original Hastings |                    | 6-14              |



# Introduction

*Improving on the Original... A Plan for the Heart of Hastings.* The title of this report and the planning process that produced it attempts to capture the essence of a place with great opportunities in its future, rich in history and held dear by those who know it. The original town of Hastings, dedicated in 1855, was strategically situated at a distinctive bend in the Mississippi River with suggestion for a modest downtown commercial district surrounded on three sides by a half-mile wide ring of residential lots.

Early success of the town solidified its presence. Steady population growth over the years pushed its borders ever further to the south and west. As contemporary development and architectural trends were being demonstrated in newer parts of Hastings, the substantially Victorian era original town began to mark an increasingly distinct time in history and distinguish itself as the heart of the community.

There was a period of decades when, nation-wide, there was little appreciation for the architectural and urban design distinction of places like Original Hastings. As a result, property improvements in the neighborhood attempted to “modernize” the situation. The architectural fenestration so prominent in both commercial and residential buildings was either removed or covered over with the latest trend in façade material. Some buildings were torn down to make way for new structures. Vacancy rates increased as many service retailers followed the market trends to strip malls at the community fringe.

Then about twenty-five years ago the predominant attitudes about downtowns and traditional neighborhoods began to shift. There was a newfound appreciation for the historic significance and craftsmanship demonstrated in places like Original Hastings. Thankfully, and maybe remarkably, relatively few teardowns occurred in the waning years and many buildings even held on to their architectural detailing. Doing its part, the City of Hastings mounted a significant effort to encourage restoration and protection of its downtown core and surrounding residential neighborhood and in so doing, reverse the trends of disinvestment and economic decline. Hastings was a pioneer participant in the now celebrated National Main Street Program. In 1985 the City prepared a downtown plan that focused heavily on economic and property stabilization.

Those wise efforts continue to benefit the community. Downtown Hastings is now recognized regionally and in some circles nationally as a model historic district. Hastings is a regional destination for visitors seeking the ambiance of a traditional downtown. The residential neighborhoods surrounding downtown have also been experiencing restoration investments and redevelopment interest. With traditional neighborhoods becoming a lifestyle of choice for a passionate and increasingly sizable segment of the home buying population, a regional “buzz” has enveloped Hastings as a new frontier in traditional neighborhood living within the metropolitan area.



Obligatory image of the Spiral Bridge.

## Why Plan?

This Plan has been prepared to coalesce and communicate a common vision for the future of Original Hastings as well as guide both public and private investments in the neighborhood. The Plan is prepared in part with a Livable Communities Grant from the Metropolitan Council who wisely recognizes the metropolitan pressures beginning to play upon downtown Hastings and the challenges and opportunities presented by that situation. The Plan is about evolution of the downtown neighborhood not revolution. It seeks to keep Original Hastings strong and vital while also deepening its inherent character.

## Focus of the plan

The study area for the Plan consists of approximately 640 acres and is roughly 1½ miles by 2/3 of a mile. It encompasses an area from Pine Street on the west, to the eastern edge of East Hastings on the east, and from 10<sup>th</sup> Street on the south to the Mississippi River on the north. This is generally the portion of Hastings that was originally platted in 1855 although it includes several blocks to the west of the 1855 plat (between Forest and Pine Streets). The study area is defined as such because it encompasses the area of the community with the deepest historic character. Also, the study area generally possesses similar urban design characteristics.

The Plan is written for a twenty-year lifespan. Although it is recognized that circumstances will no doubt change within that time (several circumstances have changed in

the short time this Plan has been in preparation), it is also recognized that addressing the complexity of an urban environment in a holistic, thoughtful and visionary way needs a generous window of time. Rome was not built in a day and a great future for Original Hastings won't be either.

Unlike the 1985 downtown plan that focused significantly on stabilization, the Plan for Original Hastings is focused on preparing for opportunities, directing public investments and ensuring that property reinvestments are accomplished in ways that not only benefit the investor but also contribute to the urban fabric of the neighborhood. The goal of the Plan is to arrange the building blocks of urban places in inspired and innovative ways that guide Original Hastings to a great future. The three fundamental building blocks present in any urban place and around which the Plan is built are listed below.

1. *Development patterns* represent broad patterns of land use and density. Suggestions in regard to development patterns are expressed in the Plan in the form of a modified land use plan and modifications to the zoning regulations;
2. *Urban systems* are the infrastructure, public facilities, superstructure and ecology that make a place function and allow an urban environment to sustain itself. Suggestions in regard to urban systems are expressed in the Plan in the form of a composite master plan and series of initiatives;
3. *Design character* is the site design, architectural

character and relationship between public and private space expressed in the Plan by a series of site concept drawings and design guidelines.

### A few things to keep in mind

The directives established in the Plan for Original Hastings will take years and in some cases decades to accomplish. With that kind of timeframe, it will be easy to lose sight of “why”. A chapter of particular importance in addressing this and one suggested to keep in mind when wrestling with decisions is the Vision & Guiding Principles chapter. There, one can always come back to the fundamental principles that directed this Plan and will help guide sound decisions.

The Plan for Original Hastings is an expression of vision and a strategic guide in making future decisions and taking future actions. Although the Plan has many graphic sketches and depictions that are used to express a notion of urban patterns and character, the Plan does not intend to suggest the actual architectural design of improvements. Even the Design Guidelines completed as part of the planning process are intended to express architectural and urban design parameters that promote neighborhood cohesion and character rather than suggest actual building or site design.

Knowing that community initiatives are continually subject to forces of change, a number of Plan initiatives suggest contingency approaches. It would be impossible to predict all of the forces that could alter the way initiatives are

addressed but the Plan attempts to make educated guesses about the forces that could play upon critical initiatives and suggests contingent strategies should they be needed.

Now, on to the Plan. . .

In preparing a vision for Original Hastings, a number of factors currently affecting or soon to affect the neighborhood have been considered. These factors include development pattern, regional context, current land uses, infrastructure, redevelopment opportunities, transportation patterns, and market forces. The factors come together in unique ways to “inform” the recommendations contained in the Plan.

## Development Pattern

Development pattern refers to the physical layout of the neighborhood and its relationship to natural features. In contemplating Original Hastings’ appealing neighborhood character, it is arguable that as much credit is due the development pattern upon which Original Hastings is built as the historic structures that thankfully grace neighborhood streets.

The fact that downtown Hastings flanks the Mississippi River has had a lasting impact on community success and that juxtaposition will likely become even more critical as time passes. America is in the midst of a revolutionary turn toward our rivers as community destinations. Cities and towns across the country are restoring habitat, creating recreational amenities, building new housing and re-orienting activity toward their riverfronts. Hastings possesses two miles of riverfront from Lock & Dam 2 to the marina. At the heart of that stretch lies downtown. The riverfront is an amenity that Hastings has wisely cared for and something that will undoubtedly garner ever-more investment by the community as well as private development

interests.

While the River is Hastings’ reason for being, the historic downtown is the heart of what makes Original Hastings the unique place it is. The traditional building pattern, on-street parking, and historic retail storefronts contribute to a character of place that will continue to serve as a foundation for the future of the neighborhood.

The study area generally represents the original plat of 1855 that designed a town site on a 300-foot street grid pattern with mid-block alleys. Three hundred feet (shorter than blocks in most communities), it turns out, is a good dimension for a block because it contributes to the walkability and sociability of a neighborhood. Alleys were, for many years, out of fashion in neighborhood design until fairly recently with the growth in popularity of “new urbanism.” Alleys are once again considered healthy contributors to neighborhood character and function, and are being designed into many contemporary neighborhoods.

Small blocks and the presence of alleys are critically important to the character of Original Hastings and may have had a positive impact on maintaining neighborhood stability over time. Preserving and celebrating the original street and alley grid pattern and resisting arguments (which can sometimes be compelling) to vacate portions of streets or alleys will enhance the ability of Original Hastings to distinguish itself as a unique historic neighborhood – a distinction that a segment of the population will always be drawn to.

## Regional Context

Hastings obviously began its history as a stand-alone community surrounded by prairie, forest and farmland. It is difficult for us to imagine that travel from Hastings to St. Paul or Red Wing one hundred years ago was an adventure. Today Hastings is considered well within the Twin Cities metropolitan area and is experiencing significant growth as a result of that status. People are drawn to Hastings for its quality neighborhoods, historic character, natural amenities and surrounding countryside.

Original Hastings and especially historic downtown plays a critical part in people's image of Hastings. Many people want to live in a community that has a physical identity, like a downtown, that they can point to as a representation of their home even if, ironically, they seldom use or enjoy that place. Others are drawn to not only appreciate but also live within historic neighborhoods and enjoy the walkability, diversity, convenience and urban lifestyle offered by them.

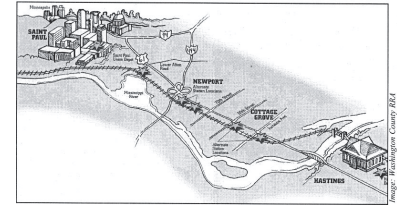
It's the confluence of three forces that make the future of Original Hastings so intriguing: 1) Original Hastings is its own very unique amenity as a stable traditional neighborhood with a historic downtown adjacent to the Mississippi River, 2) Hastings has captured the attention of a regional audience, and 3) a growing segment of the population has interest in living in and visiting traditional neighborhoods and historic downtowns.

## Current Land Uses

Original Hastings is a "neighborhood" in the most traditional sense. It contains a diverse and fairly integrated mix of land uses with the most intense development pattern at the core of downtown and a less intense pattern of residential neighborhoods surrounding it. The land use pattern generally contains the ingredients and configurations that many communities are attempting to create with downtown redevelopment or new town efforts.

At the center of Original Hastings is the mixed-use downtown core that contains a significant amount of retail, service and office uses on the ground level and some multi-family residential units in upper stories of older buildings. Early in its history downtown Hastings was full of industry, especially on the riverfront. Today only one significant industrial use (Hudson Sprayer) remains in downtown. At the fringe of downtown, residential uses begin to inter-mingle with commercial uses sometimes in the form of Victorian era homes converted to multi-family units. Like many downtowns of its era, the rise of the automobile has led to the need for parking on downtown land that may otherwise be buildable space. In several cases, larger parking areas are located at the fringes of downtown, leading to a less vibrant ring that acts as a perceptual barrier between the downtown core and surrounding neighborhoods.

The Plan for Original Hastings places great importance on creating and maintaining strong residential neighborhoods. Residential neighborhoods in Original Hastings are



predominantly single family although there are some relatively new multi-family structures immediately surrounding the downtown core. There are generally eight to ten homes per block, which equates to a density of roughly five to six units per acre. The presence of alleys in most parts of Original Hastings and the fact that most of the homes in the neighborhood were built before attached garages were popular, leads to a residential pattern with one home and at least one accessory structure per lot.

The southern end of the Original Hastings study area touches the perimeter of the midtown commercial district. The primary impact this will soon have on the study area is that the redevelopment proposal for the former middle school site at 10<sup>th</sup> & Vermillion Streets suggests a mix of commercial and residential uses.

Land uses along Vermillion Street are in a state of transition that will likely take many years to equalize. Architecturally interesting churches and homes line the street. Changes in religious practices and significant increases in traffic volumes on Vermillion Street are causing decreased viability of both uses in the corridor and leading to the desire to convert homes and churches to commercial uses.

There are five park spaces in the study area, Lake Isabel Park, Wilson Park, Roadside Park, Levee Park and Lake Rebecca Park. These parks are all developed with varying degrees of active and passive recreational facilities including

trails, hockey, tennis, playground ball fields and fishing. Levee Park and Lake Rebecca Park (also called the Hastings River Flats) have master plans suggesting significant changes and investments in their recreational components. There is also a marina owned by the City of Hastings in the study area that links with the Mississippi River.

### Public Amenities

The Plan for Original Hastings describes a vision for the future and encourages investments to be made in ways that build toward that vision. It is important to recognize that expecting successful private property investments of the type and quality desired by the community will often require related investments in public amenities such as the Mississippi riverfront, boating facilities, farmers market or streetscape enhancements. Awareness of the “amenity package” offered by Original Hastings and the willingness to consider upgrades to public amenities in order to leverage desired private investments will help the vision become a reality.

### Infrastructure

Like any urban environment, there are numerous complex infrastructure systems in Original Hastings. Although this report does not address infrastructure comprehensively, it does make some targeted suggestions on the topic.

Third, Fourth and Fifth Streets between Bailly and Tyler Streets are in need of reconstruction. There will certainly be other street reconstruction needs through the life of the Plan, all of which will provide opportunity to not only



rebuild the streets but do it in ways that enhance neighborhood character and ecological systems.

The eastern portion of downtown and East Hastings are not currently served by a “looped” public water system. Redevelopment projects near the railroad will offer opportunities to enhance water service to these areas.

The downtown electrical substation and overhead utility lines are an unsightly and potentially unsafe presence in Original Hastings. Removal or undergrounding of utility lines should be a goal and, where possible, should be accomplished in conjunction with redevelopment and street improvement projects. The potential for relocating the substation is a complex and expensive subject but one that merits ongoing consideration.

Stormwater conveyance and treatment is becoming increasingly sophisticated and costly. Societal costs of not addressing the stormwater issue in sensitive ways are also becoming apparent in flood damage and other environmental problems. The Plan suggests innovative techniques to address stormwater as an amenity rather than a pollutant. Many of these techniques can be implemented in conjunction with street improvement and/or redevelopment projects.

### Redevelopment Opportunities

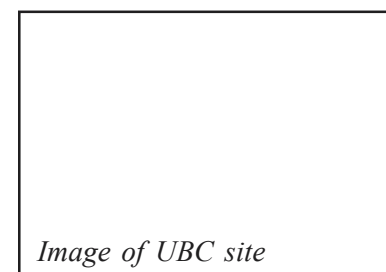
There are a number of known properties and likely others unknown of significant size in Original Hastings that will undergo land use transitions during the twenty year life of the Plan. The Plan seeks to encourage positive change

through redevelopment and adaptive reuse by addressing several important public/private redevelopment initiatives.

Redevelopment in the levee area north of 2nd Street and between Sibley Street and the railroad will bring new vitality to the east end of downtown. The design study “A Vision for the Downtown Riverfront / Levee Park” prepared in 2000 will provide important site design considerations for future redevelopment option in the levee area. Before proceeding with a redevelopment plan, however, it will be important to reflect on past proposals and understand why they did not succeed. Issues could relate to project design, market feasibility, capacity of the developer to perform, or financial feasibility of the project. Understanding these shortcomings will better enable the City to find successful alternatives.

The U.S. Postal Service has recently indicated that a replacement facility for the Hastings post office at 2nd and Ramsey Streets will be actively pursued within roughly five years. Reuse of the existing facility is not being considered as an option. The Postal Service has indicated that a replacement facility will split the retail from the distribution functions into separate facilities. Mail distribution will occur in a Postal Service-owned industrial facility within an industrially zoned area of the community. The post office lobby and retail function will be housed in leased space within a retail area.

The site of the Hudson Manufacturing Company at 2nd and Eddy Streets presents important reuse and redevelopment opportunities. A use change on the Hudson



*Image of UBC site*

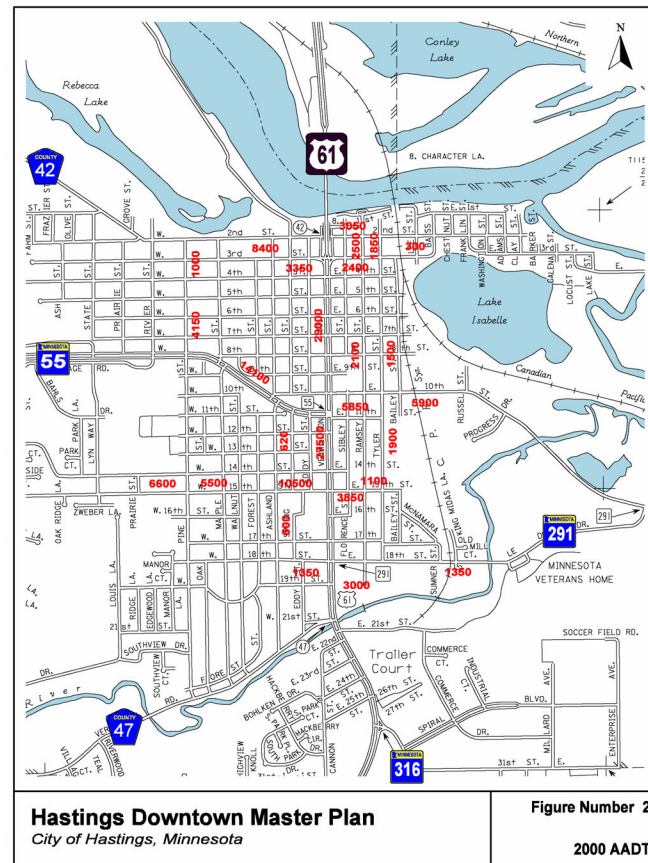
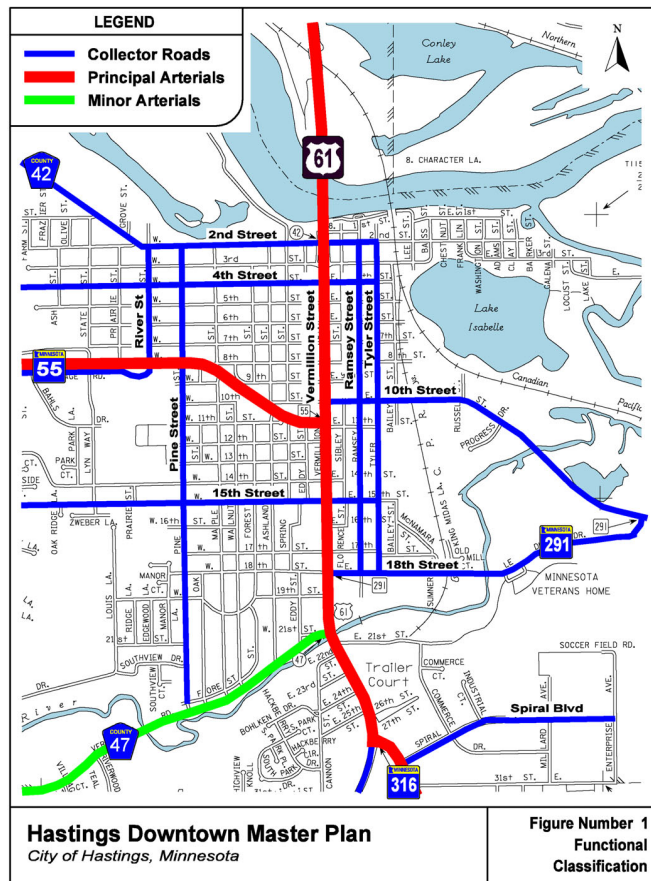
site is a long-term strategy. The Plan does not suggest an immediate change. Instead, the Plan sets forth an approach and a vision for eventual reuse at the appropriate time.

One of two factors will likely provide an eventual catalyst for Hudson to move from its downtown location. Either business decisions could lead Hudson to seek another location or reconstruction of the Highway 61 bridge that

could impact the facility and create an incentive to move.

The UBC site at 3rd and Bailly Streets is a prime candidate for redevelopment because of its non-conforming land use and the property's location relative to a possible commuter rail station.

The Metropolitan Council is considering relocation of the Hastings wastewater treatment plant located north of 2<sup>nd</sup>



Street at the railroad. Current planning suggests that a portion of the site would be available for redevelopment. (A lift station would continue to operate on a small portion of the site.)

From its existing downtown Tax Increment Financing district, the Hastings HRA has approximately 1 million dollars in excess proceeds that will expire in 2006 if not spent on approved redevelopment expenditures. The HRA can use these funds to make strategic investments that will act as catalysts for the identified redevelopment projects.

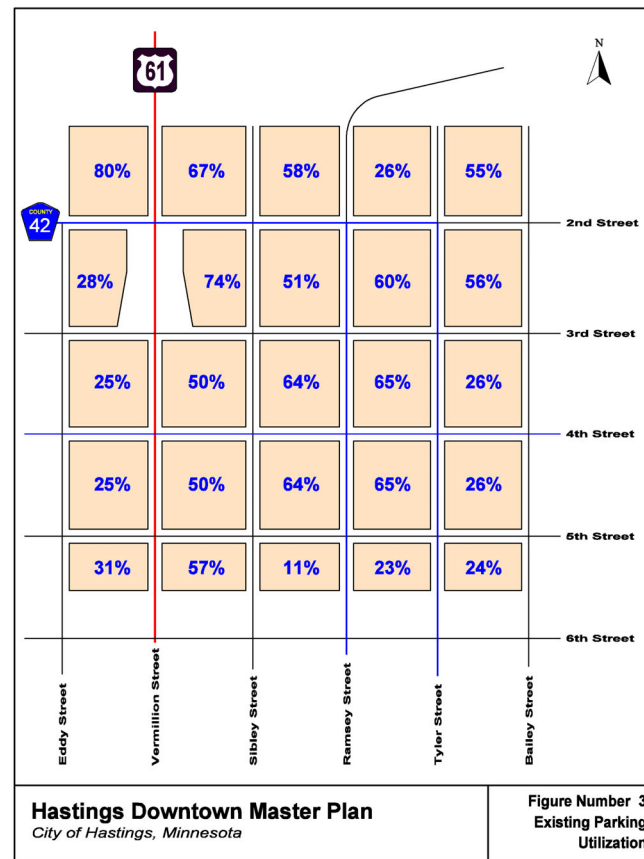
### Transportation Patterns

Providing good access and circulation for Original Hastings is critical to maintaining the vitality of the neighborhood. In developing the access and circulation plan it is important to understand how access and circulation systems currently function and how neighborhood changes could impact the access and circulation system. In addition to the roadway system, Hastings could someday have a commuter rail station that would have traffic impacts.

The functional classification of roadways that serve Original Hastings is shown on the adjacent diagram. Trunk Highway (TH) 61 or Vermillion Street is a principal arterial that carries most of the traffic from the area that is destined for downtown Hastings. Because of the elevation required on TH 61 to provide adequate clearance over the Mississippi River there is not direct access between TH 61 and 2<sup>nd</sup> Street (the main business street) in downtown Hastings. The access from TH 61 to Main Street is via ramp roadways on

either side of the bridge that loop back from 3<sup>rd</sup> Street to Main Street. TH 61 also has a signalized intersection with 4<sup>th</sup> Street, which is an east-west collector street in the City of Hastings.

Other access to downtown Hastings or Main Street is provided via other north-south streets that connect 3<sup>rd</sup> Street and 4<sup>th</sup> Street with Main Street. The two key north-



south streets are Ramsey and Tyler, which are collector streets that run between TH 291 and Main Street. These collector streets also provide access to downtown Hastings for traffic that comes into town from the east on 10<sup>th</sup> Street. Ramsey and Tyler were converted to one-way streets between 4<sup>th</sup> Street and 10<sup>th</sup> Street to accommodate buses that turned on Ramsey when the school was still located on 10<sup>th</sup> Street. The school has since closed and the site is being redeveloped so the one-way pair is no longer needed to accommodate the bus turns. One other collector street that provides access to downtown is 2<sup>nd</sup> Street from the west.

The adjacent figure shows the 2000 Annual Average Daily Traffic (AADT) on the key streets that serve downtown Hastings. These traffic volumes are consistent with the functional classification of the roadways in the study area. The counts show that Vermillion Street carries a very high volume of traffic (27,000 to 29,000 vehicles per day) in comparison to the other streets in the network. Fourth Street carries between 2400 and 3400 vehicles per day and Ramsey and Tyler carry between 1500 and 2100 vehicles per day. Second Street carries about 8,400 vehicles per day near downtown.

There are five transportation issues that have been identified relative to the downtown access and circulation plan. These are discussed below.

#### *TH 61/Vermillion Street Access*

TH 61 is classified as a principal arterial. This corridor is also classified as an intermediate priority interregional

corridor. MN/DoT's access spacing guidelines for this type of corridor indicate that full access signalized intersections should have a minimum spacing of one-quarter mile. They also indicate that other right-in, right-out access should be at least 1/8 mile apart. Currently Vermillion Street has full access at every block with traffic signals at the 4<sup>th</sup> Street and 10<sup>th</sup> Street intersections. There are also private accesses between the full access intersections. The one-block intersection spacing is well below the minimum space recommended by MN/DoT for an intermediate priority interregional corridor. Vermillion Street also has some on street parking in selected areas. The issue to be addressed in this study is how the City of Hastings should approach future access to Vermillion Street.

#### *Access between the TH 61 Bridge and downtown Hastings*

The early stages of planning is underway for the reconstruction and expansion of the Highway 61 bridge over the Mississippi River. The Minnesota Department of Transportation indicates that a new bridge is at least ten years away. This project creates both opportunities and challenges for Original Hastings. Even though the timing of a new bridge is uncertain, some issues are addressed in this Plan. The Plan provides the City with a framework for being proactive in guiding design and access issues related to the bridge.

#### *Ramsey and Tyler One-way pair*

As discussed previously, Ramsey and Tyler are currently one-way streets between 4<sup>th</sup> and 10<sup>th</sup> Streets. However, the reason they were converted to one-way streets (to allow

adequate room for busses to turn onto and off of Ramsey at the school) no longer exists and therefore the issue is whether they should continue to be one-way streets or whether they should be converted to two-way streets.

### *Downtown Parking*

There are some areas in downtown Hastings where parking

|                      | 1990    | 2001    | Avg. Ann. Change |      | 2006    | Avg. Ann. Change |      |
|----------------------|---------|---------|------------------|------|---------|------------------|------|
|                      |         |         | #                | %    |         | #                | %    |
| <u>Hastings</u>      |         |         |                  |      |         |                  |      |
| Population           | 15,445  | 18,096  | 241              | 1.5% | 18,994  | 180              | 1.0% |
| Households           | 5,403   | 6,702   | 118              | 2.0% | 7,146   | 89               | 1.3% |
| <u>3-mile Radius</u> |         |         |                  |      |         |                  |      |
| Population           | 17,999  | 21,116  | 283              | 1.5% | 22,158  | 208              | 1.0% |
| Households           | 6,254   | 7,726   | 134              | 1.9% | 8,227   | 100              | 1.3% |
| <u>5-Mile Radius</u> |         |         |                  |      |         |                  |      |
| Population           | 21,581  | 25,564  | 362              | 1.6% | 26,893  | 266              | 1.0% |
| Households           | 7,407   | 9,212   | 164              | 2.0% | 9,829   | 123              | 1.3% |
| <u>Dakota County</u> |         |         |                  |      |         |                  |      |
| Population           | 275,227 | 361,958 | 7,885            | 2.5% | 392,465 | 6,101            | 1.6% |
| Households           | 98,293  | 133,796 | 3,228            | 2.8% | 146,451 | 2,531            | 1.8% |

Source: Claritas, Inc.

becomes tight at peak times. This high parking utilization is seen on Main Street in the downtown core and in parking lot spaces under the bridge. The parking utilization by block is shown on the adjacent figure. This study addresses where parking should be provided in the downtown area to accommodate development and redevelopment.

### *Commuter Rail*

Hastings could serve as the southern-most stop and hub for the proposed Red Rock commuter rail line. If commuter rail becomes a reality, the construction of transit facilities poses significant implications and opportunities for Original Hastings.

## Market Forces

Market forces are a critical component in a vision for Original Hastings, especially since much of the emphasis of the Plan is on redevelopment that will “fill out” the existing neighborhood framework. Having said that, it is also important to note that this is a twenty-year plan and although market experts have provided their insights for this Plan based on today’s realities, we cannot predict how market forces will change over time. As a result, the market insights discussed below have a limited useful life but are good indicators for market evolution.

### *Retail Overview and Business Environment:*

Downtown Hastings maintains consistently high occupancy rates. Downtown businesses include a mix of specialty retailers, restaurants, and businesses providing everyday goods and services (e.g., hardware, hair care, copying, unprepared food). Most retailers operate independently; many originated in or otherwise maintain ties to the Hastings community. Sales are derived from a mix of local residents and visitors; interviewed store owners estimated that visitors account for more than half of their sales.

Under these generally healthy conditions, opportunities for new stores focus on visitor-oriented niches. Such niches involve gifts, unique furnishings/accessories, eating and drinking, antiques, and other such goods and services. Field surveys of other downtown districts reveal a number of retail store types that may be under-represented in downtown Hastings. These store types include businesses selling

goods and services such as: hobby items (various), books, luggage, cookware/kitchenware, apparel stores, fitness centers and restaurants (diverse cuisines). While not all of

COMPARATIVE DEMOGRAPHIC INDICATORS  
WITHIN 5-MILE RADII OF COMPARABLE DOWNTOWN DISTRICTS

|                 | Median Household Income |          |        | Total Households |        |        |
|-----------------|-------------------------|----------|--------|------------------|--------|--------|
|                 | 1989                    | 2001     | Change | 2001             | 2006   | Change |
| Hastings        | \$36,806                | \$55,835 | 51.7%  | 6,702            | 7,146  | 1.3%   |
| Anoka           | \$41,837                | \$70,590 | 68.7%  | 41,367           | 45,158 | 1.8%   |
| Chaska          | \$36,264                | \$58,958 | 62.6%  | 15,355           | 17,502 | 2.7%   |
| Excelsior       | \$52,146                | \$97,727 | 87.4%  | 30,666           | 32,722 | 1.3%   |
| Stillwater      | \$41,530                | \$59,147 | 42.4%  | 33,276           | 34,654 | 0.8%   |
| White Bear Lake | \$43,537                | \$76,016 | 74.6%  | 30,327           | 31,586 | 0.8%   |

Source: Claritas, Inc.

these store types will necessarily prove viable in downtown Hastings, they nonetheless provide a useful list of the types of tenants that occupy space in similar downtown settings.

Given prevailing lease rates below \$10 per square foot, new businesses can support lease obligations with relatively modest sales volumes (e.g., \$100-\$125/square foot).

#### *Retail Development Prospects:*

While downtown Hastings will continue to offer opportunities for new retail tenants, the potential for substantial new retail development faces substantial challenges. These include:

- Prevailing lease rates along Main Street occupy a wide range; higher-quality store space achieves lease rates of approximately \$8 to \$10 per square foot on a gross

#### SELECTED LABOR FORCE INDICATORS SELECTED AREAS: 2000

|                   | 4-yr.<br>college<br>degree+ | Exec/<br>Man'gerial<br>Professional |
|-------------------|-----------------------------|-------------------------------------|
| Hastings          | 20.2%                       | 30.9%                               |
| Stillwater        | 37.5%                       | 40.2%                               |
| Dakota County     | 34.9%                       | 39.5%                               |
| Ramsey County     | 34.3%                       | 39.9%                               |
| Washington County | 33.9%                       | 41.0%                               |

Source: U.S. Census

basis. In comparison, gross-equivalent lease rates in the Mid-Town or Westview areas range from approximately \$10 to as high as \$20 per square foot in some cases. Developers seeking to maximize returns on new construction investments will identify the higher revenue potential that can be derived from standard shopping center formats as preferable to the potential from new downtown investments.

- Retail businesses typically seek opportunities generated by rapid growth. Over the next five years, projected growth rates in Hastings and its surroundings anticipate growth at 1 percent to 1.3 percent per year. Such growth is respectable but lags behind the corresponding growth rates for Dakota County.

*Demographic Trends and Projections: 1990-2006*

- Absent rapid residential growth, retailers will seek locations that provide high visibility due to: high visitation levels, local employment concentrations, proximity to anchor destinations, and/or access to major highways. At this time, downtown Hastings derives much of its retail sales from visitor traffic, but downtown does not offer the auto- or pedestrian traffic sufficient to drive sales volumes that will in turn support higher rent levels.
- Where the Hastings market is able to attract new retail development, downtown Hastings will face competition from alternative locations near conventional and large-format retail centers elsewhere in the City. Ongoing development of such retail centers will influence the mix of uses in the downtown area: while many businesses will be able to maintain their customer bases and draw upon visitor spending, others (typically those providing utilitarian goods such as drugs, groceries, hardware, etc.) will face increasingly formidable competition.
- Established franchise retailers generally prefer conventional shopping center formats, which offer easily perceived parking, anchor destinations, and uniform store hours. Such tenants, while not necessarily suitable for Main Street, typically pay higher lease rates, offer greater stability, and are more easily contacted by leasing agents. Most developers will seek opportunities to target these tenants rather than unique businesses seeking Main Street retail

space.

- Developers and business owners seeking opportunities in historic downtowns can identify several alternatives in the Twin Cities area. Despite the constraints discussed above, certain types of investors seek opportunities in downtown settings. Such investors, however, can consider opportunities in other small downtowns such as Excelsior, Stillwater, Anoka, White Bear Lake and Chaska. In comparison with Hastings, these settings generally offer larger demographic concentrations, higher income levels, and comparable or more rapid growth prospects. Thus, in seeking to attract investors seeking opportunities in small downtown settings, Hastings faces difficult competition.

*Office Development Prospects:*

Office development will seek proximity to (1) other office concentrations, which furnish a supply of potential tenants and (2) professional labor. Downtown Hastings cannot satisfy either criterion. The general surroundings do not contain any large office parks. In regard to labor, the Hastings community features a relatively industrial character. In comparison with surrounding communities, the Hastings labor force features relatively low indices in regard to educational attainment and executive/professional occupations.

*Attached Housing:*

Downtown Hastings offers opportunities for attached housing development. Such opportunities face substantial

challenges. These will most likely limit the scale of prospective developments, with few if any projects including more than 40 dwelling units. In general, the most attractive opportunities would target:

- Small projects on high-amenity sites offering river views, ample building amenities and convenient proximity to recreational and retail amenities; and
- Rental projects in and around downtown targeting moderate price tiers (e.g., \$650-\$850/month rent for two-bedroom units).

This general finding draws support from the following:

Performance of current condominium developments: Various duplex and townhouse developments have achieved reasonable absorption rates (e.g. 2-2.5 du/mo.) at prices ranging from \$150,000 to \$225,000; one project has achieved similar absorption rates with homes priced from \$285,000 to \$325,000.

Non-local builders have begun targeting Hastings: these include Sherman Associates, one of the Twin Cities' major residential condominium developers, as well as nationally prominent home builders Centex and DR Horton. These companies have achieved rapid initial absorption rates at the Guardian Angels (Sherman, rental) and South Oaks (Centex) projects.

Downtown living alternatives have become increasingly popular. This has been reflected in the recent or ongoing

successes of downtown multi-family projects in smaller communities such as Stillwater, Hopkins and Robbinsdale.

Notwithstanding these positive indications, downtown residential development will face substantial challenges. To date, among recent developments, only Guardian Angels is located downtown. At the other projects, marketing success has been driven in part by affordability issues, with homes selling well below \$200,000 in many cases. Downtown land costs, along with ample competition from these ongoing developments, will drive at least some downtown residential developments into the higher-priced niches. Such developments will need to offer high-quality units, building amenities and proximity to recreational and retail amenities.

Office space will be required for household-serving (as opposed to corporate-serving) professional service providers. Such providers include firms and individuals involved in legal, health, financial, insurance, real estate, and other such fields. Most of these businesses, however, will occupy small offices, and will not demand space in excess of the supply in existing storefront spaces, second-floor spaces and other small office buildings.

## Purpose

According to an old story, two stonecutters were asked what they were doing. The first said, "I'm cutting this stone into blocks." The second said, "I'm building a cathedral."

This simple story depicts how vision can have a profound effect on what we do and how we do it. Relating this lesson to neighborhood planning and design is especially important. Without a vision, new pieces are added to the urban structure with only self interest in mind and without a notion of what or how that piece is contributing to a bigger picture. Adding the ingredient of vision provides the picture of the "cathedral" that the neighborhood seeks to become. Each piece is then a block in its own right as well as a building-block in a broader vision.

The foundation of vision for Original Hastings has two components: a vision statement and a set of guiding principles. The vision statement is a simple, concise statement that encapsulates an inspirational vision for the future. Guiding principles encapsulate the community values needed to attain the vision.

The vision statement and guiding principles are communication tools and reminders. Through the planning process they are an important basis of understanding between the plan authors and the community. During the long life of plan implementation, they will act as the memory of the plan; reminding future community leaders "why". The vision and guiding principles can be used in several ways:

- Provide a shared understanding of community desires for the future.
- Look to current conditions and community traditions for clues guiding future decisions.
- Orient the community to the future, even to a future that is twenty years distant.
- Promote imagination, recognizing that the directions established will be tomorrow's reality.
- Serve as tools for evaluating proposals, projects, ideas and new directions.
- Provide an anchor in times of conflict and change - a way of remembering common ground and shared values.
- Create energy and enthusiasm for staying committed to the Plan.

## Vision Statement

*The Vision for Original Hastings is to be an inspiring, vital, and stable neighborhood always striving to protect its rivertown history, deepen its traditional character, and enhance its environment.*

---

## Guiding Principles

### Preserve and enhance traditional neighborhood character

Original Hastings has a rare amenity in its neighborhood character. Today's hot development trend of "new urbanism" attempts to re-create what Original Hastings already has. This plan suggests taking steps to preserve and enhance that character not just for nostalgia but also because it will attract a growing and passionate segment of the home buying marketplace.

### Embrace public/private redevelopment partnerships

Redevelopment is an expensive proposition. Hastings, like other communities, has found that attracting high quality redevelopment requires the City to be at the table offering the financial tools at its disposal in a manner that is fiscally responsible. Public/private partnerships do something else; they give the City negotiating power to get the quality and character of development that is appropriate to the community. Hastings is on the development community's radar screen. Hastings can use that position to encourage and guide some very interesting and high quality redevelopment projects in years to come.

### Prepare for the time when downtown will be home to a commuter rail transit hub

Hastings is proposed to be the southern-most stop (in phase one) of the Red Rock Commuter Rail line extending to downtown Minneapolis. Construction of the project is not funded at this time but as expanded transit options inevitably take hold in the Twin Cities, indications are that the Red Rock line will be the second commuter rail project constructed behind the Northstar Corridor (linking St. Cloud and Minneapolis). Assuming commuter rail does extend to Hastings in the next five to ten years, a number of preparatory steps are necessary.

### Diversify visitor destinations with a strong focus on the Mississippi riverfront

The economic vitality of downtown Hastings and, increasingly, the Original Hastings residential market, is and will continue to be largely based on the visitor trade. The visitors and in-turn residents attracted to Original Hastings are drawn in large part by the set of activities Hastings offers. The more Original Hastings can "fill out" that set of activities with events of interest to the Original Hastings market, the more visitors and investors will be attracted.

### Serve visitors

Downtowns can take many lessons from the success of shopping malls. One of the most important may be that consumers expect a high level of service not only in stores but also in the common space around stores. The level of service and care demonstrated in downtown Hastings public spaces impacts mightily on the success of downtown retailers.

### Embrace optional housing types

Part of what makes an urban neighborhood vibrant is the variety of housing types. Historical neighborhood patterns usually include a mix of housing types like flats above retail, carriage house apartments, row houses, duplexes and single-family homes. Original Hastings should continue to embrace housing variety that perpetuates historical character and neighborhood vitality.

### Use a new river bridge to strengthen the character and function of Original Hastings

The Minnesota Department of Transportation has indicated that the existing Highway 61 bridge over the Mississippi River will be replaced in the next ten to fifteen years for structural and traffic capacity reasons. Although the loss of a landmark in the existing bridge will be unfortunate, if a new bridge must be built,

Hastings can use it to meet a host of community objectives - objectives that translate into negotiating positions with the Minnesota Department of Transportation.

### Introduce ecological function as an integral component of all infrastructure and development investments

America is undergoing an awakened understanding of surface water quality, global warming and flood control. The design of urban environments has a large impact on these three issues. Either by choice or by regulation, infrastructure systems and development patterns are being innovated to accommodate this greater understanding. This Plan suggests steps that can be taken in Original Hastings not only to lessen environmental impacts, but also to incrementalize infrastructure investments, applying those investments at the beginning of the resource chain rather than at the end when the cost implications due to pollution and flood damage will be more significant. The recommendations recognize that there is no silver bullet for the issue but rather a package of smaller steps.

At the time the Hastings Comprehensive Plan was updated in 2000, more in-depth study of appropriately guiding land uses was contemplated for Original Hastings. The land use map prepared as part of this Plan suggests that there are a number of land use categories that should be unique to Original Hastings because of its traditional and historic neighborhood patterns. The proposed land use districts identified for Original Hastings in this Plan are Core Downtown Multi-Use, Residential Mixed-Use, Neighborhood Conservation, Open Space Redevelopment PRD and Adaptive Reuse Overlay. These land use designations represent a fundamental step in guiding future land use in conformance with a vision for Original Hastings.

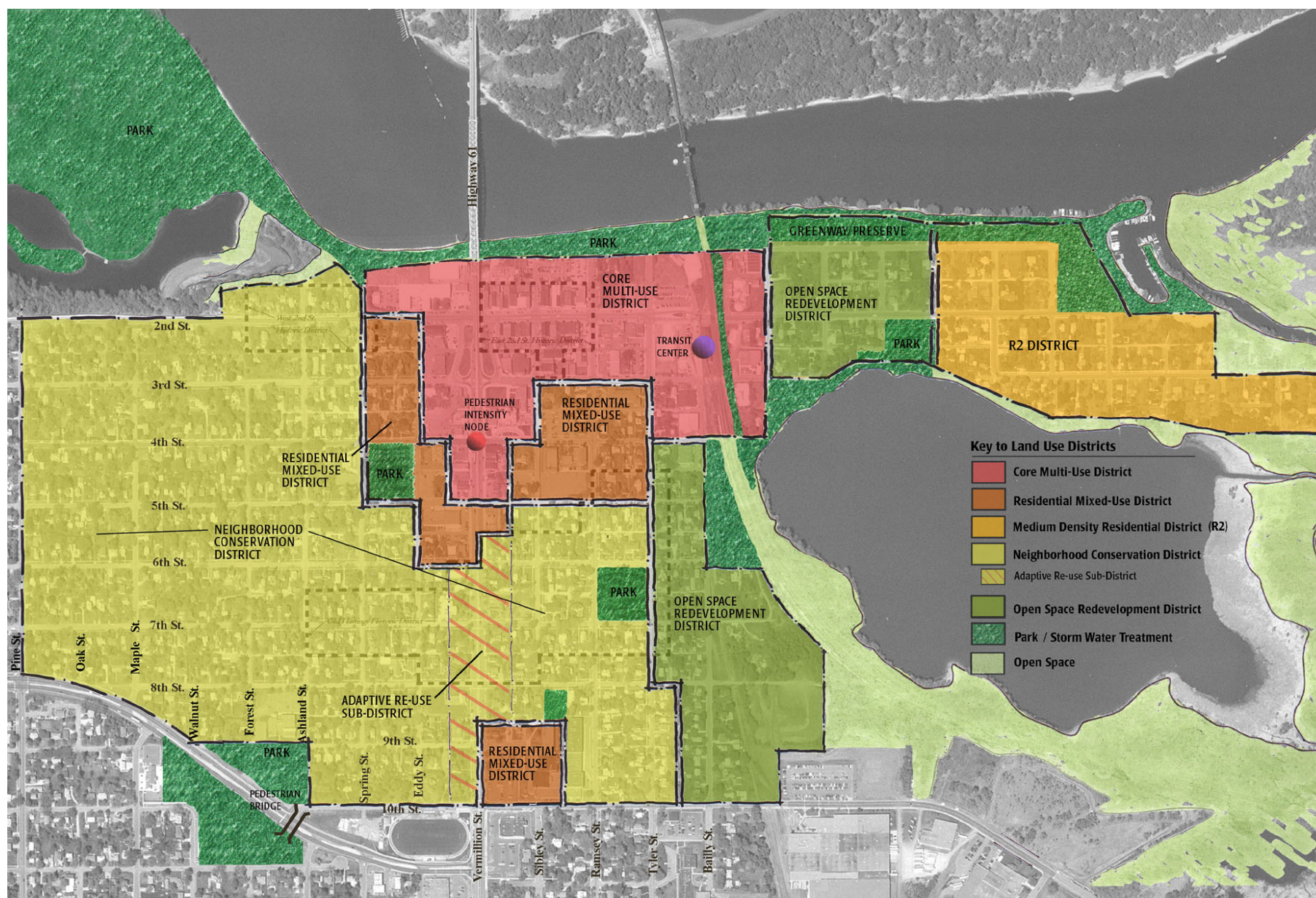
The Core Downtown Multi-Use District suggests that downtown should continue to be viewed as primarily a retailing district. However, allowance for other uses, such as residential, office and services are not only historically appropriate but also enhance the vitality and economic viability of the downtown core.

The Residential Mixed-Use District suggests that a one to two block zone surrounding downtown is a prime area for redevelopment of higher density residential uses with a small amount of neighborhood-oriented retail. This zone, in many cases, consists of underutilized or substandard properties that lend themselves well to redevelopment of high quality residential uses that will ultimately help support the economic viability of downtown and limit the outward expansion of the community.

The Neighborhood Conservation District makes up the bulk of Original Hastings. It suggests that the traditional residential neighborhood established in this area should continue to thrive in its current pattern and should be governed by different consideration than other residential districts in Hastings because of its historic patterns.

The Open Space Redevelopment PDR District is focused on two objectives. 1) It allows for (does not restrict) the reinvestment in single-family homes that exist within the district. 2) It prepares for the possibility of larger-scale housing redevelopment pressure that may be experienced in the future. The district suggests that redevelopment projects should be designed to conform to the historic “block” pattern but also cluster housing within a network of narrow greenways that provide more neighborhood open space, pedestrian links and stormwater treatment areas.

The Adaptive Reuse Overlay District provides special considerations for the Vermillion Street Corridor. It expresses the community desire to maintain the Street’s character while recognizing that land uses along the street will need to evolve to stay viable. The overlay district suggests taking a current “snapshot in time” of the corridor and documenting the land use intensity and development characteristics such as hard cover, building footprint building height and setbacks of each lot. The overlay district would limit the extent of site alterations to the intensity and development characteristics documented in the “snapshot”, thus helping to preserve the overall character of the corridor.



The Plan proposes revised land use designations for Original Hastings. The changes are proposed to address the historic neighborhood qualities unique to Original Hastings.

While this entire document represents the Master Plan for Original Hastings, this chapter describes the composite of physical improvements suggested in the Plan. This comprehensive look at the urban design of Original Hastings, what we're calling the "composite master plan", illustrates how the many smaller initiatives in combination with broader design gestures can together create a set of urban systems that work together like a well-tuned machine. The composite master plan suggests a combination of enhancement, restoration and re-creation of the fundamental systems needed for a rich urban fabric.

**Natural Systems:** Before the community was settled, the Original Hastings landscape was obviously part of a stabilized ecosystem (combined set of natural systems), a stability that was compromised with development of the town. Since development practices have historically misunderstood or ignored the importance of natural systems, the result is an urban landscape that may have tremendous urban character but is a contributor to pollution, has little ecological value and is ultimately more expensive to operate.

This Plan suggests that Original Hastings should be a model for reestablishment of natural systems within an urban setting. The Plan identifies essential pieces of the original ecosystem that can be enhanced or re-created to establish an interconnected web of "green" that has habitat as well as community value. In addition, the Initiatives Chapter of the Plan suggests that there are innovative modifications that can be made to the built

environment that have drastically less environmental impact and contribute positively to the urban ecosystem.

Aspects of the Composite Master Plan that address natural systems are:

- **Urban Forest:** The plan suggests constant attention to replenishing street and private property trees along all of the streets in Original Hastings. The Plan particularly suggests establishing continuous boulevard trees along the proposed Bailly Parkway, on 4<sup>th</sup> Street from Bailly Parkway to Wilson Park, on Spring Street from Wilson Park to Lock and Dam Road and on 10<sup>th</sup> Street from McNamara Stadium to Bailly Parkway.
- **Greenways:** The Plan suggests expanding the open space corridor along the Mississippi River until a continuous open space link is created between Lock & Dam #2 and the Hastings marina. Also suggested are greenway corridors between the Mississippi River and Lake Isabel in east Hastings and one along the proposed Bailly Parkway from downtown to 10<sup>th</sup> Street. The corridors should be planted with native gardens and only where needed for community purposes, turf.
- **Green Street:** The Plan suggests converting 6<sup>th</sup> Street between Tyler Street and the railroad to a "green street" (no cars). This would provide a unique open space and trail connection between the proposed neighborhood park and Bailly Parkway.

- **Stormwater:** The Plan suggests that the traditional underground stormwater system that releases into Lake Rebecca, Lake Isabel and the Mississippi River should be reinvented and reconstructed to become a primarily above-ground system of dispersed rooftop and rainwater gardens and stormwater “treatment trains” that continuously evaporate, infiltrate and treat stormwater from the time it falls as rain to the point where it reaches lakes and the river. Nearly every property in Original Hastings as well as the greenway corridors mentioned above can be designed with integrated stormwater basins that appear and function as landscaped gardens.

**Recreational Systems:** Recreation is important in enhancing the quality of life in neighborhoods as well as attracting visitors. Since the Plan contemplates that Original Hastings will grow in households over time, additional park space in the neighborhood could be needed and lack of it could inhibit high quality development. Retailing districts are discovering the power recreational attractions have on drawing customers. Recreational elements identified in the Initiatives Chapter including the Hastings River Flats, Levee Park and the marina are key strategies to diversify the reasons visitors will choose Hastings.

The intent of the Plan is to interlink recreational components so they act as one unified system. That system is proposed to include:

- **Elements targeting the neighborhood:** including Wilson Park and the development of one additional neighborhood park east of Vermillion Street (possibly on the current catholic school block) as well as trail connections that link with the regional system;
- **Elements targeting visitors:** including the River Flats, Levee Park, the marina, regional trail corridors along the Mississippi River and the proposed Bailly Parkway and an interpretive route along the river and through the neighborhood.

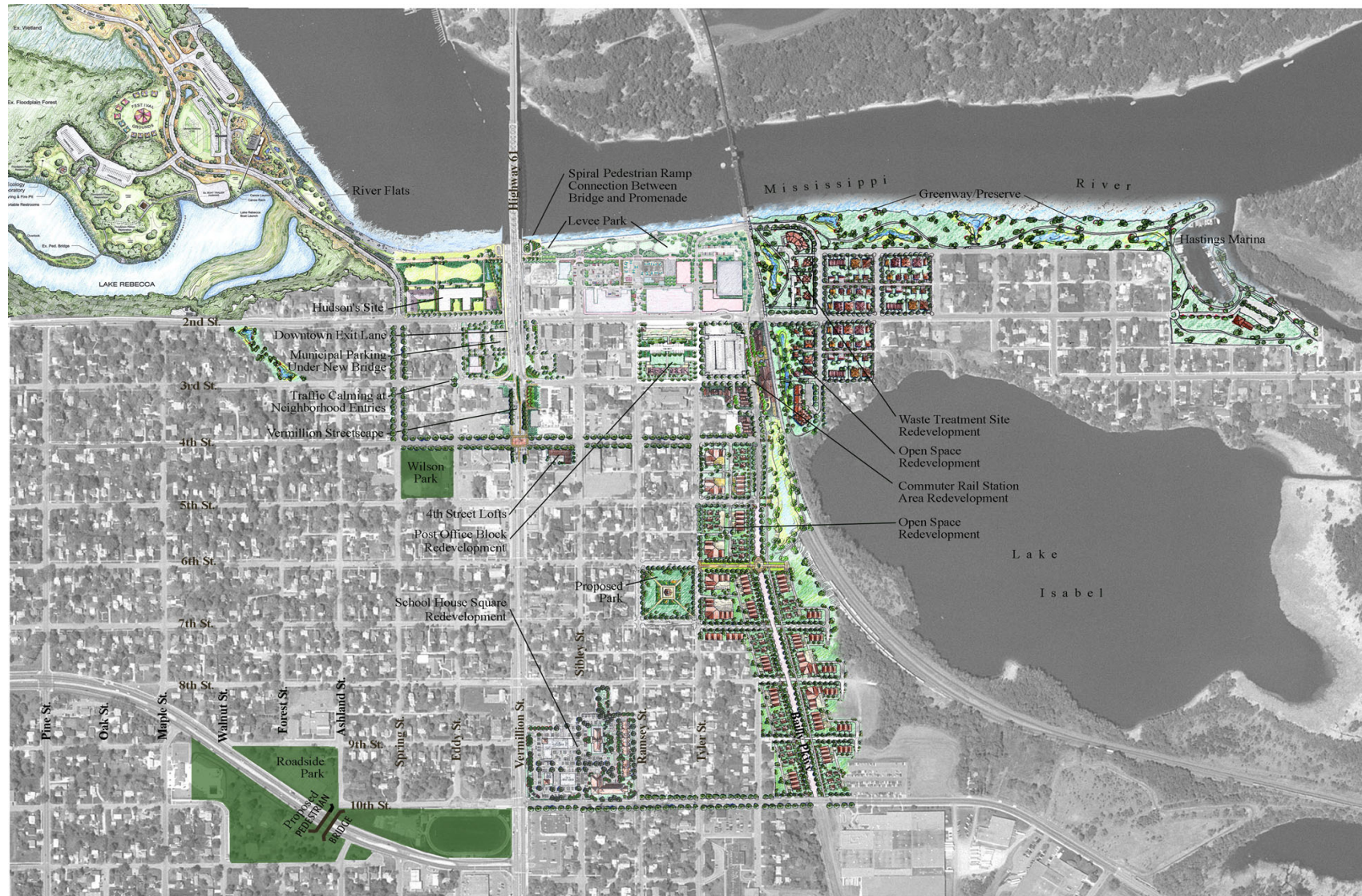
**Transportation Systems:** Transportation systems obviously provide the mechanism for moving around the urban environment. Transportation systems also create the framework for the neighborhood development pattern.

- **Street Pattern:** Streets are easy to take for granted but the street grid in Original Hastings is actually quite unique and extremely valuable to neighborhood character. Original Hastings is built on a 300-foot block grid, which is generally recognized in urban design circles as the ideal block size in promoting neighborhood cohesion and walkability. The presence of alleys is also an important asset that should not be taken for granted. They allow for primary street frontages that are undisrupted by driveways and create a positive social dynamic between neighbors. The presence of sidewalks have obvious benefits to walkability and less tangible but equally important

benefits to neighborhood cohesion and social interaction.

The Plan recommends that the existing street, alley and sidewalk grid should be preserved. Alleys often come under pressure for elimination or vacation. The Plan strongly discourages the elimination of any alleys in Original Hastings. In fact, there may be some instances where redevelopment will afford a welcomed opportunity to reestablish alleys that have been removed in the past. Sidewalks should be maintained or established along both sides of each street in Original Hastings (except in special circumstances).

- **Transit:** Transit could potentially be a central feature of downtown Hastings if the Red Rock Commuter Rail Corridor becomes a reality. The Plan includes elements and initiatives that make downtown a very unique multi-modal transit hub; a place where cars, trains, buses, bikes, pedestrians and boats come together and are accommodated equally.



## USING THE PLAN

The primary intent of A Plan for the Heart of Hastings is to help the community wisely position its greater downtown neighborhood for the opportunities and challenges it will face over the next twenty years. This chapter of the report describes and illustrates a series of initiatives developed through the planning process. These initiatives represent a broad spectrum of activities that will be undertaken by the public and private sectors. As a result, the initiatives suggest both community guidance and community action.

### Elements of Plan Initiatives

The initiatives presented in the Plan are grounded in three basic elements. *Development patterns* represent the broad patterns of land use and development density and are generally depicted by a land use plan and zoning regulations. *Urban systems* represent the infrastructure, public spaces and superstructure that support the urban framework and are generally depicted by the graphic master plan. *Design character* is the site design, architectural character and building/landscape relationship that is generally depicted by a series of site concept drawings and design guidelines.

### Keys to Implementation

The Plan initiatives focus on specific actions, projects and strategies for achieving the vision for Original Hastings. Within the description of each initiative are other important ingredients for a successful outcome. Each initiative has different ingredients depending on its specific needs.

#### Patience

The twenty-year timeframe suggested to implement this Plan supports the gradual evolution great neighborhoods require. Redevelopment, like most community endeavors, requires the patience to wait for the right things to happen, rather than making changes simply to do something.

#### Commitment

Commitment and patience go hand-in-hand. This Plan does not simply seek to attract development to Original Hastings; it also seeks to move the neighborhood toward a vision for the future. There is a difference. Commitment to the Plan means the willingness to actively promote public and private investments that achieve the vision. Commitment also means deterring developments that do not uphold the vision and guiding principles. Not all of these decisions will be easy or without controversy.

#### Piggybacking

This term refers to the potential of using other projects to meet community objectives. A variety of regional initiatives are on the horizon: reconstruction of a new river bridge, relocation of the wastewater treatment plant and possibly the construction of a commuter rail station. It is important to express the community will for meeting Plan objectives through these projects.

#### Legal Authority

Recent court cases have highlighted the importance of a solid legal foundation to successfully participate in redevelopment. The public purpose achieved by city actions

must be clear. The City recognizes the procedural requirements of various development and finance powers.

#### *Sustainable Financial Environment*

A large portion of the implementation strategy discusses roles and responsibilities for the HRA and the City. While implementing the Plan requires the careful investment of public funds, the private side of the financial equation must not be overlooked. New and existing businesses will pay for part of the improvements called for in the Plan. The Plan seeks to balance public initiative investments with the creation of a financial environment that sustains businesses.

#### *Strategic Investments*

If financial support for the Plan was unlimited, the need for strategic decisions would be less important. Knowing unlimited funds will likely not be available, every expenditure has implications for the completion of other initiatives. As needs and opportunities not contemplated in the Plan arise in the future, it will be important to evaluate each financial move for its strategic impact on other initiatives and achieving the vision for Original Hastings.

The initiatives address many topics but are all focused on the vision and principles set forth for Original Hastings and are all issues that will likely be faced by the community through the life of the plan.

#### *Avoid Redevelopment Roadblocks*

There are a number of areas identified in the Plan as redevelopment targets. The City will want to be cautious

not to make early public investments that could translate into redevelopment roadblocks in the future. An example would be public assistance in partial redevelopment of a block that will inhibit the full realization of a redevelopment vision for the block. This point is especially important in multi-use projects where a critical mass of development “systems” such as elevator cores and parking structures are needed to make a higher-intensity project viable

## **LAND USE GUIDANCE**

Adopting and using appropriate land use controls is essential to achieving the vision for Original Hastings. This section discusses how the Comprehensive Plan, zoning ordinance and design guidelines become tools for implementing the Plan.

### **Amend Comprehensive Plan/Zoning Ordinance**

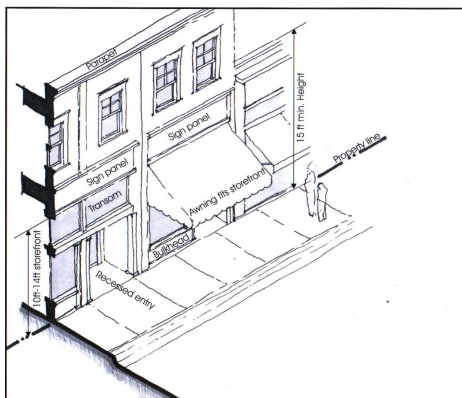
Enclosed in this Plan are suggested modifications for the Land Use Guide Plan and zoning ordinance. See Chapter 4 - Land Use Plan and the Code Modification Appendix for suggested changes. The last word of this column should be ‘intended.’

### **Adopt Original Hastings Design Guidelines**

Land use designation and zoning regulation provide foundational land use directives but cannot fully express a community’s vision for a place or encourage individual investments in conformance with that vision. This is where design guidelines come into play. Good design cannot be

## HASTINGS, MN FRONTAGE TYPES

01-03-03 by RJC & PJM



### F1 Storefront

The storefront is typical in late 19th and early 20th century downtown commercial buildings. These buildings usually range from one to three stories with retail spaces on the ground floor with high ceilings and storefronts to bring the maximum amount of light into the space. Retractable awnings protect the merchandise from the sun and provide shelter for pedestrians. The upper floors can be lives, work or retail use accessed by a separate entry at street level.



Design Guidelines that are organized around building frontage types (such as "storefront") provide tools to shape rehabilitation and new development in Original Hastings.

explicitly legislated, but it cannot be left to chance, either. The design guidelines for Original Hastings are intended to illustrate a design vision. They are a communication tool that will allow the City of Hastings to explicitly describe a vision that will help guide development and revitalization.

The design guidelines are contemplated as underlying guidelines on top of which existing historic district standards can be applied to appropriate sub-areas. The design guidelines are envisioned to be used 1) as a communication tool expressing the community's design vision for Original Hastings; 2) to guide the design of public improvements (streetscape, public buildings, etc.) within Original Hastings; 3) as a basis for project review in the processes of building permits, site plan approval, conditional use permits, and planned unit developments;

and 4) as a determining factor for public financial participation in private redevelopment efforts.

## PUBLIC/PRIVATE PARTNERSHIPS

### Redevelop the Levee Area

The Plan recommends pursuit of redevelopment in the Levee area as the highest downtown redevelopment priority. This area primarily includes the two blocks north of 2nd Street between Ramsey Street and the railroad. In addition, redevelopment plans could include the municipal parking lot between Sibley and Ramsey Streets as long as acceptable replacement of downtown parking is included in the plans and as long as a community involvement process is conducted to resolve other concerns such as blocked river views raised in the Levee Park master planning process.

As discussed in the Plan Considerations chapter, market findings conducted as part of the planning process suggest that the greatest opportunity for redevelopment downtown lies in visitor-oriented restaurant/entertainment, moderately priced attached housing and limited amounts of retail/office space.

### Strategies

Plan recommendations for the Levee area redevelopment include:

- 1) Redevelopment should conform to zoning modifications and design guidelines prepared as part of this Plan.
- 2) A mix of uses with housing as the basis has the greatest

chance of success in the Levee area. If housing is a component of redevelopment plans, it should be developed in enough density and mass to create the feeling of a “riverfront neighborhood”. Too little housing could limit market success by giving potential renters or buyers an uncomfortable “pioneer” feeling. Based on market findings, the suggestion for a higher number of housing units could suggest a phased approach to housing development in the Levee area to allow for adequate absorption times.

3) The inclusion of retail in the project could pull retail users out of other downtown locations. To some extent, this may serve other downtown redevelopment objectives but it could also have damaging effects on vacancy rates in older buildings and thus damage the retailing district as a whole. So, a new retail project should be carefully considered in context of the full downtown district.

4) Office uses should target household-serving (as opposed to corporate-serving) professional service providers. These uses suggest smaller offices such as legal, health, financial, insurance, real estate, and other such fields.

5) Based on market findings, downtown Hastings needs to enhance its amenity package to attract upper-bracket attached housing development. Because of the inherently high costs of redevelopment, upper-bracket housing may be essential to make financially viable the caliber of project desired for the Levee area. As a result, it may be essential that public amenities including Levee Park and possibly the marina (with boat slips tied to the housing project) are enhanced along with Levee area redevelopment.

#### *Site Design*

In addition to proposed zoning modifications and design guideline requirements as part of this Plan, design studies prepared for the Levee area as part of the Levee Park master plan as well as the recent Bailly’s Landing redevelopment project offer a very good basis for site design of the area.

Levee Park enhancements that assist success of the development but are enjoyed by the full public should be considered.

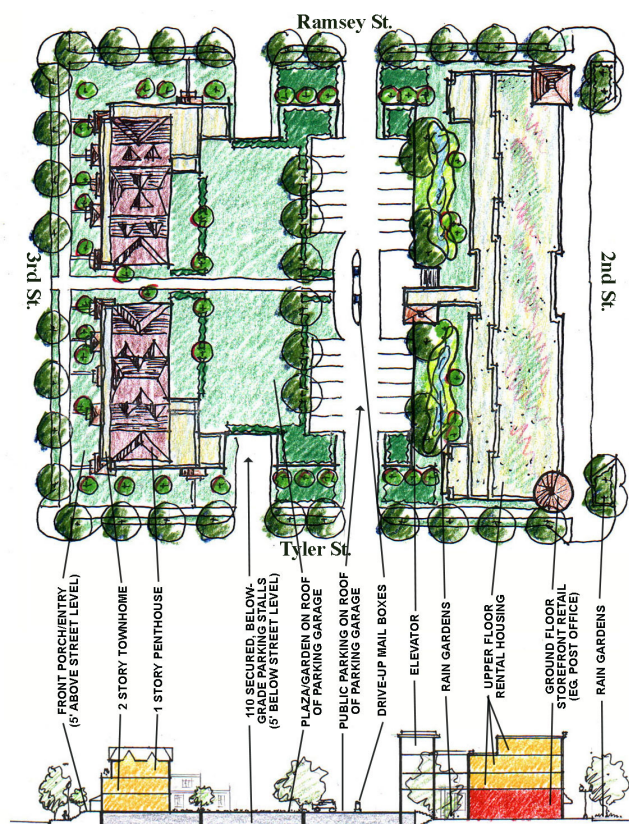
#### *Financial Issues*

Acquisition and demolition of existing properties as well as other inherent costs to redevelopment in the Levee area may require the establishment of a new redevelopment TIF district. The City has recently conducted evaluation of the area to determine that a TIF district will qualify under the “but for” test. The district should only be established when and if a redevelopment proposal has matured to the point of reasonable assurance of financial feasibility, City comfort with the project’s development program and site design and demonstrated need for financial participation by the City.

Special assessments should also be considered for the public improvements such as Levee Park and streetscaping associated with the project.

#### **Redevelop the Post Office Block**

Redevelopment of the post office block should be pursued as the highest priority downtown redevelopment project after the levee area redevelopment. The combination of



The Post Office block provides an important redevelopment opportunity. This figure shows the potential elements of a redevelopment project at this location.

its mainstreet location, Postal Service desire for new facilities and current HRA land ownership make this block a strong candidate for redevelopment (HRA-owned parcels combined with the post office represent 56% of the total block).

Even though a post office change may be the trigger for

redevelopment, the Plan suggests redeveloping the entire block. Given the physical conditions of the block, land use and design goals for downtown and the basic economics of redevelopment, it would be difficult to redevelop only pieces of the block with a successful outcome.

Reuse potential of the current post office building has not been studied, although it is believed that the building's relationship (setback & elevation) to Main Street makes it a significant barrier to successful retailing both within the building itself, and in retail storefronts to its east.

#### Strategies

This information prompts several suggested actions in preparation for eventual redevelopment:

- 1) Hastings should do what it can to keep the retail function of the Hastings post office in a downtown location.
- 2) Conversations should begin with the Postal Service about their needs for future Hastings facilities and how the City can assist in meeting those needs.
- 3) Possible redevelopment should be discussed with other property owners on the post office block.
- 4) The HRA should conduct a preliminary assessment to determine how many of the buildings meet the statutory test of "structurally substandard" under the TIF Act. The creation of a redevelopment TIF district requires that more than 50% of the buildings in a proposed district meet this criteria.



The U.S. Postal Service has indicated that they will be seeking a new location within the next five years. Redevelopment of the current post office block should be a top priority for the city.

- 5) The HRA should attempt to acquire additional parcels on the block. These acquisitions would be a good use of any uncommitted revenues from the Downtown TIF District before its expiration in 2006.
- 6) The City should not contribute to partial-block development or rehabilitation projects without determination that they can be successfully phased with full-block redevelopment. These actions will increase the cost and could preclude subsequent redevelopment.

#### *Site Design*

Design of the post office block is suggest to include multi-story buildings fronting on 2nd and 3rd Streets with structured parking in the core of the block. 2nd Street buildings would house retail on the main level with housing above. 3rd Street buildings would be multi-story residential structures with underground parking. A parking deck at the core of the block would provide secured parking for the residential units and convenient overflow parking for retail uses. There would be central elevator and stairway cores on the block. Rooftop and rainwater gardens would be constructed to accommodate stormwater. New zoning regulations and design guidelines would be followed.

#### *Financial Issues*

Preliminary financial analysis of this redevelopment concept was conducted as part of the planning process. The purpose of this analysis was to explore the financial feasibility of redevelopment as suggested in the conceptual site plan. The analysis demonstrated that the proposed development

will not happen without public financial assistance. The additional costs of land acquisition, site development and structured parking cannot be borne solely by the revenue capacity of new development. The City/HRA does have the financial tools to close the gap and facilitate this redevelopment. Several actions are important elements of a successful approach.

- The City/HRA should take a “global” approach to the post office. Relocation of facilities, acquisition of the current site, and leasing space in the Downtown should be part of a single package. The price of the existing site is a key to the financial feasibility of redevelopment.
- The HRA has control over the cost of two properties in this block.
- Money from the existing Downtown TIF district could be used to acquire and write-down the cost of other property on the block.
- A new TIF district will likely be needed to offset the increased costs of structured parking.

#### *Contingencies*

Several factors could impede the ability to redevelop the post office block as planned. The following contingencies are suggested if circumstances with the post office block change:

- 1) If the postal service decides to stay in its current location indefinitely then stringent conditions should be placed on any expansion of the post office distribution function.

Redevelopment of the remainder of the block should be pursued with continued high priority and according to the new zoning and design guideline criteria.

2) If the retail and housing market declines and will not support the optimal plan then the City should not participate in redevelopment or other reinvestments on the block until such time that a development scenario can be implemented that is financially feasible and meets the new zoning and design guideline criteria.

### Adaptively reuse the Hudson Manufacturing Site

#### Strategies

This plan suggests that the City continue doing what it has been in regard to Hudson - maintain dialogue with plant management and respect their desire to stay or relocate while making clear the City's desire for relocation. It is important to express to Hudson the City's interests in (1) keeping the Hudson facility in Hastings but eventually off of the downtown riverfront, (2) saving the historic Hudson buildings for adaptive reuse, and (3) participating in redevelopment of the current Hudson site and starting to prepare for site redevelopment options in earnest about five years before scheduled reconstruction of the river bridge.

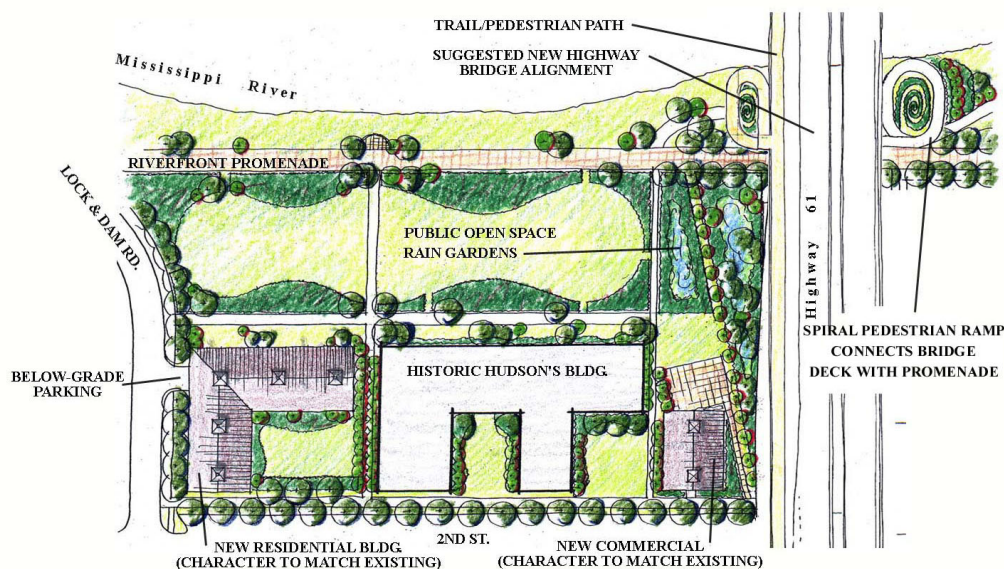
#### Site Design

The historic complex of Hudson buildings is comprised of substantial brick nineteenth century industrial buildings with a pattern of large windows. These are handsome buildings that appear from the exterior to be in reasonable condition. The building design, proximity to downtown

and its tremendous river views make it an ideal opportunity for adaptive reuse as medium density housing. The concept plan suggests removing the more recent building additions, which will open up river views from the historic buildings and allow for a Levee Park extension to the River Flats. The riverfront open space will also provide needed stormwater treatment areas. The Plan suggests adding an architecturally compatible west wing to the building that would house structured parking and additional living units. Depending on the westward limits of a new river bridge, a small retail/mixed-use east wing could also be added to the site.



Image of the rehabilitated Hudson complex with a new west wing that houses living units and underground parking.



The Hudson Manufacturing property provides the combination of historic buildings and a prime location. Rehabilitation and reuse of the facility should be linked with Hudson's desire to relocate. The concept for the property could include reused historic buildings, expanded riverfront open space and new building additions in the historic character.

### Financial Issues

The costs of redeveloping the Hudson property will likely require public financial participation. Several financial strategies may assist in this process:

The expansion of the bridge may require acquisition of property and the demolition of structures. It is possible that the bridge project could also contribute to other site development costs.

While the buildings are historically significant, it is likely that they will require substantial renovation to meet codes for other uses. These conditions should allow a redevelopment TIF district to be established. A physical inspection of the building and redevelopment analysis will be needed to evaluate the actual criteria for a TIF district.

If Hudson relocates within Hastings, it might be possible to use TIF on both ends of the transaction. An economic development TIF district could be established to facilitate the construction of a new facility. This additional resource may be needed to make relocation and redevelopment feasible.

One unknown factor in the redevelopment of this site is the potential for environmental remediation. A hazard substance (TIF) subdistrict is a tool that could provide funding for these expenses.

### Contingencies

While rehabilitation of the Hudson site will have positive ripple effects on surrounding property values, there are no

other initiatives in the Plan that hang in the balance waiting for the Hudson site to change. Never the less if redevelopment circumstances for the site change or if future study of the historic Hudson complex proves that reuse is infeasible, then a redevelopment vision for the site should be prepared with community involvement when redevelopment appears imminent. An expanded public riverfront should be part of any redevelopment effort.

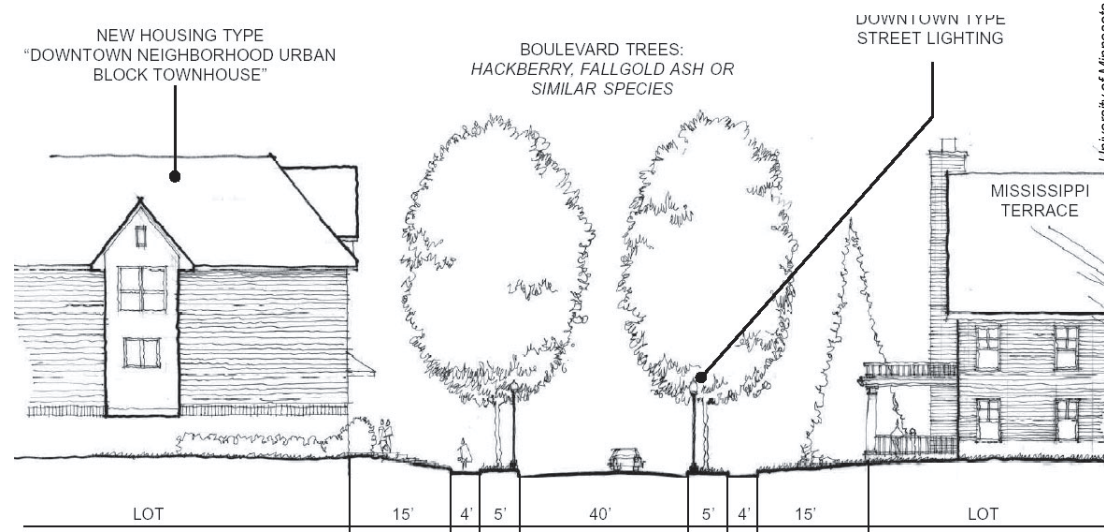
### Redevelop the UBC Property

#### Strategies

The Plan recommends that redevelopment of the UBC site be done in conjunction with construction of the commuter rail station. When and if commuter rail appears immanent, relocation discussions should begin with UBC and efforts



This sketch shows the form of housing contemplated for the UBC property.



This figure shows the potential private and public improvements associated with the redevelopment of the UBC

to redevelop the suggested housing portion of the site should begin in earnest. Ample right-of-way for the new Bailly Parkway should be reserved as part of the development process. The Plan also recommends that acquisition of the UBC site should be the HRA's second priority behind the post office block unless commuter rail takes an unexpectedly fast track.

#### *Site Design*

The UBC property straddles two proposed land use districts - the Downtown Core and Residential Mixed-use. If commuter rail becomes a reality, the UBC site will be an attractive housing redevelopment site. The plan recommends medium to higher density housing be developed on the property, hopefully in conjunction with other properties on the blocks with higher densities to the north and lower densities to the south.

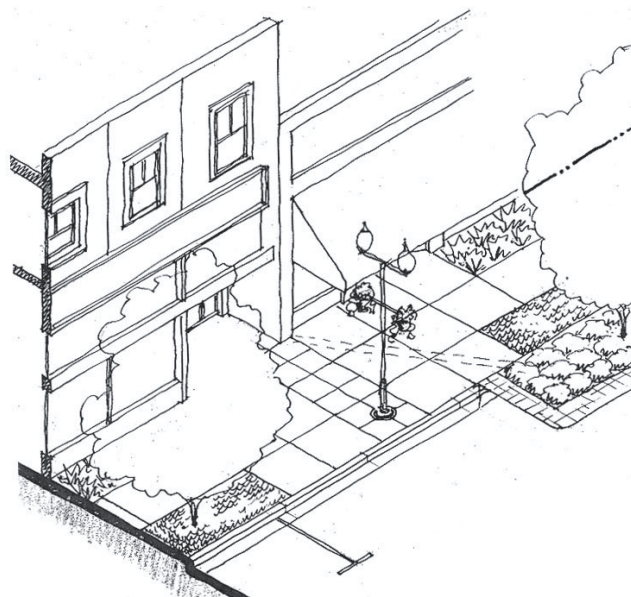
#### *Contingencies*

If commuter rail does not come to pass, housing development on the UBC property should still be pursued. Additional right-of-way for Bailly Street should also be reserved as part of the development process in addition to a landscaped buffer along the rail corridor.

### **Establish a Special Service District in Downtown**

A special service district is a tool for public/private collaborations on improvements and services in the downtown. Through a special service districts the City can collect additional commercial taxes and use them to provide services and maintenance above and beyond the standard

level of care. Typical items addressed by special service districts are ongoing streetscape care, snow removal, banners and holiday decorations. Other important functions that could be offered by a special service district are creation and maintenance of visitor signage, operation of a visitor's center, and even shopping district marketing and promotion. The special service district is a vehicle to maintain and capitalize on the special investments that have been made to enhance the downtown environment and the visitor experience. A more detailed discussion of special service districts can be found in Implementation Tools chapter.



Enhancement of the public realm is integral to the plan for Original Hastings. These improvements should be made in conjunction with private redevelopment projects and as part of street improvement

## Implement Streetscape Enhancements

The design guidelines prepared as part of this plan suggest design approaches to public sidewalk and boulevard spaces. While many of these suggestions can and should be accomplished as broader street improvement projects, some of the finer streetscape details that enhance the success of a redevelopment project can and should be implemented in tandem with the redevelopment.

## PUBLIC FACILITIES

One of the philosophies of this Plan is maximizing the benefits of every investment. Some important public facility initiatives are in the planning stages. The Plan presents opportunities for using these investments to achieve the vision for Original Hastings.

### Reuse the Wastewater Treatment Plant Site

If and when relocation of the current wastewater treatment plant occurs, the City should work with the Metropolitan Council to change its land use in conformance with community goals as suggested below:

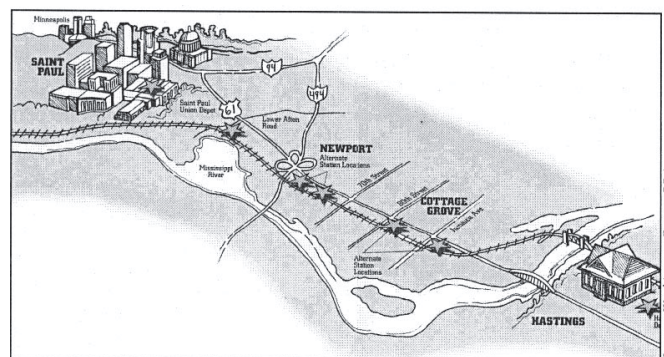
- 1) If commuter rail comes to Hastings, the Plan suggests higher density housing with a narrow (40-60-foot) greenway corridor along the rail line.
- 2) Alternatively, if commuter rail does not occur, the Plan recommends that the site be fully dedicated to greenway use.

## Reserve the Grain Elevator Block for a Commuter Rail Station

The University of Minnesota College of Architecture and Landscape Architecture recently completed a study for MN/Dot and the Metropolitan Council exploring location and design alternatives for a commuter rail station in Hastings. Two alternative sites are suggested in the study. One is in the vicinity of Bailly and 10<sup>th</sup> Streets. The other is the former grain elevator block at Bailly and 2<sup>nd</sup> Streets.

The Plan for Original Hastings recommends the elevator block for the rail station for numerous reasons. The primary advantages of a downtown location include:

- Synergy with the downtown environment.
- Potential to provide a catalyst for other redevelopment.



The Red Rock Commuter Rail Corridor would provide service from

- Expanding the downtown “market” by bringing new people into the area on a daily basis.
- Pedestrian connection to neighborhoods.
- Site is vacant and owned by HRA.

This report establishes three baseline negotiating positions with the Red Rock Corridor for a Hastings commuter rail station:

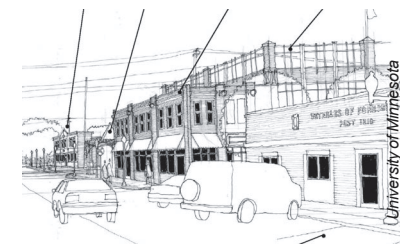
- The station should be placed in downtown on the former grain elevator block at Bailly and 2<sup>nd</sup>/3<sup>rd</sup> Streets.
- Relocate the rail switching yard to industrial property near the southern edge of Lake Isabel.
- Deed the spur line between 3<sup>rd</sup> and 10<sup>th</sup> Streets to the City as part of the switching yard relocation package.
- Design structured parking on the station block to be expandable to a level that would accommodate double the current projected need.

### Design Considerations

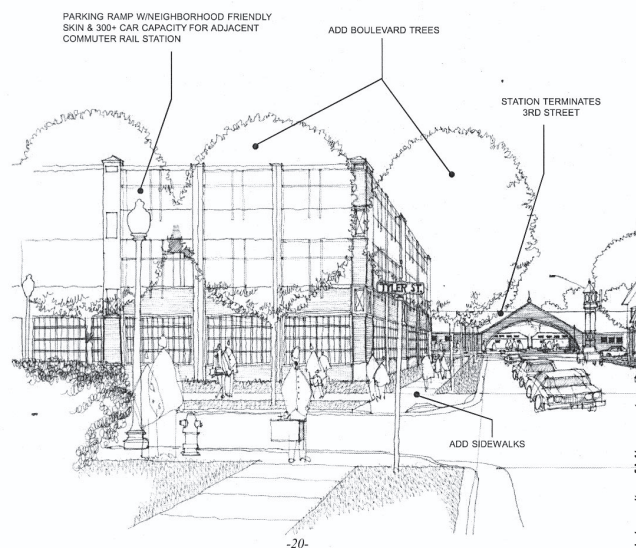
Parking must be carefully planned for this use. Successful transit service could cause commuter parking to impinge on downtown parking outside of the station site. The Plan recommends that ramp parking be part of station development to prevent adverse impacts on other parts of downtown and to minimize the land area consumed. It is further recommended that the parking structure be constructed to allow for expansion on the site to

accommodate at least double the number of commuter parking stalls currently projected but designed in a way that is not imposing on the downtown environment.

In addition to the recommendation of placing the commuter rail station on the elevator block, the Plan echoes University of Minnesota recommendations to include a small amount of retail on the site fronting 2<sup>nd</sup> and Tyler Streets. This will enable the leveraging of public and private investment to construct the project and allow for shared parking. Station area design should also provide for a bikeway connection through the station block connecting the Bailly Parkway trail with the riverfront trail. Finally, station area design should facilitate restoration and reuse of the historic depot.



Downtown station sketch - 2nd and Tyler Streets



Looking north from 3rd Street. Successful commuter rail operations will require a structured parking facility. This sketch illustrates a possible design of a rail station parking ramp.

### Strategies

This Plan should be used to shape future station area planning efforts for the Red Rock Corridor.

The entire block should be reserved for commuter rail related uses even though some of the block is contemplated for private development. It is likely that the structures on the site will be interlinked. The parking structure may be

built over the top of retail uses or the retail may directly connect to the station. Building one portion of the development before another could severely limit important options and ultimately the success of the full project.

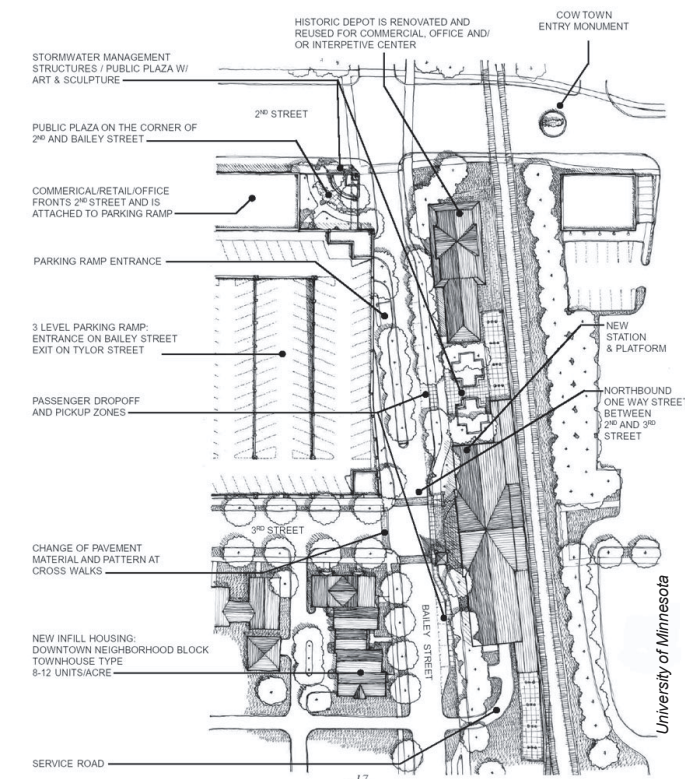
### Contingencies

Although the future of commuter rail and the Red Rock Corridor is uncertain, energies continue to be expended to move the project forward. The Red Rock Corridor Committee plans to undertake the next phase of planning (detailed station area design/engineering) beginning shortly. During this time, legislative priorities for transportation and transit will begin to take shape.

It is important that the elevator site be reserved for the rail station for the next three to five years. It is not realistic to hold the site for perpetuity. If serious progress toward constructing the corridor is not made by roughly 2007 or if planning for the corridor ceases before then, it is recommended that the City pursue other mixed-use redevelopment options for the site. The Plan does not contain an alternative development concept for this site. A future alternative plan must be based on the design guidelines and applicable market and development factors at that time. For example, the levee area redevelopment and Post Office block redevelopment projects will influence the development considerations for the rail station site.

### Relocate the Rail Switching Yard

The construction of commuter rail facilities leads to several related initiatives. One such initiative is the relocation of



This figure shows the development pattern in and around the site of a downtown commuter rail station.



A variety of rail related projects have implications for Original Hastings

the rail switching yard.

The rail switching yard is currently located between 3<sup>rd</sup> Street and the vicinity of the Smead Manufacturing plant. The controls for the switching yard are located near 3<sup>rd</sup> Street. The switching yard must be moved to accommodate a downtown commuter rail station.

An alternative switching yard location has been identified near the southern edge of Lake Isabel on a current industrial site. The relocated switching yard would accommodate a downtown commuter rail station, alleviate some daily rail car blockage of the Second Street crossing and allow for the proposed alignment of Bailly Parkway. The alternative yard would require land acquisition, reconstruction of the switching operation and construction of a new spur line to

the Peavey Mill that would include a rail bridge at 10<sup>th</sup> Street. The City has had extensive discussions with C.P. Rail, the owner of the switching yard regarding this issue. They have preliminarily determined that relocation is feasible although costly and that they would assume no responsibility for those costs.

### Close the 3<sup>rd</sup> Street Rail Crossing

C.P. Rail has requested the closing of the 3<sup>rd</sup> Street rail crossing. The crossing receives only minor vehicular use. Closing of the crossing should be considered by the City as part of the commuter rail station negotiations with C.P. Rail but only in return for other benefits.

### Reconstruct Bailly Street as a Parkway

A future Bailly Parkway will be an important collector street connection between 10<sup>th</sup> Street and a downtown commuter rail station. Much of the neighborhood surrounding current Bailly Street has seen a lack of investment over the years. Bailly Parkway could be a catalyst for redevelopment and provide an open space amenity around which a redeveloped neighborhood is organized. Because construction of the parkway is contingent on relocation of the rail switching yard, it is recommended that the two projects be planned in conjunction with one another.

### Convert One-way Streets

If Bailly Parkway is created, it will provide the “collector street” function of moving traffic from 10<sup>th</sup> Street to downtown that is currently served by the one-way pair of Tyler and Ramsey Streets. This scenario leads to the



The reconstruction of Bailly Street offers a direct connection between 10<sup>th</sup> Street and a rail station and provides a catalyst for redevelopment.

recommendation that if and when Bailly Parkway is developed, the one-way streets should be converted back to two-way. This will increase their functionality and convenience for the neighborhood.

#### *Contingencies*

If it becomes apparent that Bailly Street will not be reconstructed as a parkway, this plan recommends that the one-way streets remain in place and that consideration be given to extending the one-way configuration to 15th Street for greater city-wide traffic continuity.

#### Explore the Use of Railroad Redevelopment TIF

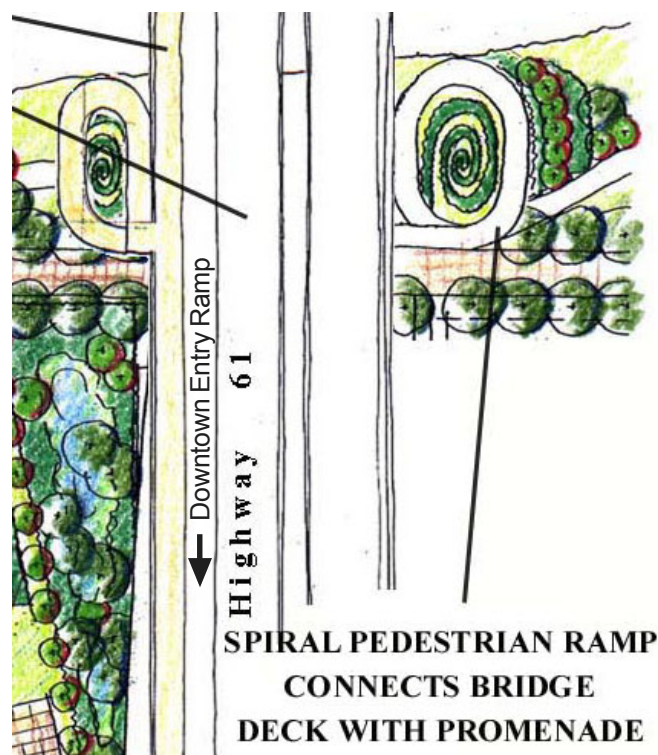
State Law allows for the creation of a special form of tax increment financing district involving rail property. Unlike other parts of the complex TIF laws, these powers are broad and not clearly defined. The HRA should work with its legal counsel and financial advisor to explore the potential for using this tool to facilitate the public and private improvements discussed here.

### RIVER BRIDGE RECONSTRUCTION

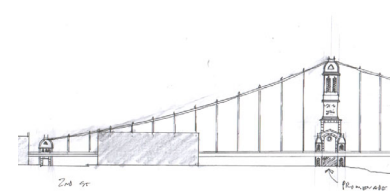
#### Replace the River Bridge with an “Architectural Landmark”

Perhaps the greatest single aesthetic challenge Original Hastings will face throughout the life of this plan is the design of a new Highway 61 Mississippi River bridge. Hastings enjoys a history of architecturally interesting bridges beginning with the spiral bridge and continuing

with today’s steel arch bridge. Advances in engineering allow for structural economies in contemporary bridge design but the result is often a bridge devoid of architectural character. This plan recommends that when the time comes for a new bridge, Hastings work with the Minnesota Department of Transportation to design a bridge that meets a high standard of form and function in the tradition of previous Hastings bridges. The bridge should continue as an “architectural landmark” for the community.



Spiral pedestrian ramps connect the deck of a new bridge with the Riverfront Promenade and recall the Spiral Bridge



Hastings enjoys a great bridge heritage with the Historic Spiral Bridge and the current Highway 61 Bridge. The example concept sketch below illustrates how future bridge reconstruction might continue that heritage.

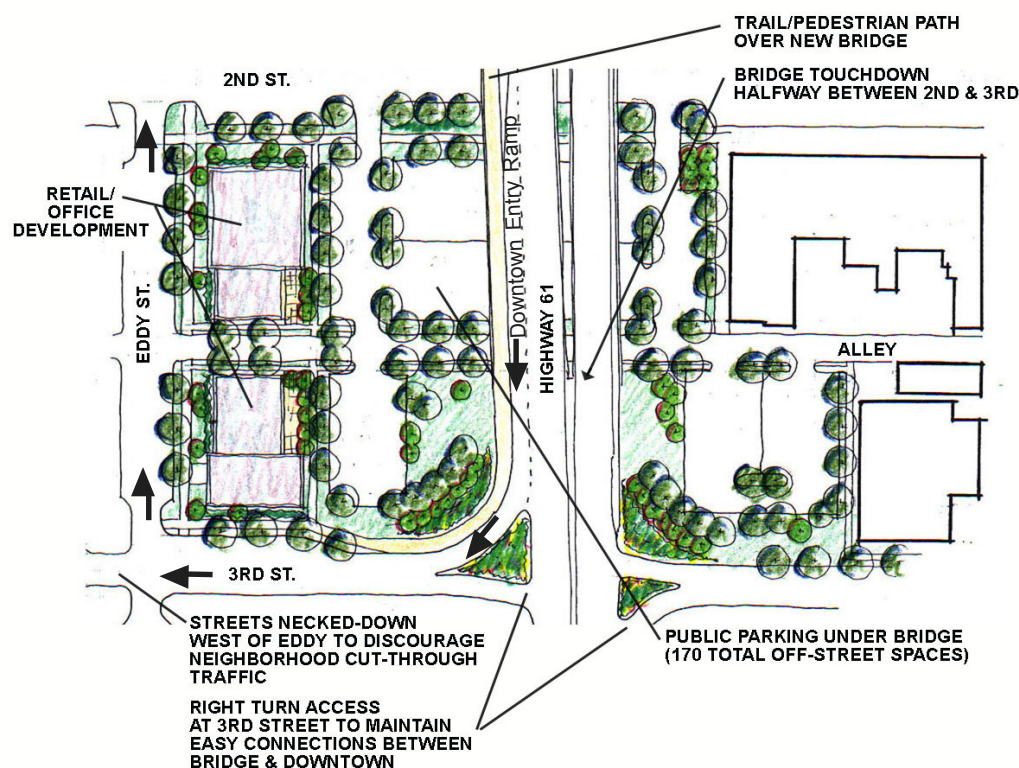
### Enhance Vehicular Access (Bridge to 2<sup>nd</sup> Street)

The spiral bridge was designed to include a spiral for a basic economic reason – to “touchdown” bridge traffic in the heart of Hastings’ retail district rather than bypass it. That same economic objective is still legitimate to the success of downtown retailing. The existing bridge accomplishes this with convenient street loops connecting the bridge to 2<sup>nd</sup> Street.

This plan suggests that several steps be taken to maintain and enhance access between the bridge and 2<sup>nd</sup> Street. 1) Continue to allow right-in/right-out access at 3<sup>rd</sup> and Vermillion Streets. 2) Provide an ample southbound deceleration lane on the bridge deck to allow safe and convenient exits at 3<sup>rd</sup> Street. 3) Provide a safe northbound acceleration lane on the bridge deck for convenient access from 3<sup>rd</sup> Street.

### Enhance Visual Access (Bridge Deck to Downtown)

One of the unfortunate things about the current bridge is that a driver entering Hastings cannot see downtown from the bridge deck because of the guard rail design. While this may seem unimportant, it actually is important from a retailing perspective. Retailing 101 says that customers need to see a store’s front door from the path of travel so they can



Reconstruction of the Highway 61 bridge provides an opportunity to expand parking and enhance vehicular and pedestrian connects to downtown

subconsciously plan their route in getting there. The rule also applies to marketing a downtown district. In the case of Hastings, downtown comes into the traveler's sight as they are crossing the River. Designing the bridge with driver's-eye transparency will be challenging, but if the objective is part of the design process, creative steps can be taken.

This objective can be enhanced and the lack of visual connection can be partially mitigated with directional signage, but it would be unwise to rely on signage in place of visual access.

### Expand Visitor Parking at Western Edge of Downtown

Space under the current bridge between 2<sup>nd</sup> Street and the River offers an important opportunity for public parking in a space that is useful for little else. The recent parking analysis completed for downtown suggests that the greatest need for additional downtown parking is at its western edge. This plan suggests that new bridge abutments should be designed to allow for parking under the bridge from 2<sup>nd</sup> Street southward to the alley between 2<sup>nd</sup> and 3<sup>rd</sup> Streets in addition to the current under-bridge space north of 2<sup>nd</sup> Street. The parking areas can be conveniently designed into the visitor entrance route from the bridge to downtown and should include a high degree of decorative amenities that appropriately welcome visitors to downtown Hastings.

### Use Bridge Replacement as Catalyst for Redevelopment

The Hudson and First National Bank blocks will likely be significantly impacted by bridge reconstruction. As a bridge project progresses, Hastings can coordinate with property owners on these two blocks for relocation and redevelopment opportunities. Hastings can piggyback property acquisitions for redevelopment purposes onto right of way acquisition needs MN/Dot will have for bridge expansion.



Hudson and First National Bank blocks.



Reconstruction of the Highway 61 Bridge will provide a catalyst for redevelopment of the Hudson and First National Bank blocks.

### Construct Bike/Pedestrian Lanes on New Bridge

Safe and convenient pedestrian and bike access across the River is greatly needed. A new bridge should include designated non-motorized lanes that use the spiral concept to connect with the riverfront promenade. The promenade is the best touchdown point because downtown is a recreational and commuter destination and because the promenade links directly to the Hastings area regional trail system.

## MISSISSIPPI RIVERFRONT

The riverfront is an essential element Original Hastings. A series of new initiatives build on past investments in park and public spaces along the River.



Hastings has a long-standing commitment to making the riverfront a public place. The plan envisions public park from the Lock & Dam to the marina.

### Conduct a Marina Feasibility Study

The ability to dock pleasure boats in or near downtown could play a critical role in strengthening the amenity package offered by Original Hastings. A feasibility study that explores the range of options for docking facilities including Lake Rebecca, the downtown levee and the existing marina should be prepared to identify the issues and opportunities.

### Construct the Hastings River Flats

The Hastings River Flats master plan adopted by the City Council in 2001 has gained regional recognition for its holistic community approach to the Mississippi riverfront. It offers a great opportunity to support the downtown visitor economy as a regional attraction. The project offers a central location for visitor access and services such as public restrooms and community interpretive information; it brings public art to the Original Hastings experience; and it restores a beautiful stretch of Mississippi Riverfront.



The Hastings River Flats would create a significant regional amenity for Hastings.



Improvements to the Hastings marina should be part of the overall effort to enhance connections between the community and the Mississippi River. An improved marina with transient docks would become another attraction for Original Hastings.

### Extend Levee Park

A continuous public riverfront with a series of trails, interpretive signage and visitor destinations from the marina to the Lock & Dam would be a tremendous and rare amenity for residents and visitors. Much of the riverfront in this area is already publicly held. The two stretches of riverfront needing acquisition are the Hudson plant and East Hastings. The City of Hastings should take a long-term approach to riverfront property acquisition in these two areas by working with Hudson Manufacturing toward relocation and by acquiring residential properties north of First Street as they come on the market. FEMA funds may also be an opportunity to acquire riverfront properties since they are in the floodplain. Enhancement of these stretches of riverfront could focus on a mix of habitat restoration and public amenity creation suggested in the Levee Park and River Flats master plans.

### Rehabilitate the Hastings Marina

The Hastings Marina offers an opportunity to expand visitor accommodations and possibly serve redevelopment objectives. If a portion of the marina slips were dedicated to transient (short-term visitor) use, it could provide an opportunity for recreational boaters on the Mississippi River to dock, shop and eat in downtown Hastings. Other marina slips could possibly be dedicated to new downtown housing units. Site rehabilitation that would accommodate visitors and offer a more attractive gateway to boaters would also be needed at the marina. These modifications and investments in the marina could be considered as part of a

docking feasibility study. Alternative forms of marina management could also be considered as part of the study.

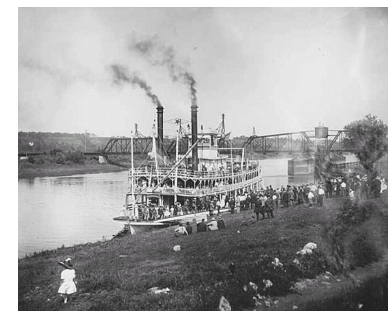
### Develop a Riverboat Attraction at Levee Park

Hastings was an important destination for the storied Mississippi riverboats of the late 19<sup>th</sup> and early 20<sup>th</sup> Centuries. As Hastings gains popularity as a visitor destination, reintroduction of an entertainment or retail riverboat landing becomes more financially appealing. The riverboat could be a Hastings-only attraction or linked with other river communities such as Prescott, Red Wing and Lake City. While it is not suggested that the City of Hastings operate a riverboat endeavor, the City could support the effort by assisting with a landing facility at Levee Park.

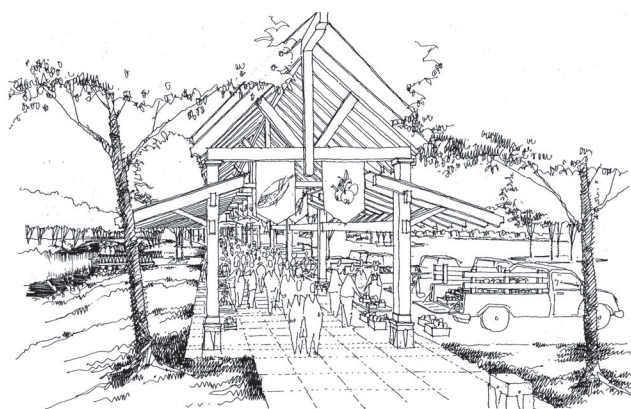
### Find Permanent Location for Downtown Farmer's Market

Well-managed farmer's markets can be significant regional draws. Downtown Hastings has all of the ancillary ingredients necessary to be a Twin Cities farmer's market destination. To succeed, the market needs a committed location, a permanent (at least seasonal) canopy structure and a critical mass of vendors that will attract customers.

The Levee Park master plan suggested that a farmers market be located in a plaza at the riverfront end of Ramsey Street. Past levee area redevelopment proposals, though, would have made this particular farmers market configuration unfeasible. If the configuration of a future levee area redevelopment plan has a similar effect, then as an alternative



Historic riverboats once served Hastings. A new riverboat attraction at Bailly's Landing would bring additional visitors into downtown.



This sketch illustrates a downtown farmer's market pavilion at the Levee Park promenade.

this plan suggests locating an L-shaped market along the proposed riverfront promenade between Sibley and Ramsey Streets and the riverfront end of Ramsey Street. The produce vendors could set up in the municipal parking lot and sell from the back of trucks under a permanent pavilion structure along the promenade while craft and food vendors set up in kiosks on the river-side of the promenade and in tents on the Ramsey Street plaza.

This market scenario would create a great riverfront “buzz”; it would enhance the downtown view from the bridge; it would connect well with downtown retail; and it would allow the farmer's market cost to piggyback on already planned promenade and parking lot investments.

## NEIGHBORHOOD INITIATIVES

Many of the initiatives discussed earlier in this chapter have housing components. This set of initiatives examines actions in regard to residential neighborhood stability in and around downtown.

### Offer Strategic Flexibility in Zoning Codes

At their core, zoning codes are intended to provide stability and confidence in real estate. This plan suggests offering creative flexibility in zoning to accomplish community housing objectives without diminishing the code's primary intent. Code modifications suggested as part of this plan and included in the appendix encourage flexibility in order to promote mixed-use retail/residential development projects, carriage house apartments and attached housing options.

In the downtown core, code flexibility encourages housing as an upper-story use. In the residential mixed-use district surrounding downtown, housing is encouraged to take on a multi-story brownstone or flat character with flexibility to allow a small amount of neighborhood retail.

In the neighborhood conservation district, carriage house apartments are encouraged on owner-occupied residential lots in order to ensure a supply of high-quality rental housing in Original Hastings. The advantages of code flexibility in regard to housing options are 1) it encourages a high degree of attention to design and maintenance because the unit's condition is a direct reflection on the owner's residence, 2) it eliminates problems sometimes



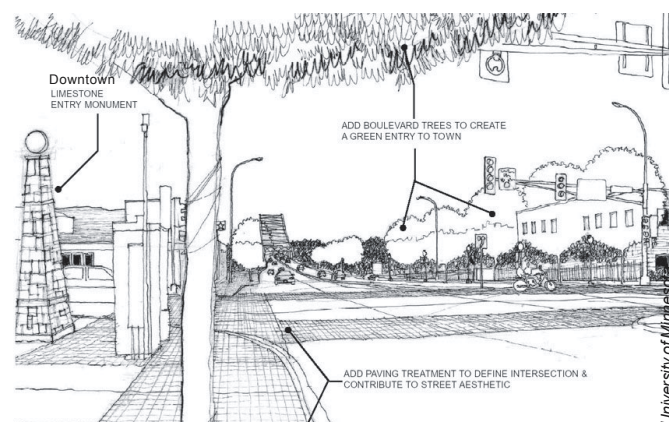
experienced with clustered rental housing, 3) it has proven to be an appealing housing option for those seeking rental housing, 4) it strengthens the historical character of Original Hastings, and 5) it provides a cash-flow mechanism for homeowner property investment while also accomplishing a community objective.

### Establish Financial Incentives for Housing Reinvestment

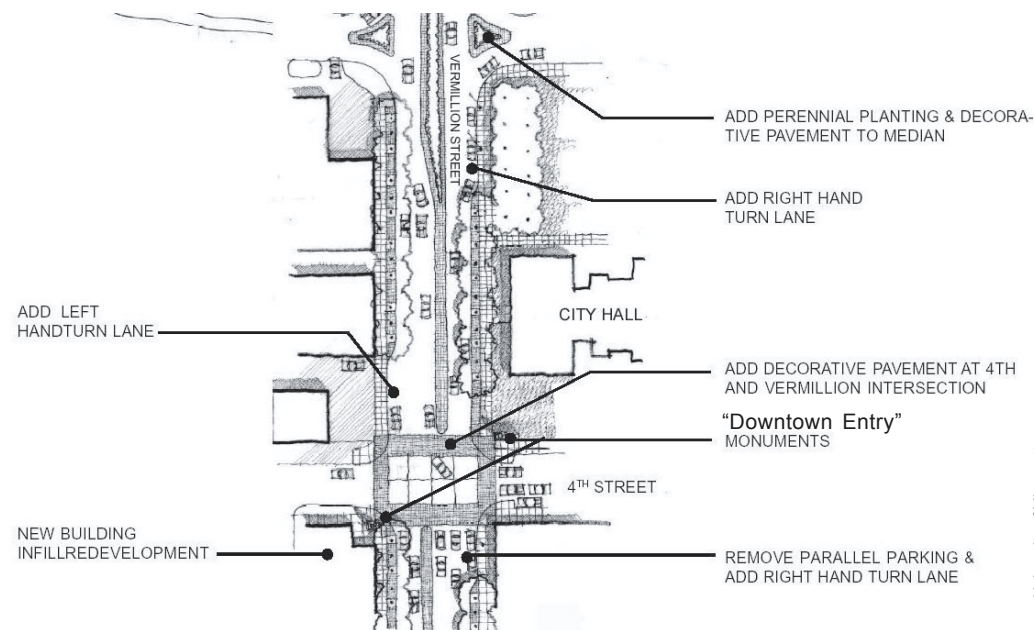
The ability to generate revenues through a tax abatement levy provides an incentive to achieve housing objective in Original Hastings. The City has the ability to levy a property tax based on its share of taxes for a given parcel (see explanation of tax abatement in Implementation). This revenue can be used as a payment to the property owner tied to the objectives of this plan. Tax abatement could be used to support rehabilitation done in accordance with the design guidelines. In this approach, City/HRA participation should seek to leverage private investment and not to pay for all improvement costs. For example, the City would base the abatement on the amount of private investment (\$1.00 of abatement for every \$3.00 of private money). Tax abatement could also be used to achieve other housing objectives in Original Hastings, such as assistance to first-time home buyers.

### Enhance Vermillion Street Pedestrian Crossings and Gateway Features

Vermillion Street is and will be a pedestrian barrier. Crossings at 4<sup>th</sup> and 10<sup>th</sup> Streets offer ideal opportunities for enhanced pedestrian crossings and gateway elements.



This illustration looks at potential Vermillion and 4th Street intersection improvements from street level.



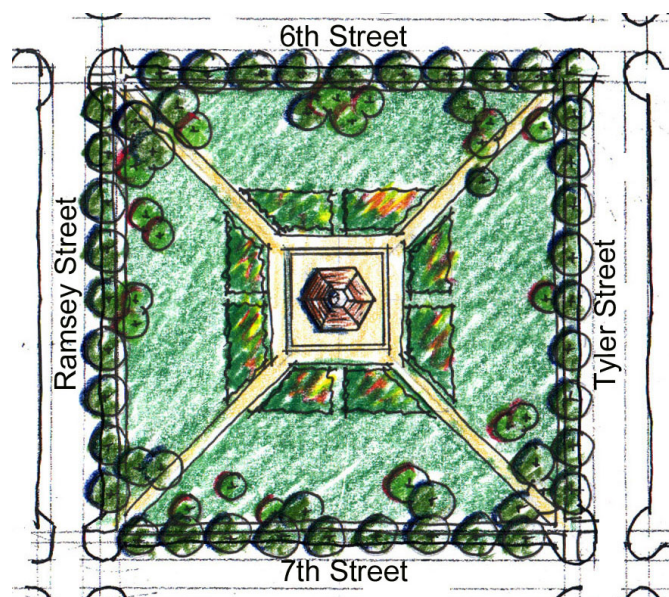
Enhancements at key Vermillion Street crossings (4th Street and 10th Street) will help diminish the barrier caused by Vermillion Street.

Since pedestrian movement is so important to the success of traditional neighborhoods, this plan suggests enhancing the pedestrian comfort amenities such as ornamental street lighting, benches, landscaping and decorative paving. These special enhancements will also signal the drivers from both the north and the south that they are entering a special district in Hastings.

These improvements will be expenses in addition to typical intersection improvements but can be tied to other adjacent projects. In the case of 4th Street, they can be done as part of the Highway 61 bridge and approach reconstruction. For this reason, and for reasons outlined earlier in this report, the City should take a strong and proactive position on future bridge and approach reconstruction. In the case of 10th Street, at least some of the improvements can be accomplished along with redevelopment of the former middle school block.

### Consider Creating A Neighborhood Park on the Catholic School Block

Through the planning process the community expressed the desire for additional park space east of Vermillion Street. Since Saint Elizabeth Ann Seton Catholic School anticipates building a new facility elsewhere to replace their school at 5<sup>th</sup> and Tyler Streets, and since the school occupies a full block, the school's departure could fill a recreational desire in the neighborhood. Since site acquisition, preparation and development of a park can take years, this plan recommends beginning discussions with the parish soon as a political decision to proceed on the matter can be



The Saint Elizabeth Ann Seton Catholic School site provides an opportunity for a neighborhood park.

made.

There are no simple solutions for financing this initiative. The City has started to earmark park dedication revenues from downtown projects for this use. If this source is not adequate, there are other funding alternatives. One option is to include these costs into a bond issue for city-wide park improvements. Such a bond issue would require voter approval. A housing improvement area could be used to provide all or a portion of the funding. This concept creates a special taxing district around the neighborhoods deriving the most benefit from the park. Park improvements can also be financed with special assessments. If at least 20% of the improvement costs area assessed, then the City may

issue bonds to pay for the projects. These improvement bonds do not require an election. Since the city may not be able to assess all of the project costs, other revenues would be needed to support the debt.

#### *Contingencies*

Constructing a park on this block is a major financial commitment (likely well over one million dollars). If finances dictate that public use of the block is not feasible, this Plan suggests that the block be converted to housing either through adaptive reuse of the existing structure (possibly senior housing) or by clearing the site and constructing single family housing with carriage house apartments on some or all of the new lots. Constructing new attached housing on the block is discouraged by this Plan because the site is within the neighborhood conservation district where only single family housing options are encouraged. If the block is redeveloped, the Plan strongly encourages that an east/west alley be included in the design.

#### **Establish a Housing Trust**

The community articulated concern over housing affordability during the planning process. There appear to be two forces that will act upon housing affordability in Original Hastings; neighborhood gentrification, and the quality/livability of affordable housing stock that survives the gentrification process.

A housing trust is an innovative tool being tested in the Twin Cities area that could address both of these issues. A

housing trust is a semi-public or non-profit entity that acquires housing units and places long-term easements on those units, capping the rate of realized property value increase over time in order to keep the sale prices in an affordable range. Here is a hypothetical scenario illustrating how the tool could work: 1) housing trust acquires a substandard housing unit for \$100k; 2) housing trust invests \$100k in property rehabilitation and places an easement on the property requiring buyer income qualification and limiting the increase in property value that can be realized by subsequent owners (value limitations are tied to county affordability statistics); 3) housing trust sells the property to a qualifying buyer at a price of \$160k (the current housing affordability factor for a family of four) and the housing trust writes off the loss; 4) the new owner stays four years, in which time the market value on the property has increased to \$300k but the affordability cap has risen to \$200k – the owner sells the property for \$200k to a qualified buyer and the cycle repeats.

The advantages of a housing trust are that initial and ongoing housing rehabilitation is inherently encouraged by the system; housing units remain affordable well into the future and through multiple owners; it is a home ownership program so it is compatible with traditional residential neighborhoods; and units will likely be scattered not concentrated. Potential disadvantages are that trust properties could be stigmatized; since the value that can be taken out of the property is limited, there is disincentive to do major renovation; and there is a cost associated (although

less than with other affordable housing programs) with operating the trust and buying down initial sale prices.



This concept suggests how housing could be redeveloped near the proposed Bailly Parkway in a historic but open space pattern. A stormwater treatment train is shown on the east side of the parkway.

## Redevelop Areas as “Open Space Residential Neighborhoods”

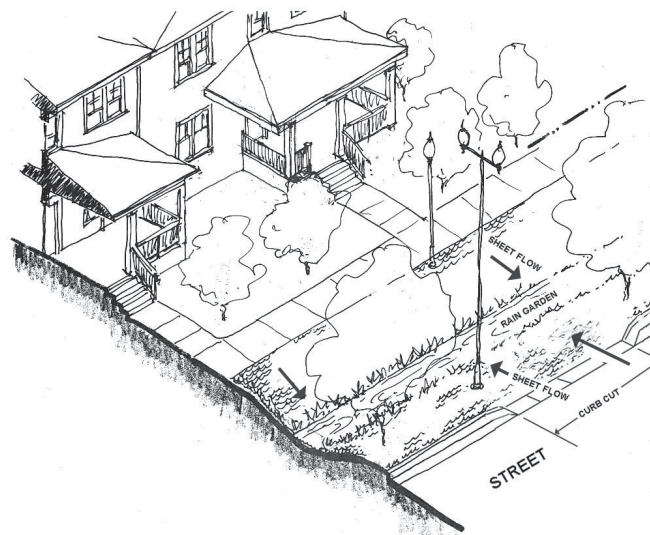
If Bailly Street is reconstructed as a parkway and the commuter rail station is constructed, the investments could promote pressure for private redevelopment of the surrounding residential areas between Tyler and Bailly Streets and in the portion of East Hastings near the station. The plan recommends that if wholesale redevelopment occurs, the neighborhoods could be designed with an open space pattern in which diverse housing options are clustered in higher density pockets surrounded by common open space. This would create greater open space and trail connections to transit, parks and downtown, more easily accommodate stormwater treatment needs; and diversify housing options.

The financial feasibility of this redevelopment concept was studied as part of the planning process. The analysis makes several important points about the implementation of this initiative:

- Public financial participation will likely be needed. The cost of assembling and preparing the site exceed what can be supported solely with private investment. The market research conducted for the Plan suggests a supportable land cost of \$6.50/sf. Based on current property valuation and recent sales, the acquisition expense could range from \$19 to \$25 per square foot.
- Tax increment financing is the best tool for providing amount of financial assistance required of this initiative.

A redevelopment TIF district needs a location where more than 50% of the buildings meet the statutory criteria for structurally substandard.

- A financially feasible project will require greater density than currently existing in these neighborhoods. Increasing the density adds to the value that produces tax increments and to the number of units producing income for the developer.
- The City/HRA should not anticipate that this project will generate excess tax increment revenue that can be used for public improvements. The preliminary analysis applies all of the projected tax increment revenues towards site assembly.



This sketch shows how rainwater gardens can be incorporated into the development pattern of Original Hastings.

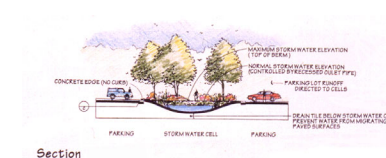
often connected with drainage fields extending to turf areas to infiltrate more water and irrigate grass. A rainwater garden system on a residential lot the size typically seen in Original Hastings will infiltrate the vast majority of rain and snow that falls on that lot – rain that in the traditional infrastructure pattern would become run off that enters the public stormwater system.

### Construct Stormwater “Treatment Trains”

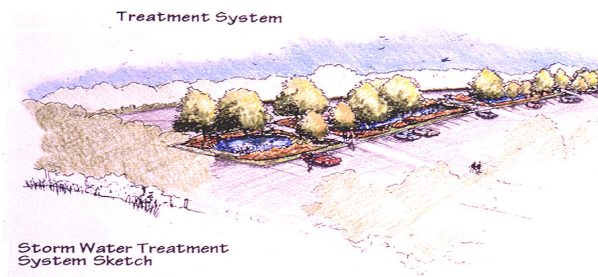
A stormwater treatment train is a series of linked sedimentation ponds and/or rainwater gardens that intercept stormwater before it drains directly into lakes, rivers and wetlands. The treatment train cleanses and infiltrates stormwater as it travels until the lesser amount of water reaching lakes and rivers is purified. Bailly Parkway,



A rainwater garden begins to treat stormwater immediately after it falls, thereby reducing the negative impact runoff can have on the environment.



Stormwater treatment trains can reduce the load placed on municipal stormwater infrastructure systems.



A stormwater treatment train links sedimentation ponds and rainwater gardens into a natural stormwater system.

Levee Park and the ravine lend themselves to the treatment train concept because they are linear properties and because they have crossing stormwater pipes that outlet to Lake Rebecca, Lake Isabel and the Mississippi River.

It is likely that the volume of stormwater currently being piped to each of these areas is too high for 100% infiltration or treatment. However, as scattered rainwater and rooftop gardens become more prevalent in the neighborhoods, piped stormwater volumes will decrease, making the treatment trains more viable. It is important to note that stormwater treatment trains can be constructed to conform with other landscaping and park objectives by placing the infiltration basins under proposed landscaped beds and by connecting the infiltration basins to drain fields in turf areas.

### Install Stormwater Grit Chambers Where Needed

Mechanical grit chambers can be added to the outflow of stormwater pipes to remove sediment. Grit Chambers are

a less desirable solution than treatment trains because they do not reduce the volume of stormwater, are less effective in removing contaminants and unlike rainwater gardens, provide no ancillary community benefit (landscaping, irrigation, wildlife habitat). However, where space is limited and stormwater volumes are high, they offer a viable treatment alternative that is far better than doing nothing.

### Encourage Rooftop Gardens

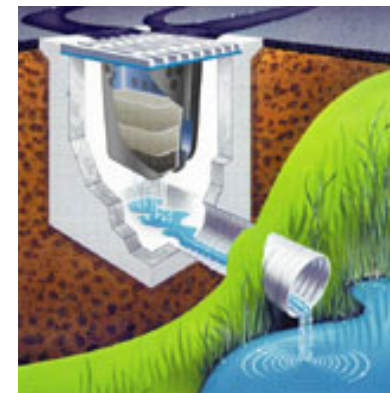
Rooftop gardens are becoming an increasingly popular approach to help reduce stormwater runoff and environmental heat gain. Studies indicate that rooftop gardens reduce a building's contribution to the stormwater system by up to Seventy-five percent. Studies also suggest that rooftop gardens can reduce the top-out temperature of a roof by more than sixty degrees. Although manufactured rooftop garden systems are becoming simpler and more economical they are still expensive, increase a building's structural requirements and require close care and maintenance.

### Establish Stormwater Funding Mechanisms

Some stormwater improvements will be undertaken as part of specific development projects. A city-wide stormwater utility can provide a broad and sustainable source of revenue. A storm sewer improvement district can be targeted at specific needs of the Original Hastings area.

#### *Stormwater utility*

Stormwater utilities are becoming a common mechanism to pay the increasing costs of stormwater conveyance and



Although a grit chamber is less beneficial than a stormwater treatment train, it is still an effective alternative for removing sediment from stormwater.



The city should encourage the construction of rooftop gardens as a way to reduce stormwater runoff and environmental heat gain.

treatment. A stormwater utility operates in a similar manner to municipal sanitary sewer and water services. The City establishes a fee schedule and collects revenues through the utility billing system. The fees are connected to land use and their contributions to stormwater generation. Funds of a stormwater utility can be used for construction, operation and maintenance of stormwater management systems throughout the City. Fee adjustments could be used to encourage property owners to install rooftop and rainwater gardens.

#### *Storm sewer improvement district*

A stormwater utility operates on a city-wide level. A storm sewer improvement district could be used to implement the more innovative investments focused in Original Hastings. A storm sewer improvement district is a special taxing district. A property tax is levied on parcels in a defined district and used to undertake improvements to the stormwater system in this area. For this Plan, a district could fund specific improvement projects, provide technical and design support for construction of private rooftop and rainwater garden, and support maintenance and inspection services.

## Statutory Authority for Implementation

City government plays an essential role in implementing the Plan. The powers to take actions required to implement the Plan come from State Law. Some key sources of statutory authority come from the following:

- Constructing public improvements and levying special assessments - Chapter 429.
- Constructing, operating, and financing (including special assessments) automobile parking facilities - Section 459.14.
- Creating and using special service districts - Sections 428A.01 through 428A.101.
- Creating and using housing improvement areas - Sections 428A.11 through 428A.21.
- Establishing and using tax increment financing districts - Sections 469.174 through 469.179L.
- Making and using tax abatement levies - Sections 469.1812 through 469.1812.
- Powers granted to cities through housing and redevelopment authorities - Sections 469.001 through 469.047.
- Powers granted to cities through economic development authorities - Sections 469.090 through 469.1081.
- Lease financing for real and personal property - Section 465.71.

- Stormwater utilities - Section 444.075.
- Storm sewer improvement districts - 444.16 through 444.21.

These statutes are available on the Internet at [www.revisor.leg.state.mn.us/stats](http://www.revisor.leg.state.mn.us/stats).

Each statute contains a unique set of authorizations and restrictions. Understanding these provisions is a key to effective implementation. In some cases, the city may have several options. For example, public improvements can be financed with special assessments, special service districts, housing improvement areas, tax abatement and tax increment financing. To evaluate the use of potential statutory powers, the city should find the answers to the following questions.

Who can use the powers? Most municipal powers are granted directly to the city. In these cases, the city council can act without the involvement of any other body. Some development powers reside solely with another entity, such as a housing and redevelopment authority.

How do the powers function? Every municipal development power carries certain requirements and implications of use. For example, Tax increment financing involves a complex set of statutory requirements. Property owners must petition to start the process for establishing a special service district. Tax abatement discussions should involve the County. These are just some of the important issues that

shape decisions on finding and using the right tools to implement the plan.

Does the power provide funding capacity? Many statutes provide access to revenues and debt that can be used to finance implementation initiatives. Several questions can help guide the evaluation of the funding capacity in a given statute:

- What revenues are authorized?
- How can the revenues be used?
- Can the city issue the bonds as "general obligations", achieving the lowest interest rates?
- Do the bonds count against the city's debt limit?
- What approvals are needed to authorize use of these powers?

### *HRA Powers*

The Hastings Housing and Redevelopment Authority (HRA) will continue to lead redevelopment efforts in Hastings. In addition to the redevelopment experience of the HRA, many of the municipal powers needed to implement the Plan come the HRA Act (Minnesota Statutes, Section 469.001 through 469.047). Among the general powers of an HRA are:

- Acquire real property for the purpose of removing, preventing, or reducing blight, blighting factors, or the causes of blight.

- Clear any acquired areas.
- Install, construct or reconstruct streets, utilities, and site improvements essential to the preparation of sites for uses in accordance with the Plan.
- Sell or lease land so acquired for uses in accordance with the Plan.
- Prepare technical and financial plans and other arrangements for buildings, structures, and improvements and all other work in connection with the Plan.
- Operate and maintain public parking facilities.
- Undertake "projects" as defined in the HRA Act.

In addition to these general powers, the HRA may also:

- Establish and administer tax increment financing districts.
- Serve the authority for the administration and the collection of fees for a housing improvement area.
- Issue revenue bonds in conjunction with the lease financing of public facilities.

### **Need for Public Action**

In initially establishing the Hastings HRA, the City Council made the necessary statutory findings. Through the Downtown planning process, the City has collected information and made investigations that allow for renewed

findings of need to act under the HRA Act.

The statutory findings focus on two development characteristics: (1) the presence of "substandard, slum, or blighted areas" or (2) a shortage of "decent, safe, and sanitary dwelling accommodations available to persons of low income and their families." While housing needs form part of this plan, the physical condition of buildings and infrastructure are the primary catalyst for public actions.

The assessment of the downtown area undertaken through the planning process identifies a variety of factors that show the need for redevelopment and the public actions offered in this plan. Among the factors present in the downtown area are:

- Buildings and improvements that are physically or economically obsolete.
- Parcels with faulty arrangement and design and obsolete layout.
- Parcels with excessive land coverage.

The combination of these and other factors impair the ability of the private sector to correct these factors without the implementation of this plan. The failure to address this situation would not serve the best interests or general welfare of the community. Further, the results of the planning process should provide the basis for findings needed to support city actions under the HRA Act.

The adoption and implementation of the Downtown

Master Plan achieve the purposes of the HRA Act, including the provision of a sufficient supply of adequate, safe, and sanitary dwellings in order to protect the health, safety, morals, and welfare of the citizens of this state; the clearance and redevelopment of blighted areas; the performance of those duties according to the comprehensive plan; and redevelopment of blighted areas, in situations in which private enterprise would not act without government participation or subsidies.

The activities undertaken by the City to exercise powers granted by the HRA Act and to implement this Plan are public uses and purposes for which private property may be acquired and public money spent.

It would be appropriate to designate the Downtown Master Plan as a "redevelopment plan" for the purposes of the HRA Act (see M.S. 469.002, subdivision 16). This step provides additional support for public actions taken to implement the Plan.

### Finance Tools

The vision for Downtown Hastings cannot be achieved without public investments. At the outset, it is important to be clear on terminology. The term "public" does not equate to general property taxes. Public financial assistance involves the use of the tools given to the City by the State Legislature to undertake public improvement and redevelopment projects.

People anticipate that, somewhere, a pot of money that can

be used for revitalization activities exists. Sometimes, they believe the state and federal governments have funds available to undertake projects, or that the city can simply "bond" to get things going. It's not that simple. While there are non-local sources of funds available (Hastings received a planning grant from the Metropolitan Council), most often, revitalization is supported by a mix of local funding and by a city's ability to partner with other agencies and the private sector to accomplish desired changes.

Redevelopment of downtown requires a framework for financial decision-making. The investment of public dollars in downtown projects (or in any part of the community) should be guided by several key principles:

- Financial resources are limited. The city has limited funding to apply to downtown projects, so the use of resources must be targeted to achieve the greatest effect on implementation.
- Financial decisions require a long-term perspective. The current use of financial resources may reduce monies available in the future. In evaluating short-term opportunities, it is important to question the long-term impact on redevelopment. In essence, each dollar invested in downtown should lay the foundation for future steps and those investments should lead to additional revenues in the future.
- Public funds should lead to private investment. While this Implementation section focuses on public finance actions, the Downtown Revitalization Plan cannot

become reality without private investment. The use of public funds should be targeted to actions that encourage private investment in downtown Hastings.

A complete examination of the tools available to the city is not possible, but providing an overview of the most commonly used finance tools is important. This discussion focuses on the highlights of those tools, but the specific statutory requirements for using them are not fully described. In addition, the laws governing these programs change over time. Finance plans for actual projects should be made using appropriate technical and legal advice.

### Tax Increment Financing

Tax increment financing (TIF) is the primary development finance tool available to Minnesota cities (Minnesota Statutes, Sections 469.174 through 469.179). Tax increment financing has played a significant role in the redevelopment of the Downtown. Hastings created one of Minnesota's first TIF districts in 1974. The Downtown TIF Redevelopment District has provided the vehicle for many public investments in the Downtown. The authority to collect tax increments from this district expires in 2006. Up to 2006, the District still provides resources for initiatives identified in the Downtown Master Plan. Future projects will require new TIF districts.

TIF is simple in concept, but complex in its application. Through tax increment financing, the property taxes created by new development (or redevelopment) are captured and used to finance activities needed to encourage

the development. The challenge in using TIF lies with the complex and ever-changing statutory limitations. These complexities make it impractical to provide a thorough explanation of tax increment financing as part of this plan. Instead, this section highlights the use of TIF as it relates to the implementation of the plan.

#### *Uses*

Tax increment financing can be used to finance all of the important implementation actions facing the city: land acquisition, site preparation, parking, and public improvements. In addition, TIF creates a means to borrow money needed to pay for redevelopment costs. The city can issue general obligation bonds without an election if 20% or more of the debt is supported by tax increment revenues. These bonds are not subject to any debt limit.

#### *Type of TIF Districts*

The implementation of the plan may require the creation of one or more new TIF districts. The following overview highlights some of the considerations in creating a TIF district. This information is intended solely as a basic framework for finding applications within downtown. All specific uses will require a thorough analysis of all statutory factors.

The ability to meet the statutory criteria for establishing a district is a key to the use of TIF. Three types of TIF districts have application to the plan.

- **Redevelopment:** A redevelopment TIF district has two basic criteria. (1) parcels consisting of 70% of the area

of the district are occupied by buildings, streets, utilities, or other improvements. To be occupied, not less than 15% of the parcel's area must be covered by the improvements. And (2), more than 50% of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance (as defined by statute). A redevelopment district may consist of noncontiguous areas, but each area and the entire area must meet these criteria.

- **Railroad Redevelopment:** Most redevelopment TIF districts rely on the substandard building criteria. Another form of redevelopment TIF district consists of railroad property. The statutory definition says "the property consists of vacant, unused, underused, inappropriately used, or infrequently used railyards, rail storage facilities, or excessive or vacated railroad rights of way" (M.S. 469.174, Subd. 10(2)). While other forms of redevelopment TIF districts contain specific tests, the railroad redevelopment option contains little explanation. The only other criteria is that the characteristics must be reasonably distributed throughout the district. This form of TIF district could be used in conjunction with changes in the use of rail lines in the Downtown. Such a change could be in the form of relocating existing lines or a altered use due to commuter rail service.
- **Renewal and renovation:** A renewal and renovation district requires similar, but reduced criteria. The

following three factors must exist. (1) the same 70% occupied test applies. (2) the minimum amount of structurally substandard buildings drops to 20%. (3) 30% of the other buildings require substantial renovation or clearance to remove existing conditions such as: inadequate street layout; incompatible uses or land use relationships; overcrowding of buildings on the land; excessive dwelling unit density; obsolete buildings not suitable for improvement or conversion; or other identified hazards to the health, safety, and general well being of the community.

- **Housing:** A housing TIF district is intended to contain a project, or a portion of a project, intended for occupancy, in part, by persons or families of low and moderate income. A district does not qualify as a housing district if the fair market value of the improvements, which are constructed in the district.

#### *Project Area*

The use of TIF involves two different types of "areas". The TIF district contains the parcels for the capture of property valuation and the generation of tax increment revenues. Every TIF district is located within a "project area".

From a planning perspective, the boundaries of the project area are important. These boundaries control the expenditure of tax increments outside of the TIF district. Certain statutory restrictions limit these expenditures, more commonly called "pooling". To maximize the resources available to implement this Plan, all TIF districts in the

Downtown should be located in a single, common project area. The plan (or development program) for the project area should be based on the overall Downtown Revitalization Plan.

The current boundaries of the Downtown Project Area are essentially Spring Street, 4th Street, Bailey Street and the River. The depot and selected blocks south of 4th Street are also part of the Downtown Project Area. In implementing the Downtown Master Plan, the HRA should place all of the planning area into a project area for the purposes of future TIF use. This step could be accomplished by expanding the current project area or by creating a new project area.

#### *Limitations*

State Law imposes a variety of restrictions on the use of TIF. Several of these restrictions are particularly relevant to implementation of the Plan.

**Use of Tax Increments.** The use of tax increment revenues is controlled by both State Law and by local plan. State Law sets forth specific limitations based on the type of TIF district. These limitations generally tie back to the original criteria used for establishing the district. For example, at least 90% of the revenues derived from tax increments from a redevelopment district or renewal and renovation district must be used to finance the cost of correcting conditions that allowed for the designation of the district. This limitation requires careful consideration of the links between individual projects and the broader Downtown

Plan. The use of tax increments must also be authorized by a tax increment financing plan adopted by the city.

**Pooling.** The term pooling refers to the ability to spend money outside of the boundaries of the TIF district. For redevelopment districts, not more than 25% of revenues can be spent on activities outside of the TIF district. The limit is 20% for all other districts. Monies spent on administrative expense count against this limit. This limit reduces the ability of TIF to pay for area-wide improvements and to use excess revenues to support other development sites.

**Timing Constraints.** Timing factors must be considered in creating a TIF district. Establishing a district too far in advance of actual development may limit future use. Within 3 years from the date of certification, the city must undertake activity within the district. The statutory criteria of activity includes issuance of bonds in aid of a project, acquisition of property or the construction of public improvements. Without qualifying activity, no tax increment can be collected from the district. Within 4 years from the date of certification, the city or property owners must take qualifying actions to improve parcels within the district. All parcels not meeting these statutory criteria must be removed (knocked down) from the district. Upon future improvement, any parcel so removed may be returned to the district. After 5 years from the date of certification, the use of tax increment is subject to new restrictions. Generally, tax increment can only be used to satisfy existing debt and contractual obligations. The geographic area of

the TIF district can be reduced, but not enlarged, after 5 years from the date of certification.

### Tax Abatement

Tax abatement acts like a simpler and less powerful version of tax increment financing. With TIF, the city controls the entire property tax revenue from new development. Under the abatement statute (Minnesota Statutes, Sections 469.1812 through 469.1815), the city, county and school district have independent authority to grant an abatement.

#### Uses

Abatement in Minnesota works more like a rebate than an abatement. The city (and other units abating taxes) adds a tax levy equal to the amount of taxes to be abated. The revenue from the abatement levy can be returned to the property owner or retained and used to finance development activities. Tax abatement can be used to finance the key redevelopment actions in the downtown: land acquisition, site preparation and public improvements.

Tax abatement is perhaps best suited as an incentive for reinvestment in existing property. While TIF deals with only the value from new development, abatement can apply to both new and existing value. This power provides the means to encourage building rehabilitation and storefront improvements. The City could agree to abate all or part of the municipal share of taxes to encourage reinvestment tied to the plan.

The statute grants the authority to issue general obligation

bonds supported by the collection of abated taxes. The proceeds of the bonds may be used to pay for (1) public improvements that benefit the property, (2) land acquisition, (3) reimbursement to the property owner for improvements to the property, and (4) the costs of issuing the bonds. These bonds can be issued without an election and are not subject to the debt limit.

#### *Limitations*

State law places several important limitations on the use of tax abatement:

- In any year, the total taxes abated by a political subdivision may not exceed the greater of 5% of the current levy or \$100,000.
- If one political subdivision declines to abate, then the abatement levy can be made for a maximum of 15 years. If the city, county and school district all abate, then the maximum period drops to 10 years.
- Taxes cannot be abated for property located within a tax increment financing district.

### **Special Assessments**

Public improvements are often financed using the power to levy special assessments (Minnesota Statutes Chapter 429). A special assessment is a means for benefiting properties to pay for all or part of the costs associated with improvements, and to spread the impact over a period of years. From a city perspective, this authority provides an important means of raising capital.

#### *Uses*

Special assessments can be used to finance all of the public improvements needed to implement the Plan. Eligible improvements include streets, sidewalks, street lighting, streetscape, and parking.

Special assessments provide a means to borrow money to finance public improvements. Chapter 429 conveys the power to issue general obligation improvement bonds to finance the design and construction of public improvements. Important factors in the use of improvement bonds include:

- A minimum of 20% of the cost of the improvement must be assessed against benefited properties.
- Beyond the 20% threshold, any other legally available source of municipal revenue may be used to pay debt service on improvement bonds.
- Improvements bonds are not subject to any statutory debt limit.
- Improvement bonds may be issued without voter approval.

#### *Limitations*

Careful consideration must be given to setting the amount of the assessment. From a legal perspective, the amount of an assessment cannot exceed the benefit to property as measured by increased market value. There are also practical considerations. Benefiting property owners should pay for a fair share of improvement costs without creating an

economic disincentive to operating a business in downtown. Within this limitation, several factors will shape the amount of the assessment.

- The amount of the assessment must be 20% or more of the improvement cost to allow the issuance of bonds.
- Local improvement policies and/or decisions made on previous projects often create parameters for assessments. Likewise, assessment decisions should be made with consideration of the potential implications for future similar projects.
- The assessment must strike a balance between equity and feasibility. Properties that benefit from improvements should pay a fair share of the costs. The assessment must be affordable for both the property owner and the city. Reducing the assessment to the property requires the city to allocate other revenues to the project.

### Special Service District

A special service district is a tool for financing the construction and maintenance of public improvements within a defined area. Minnesota Statutes, Sections 428A.01 through 428A.10 govern the creation and use of special service districts. This legislation is currently scheduled to sunset in 2005. A special service district provides a means to levy taxes (service charge) and provide improvements and service to a commercial area.

#### *Uses*

A special service district has several applications for downtown Hastings. The district can provide an alternative means of financing the construction of any of the public improvements discussed previously with special assessments. The service district approach avoids the benefits test imposed by special assessments; the test for the district is that the amount of service charges imposed must be reasonably related to the special services provided. The costs of parking or streetscape improvements, for example, may be better spread across a district than through assessments to individual properties.

An important use of the special service district is the maintenance of public improvements. Some of the improvements described in the plan require a level of maintenance above the typical public improvement. Items such as banners and planted materials must be maintained and replaced. Higher levels of cleaning and snow removal may be needed. Without a special service district, these costs are typically borne through the General Fund of the city.

#### *Limitations*

The use of a special service district is subject to some important constraints:

- The process to create a special service district and to levy taxes to use must be initiated by petition of property owners and is subject to owner veto. The use of a special service district requires a collaboration of property

owners and the city. There are two separate steps in the process: (1) adoption of an ordinance establishing the service district and (2) adoption of a resolution imposing the service charges. Neither step can be initiated by the city; the city must be petitioned to undertake the processes to create a special service district and to impose service charges. At a minimum, the petitions must be signed by owners representing 25% of the area that would be included in the district, and 25% of the tax capacity subject to the service charge.

- The actions of the City Council to adopt the ordinance and the resolution are subject to veto of the property owners. To veto the ordinance or the resolution, objections must be filed with the City Clerk within 45 days of initial City Council action to approve. The objections must exceed 35% of area, tax capacity, or individual/business organizations in the proposed district.
- The service charge applies solely to non-residential property. State Law limits the application of a service charge to only property that is classified for property taxation and used for commercial, industrial, or public utility purposes, or is vacant land zoned or designated on a land use plan for commercial or industrial use. Other types of property may be part of the service district, but may not be subject to the service charge.

### Housing Improvement Area

The City has the power to establish a special taxing district

to make improvements in areas of owner-occupied housing (Minnesota Statutes, Sections 428A.11 through 428A.21). The housing improvement area is similar in concept to the special service district. It is a special taxing district that can be used to finance a variety of improvements. However, there is an important administrative difference with the housing improvement area. The City has the ability to assign the procedures for imposing "fees" and administering the area to another "authority," such as the HRA or EDA.

A housing improvement area is a defined collection of parcels. The area may cover a single housing project or a broader area within the downtown.

The city has the power to levy a "fee" on the housing units in the area. This fee may work like a property tax or may be spread using another approach determined by the city. The fee can be collected through the property tax system.

#### *Uses*

The statute allows each city to define the nature of housing improvements. This tool can be used to finance any form of public improvement, including streetscape, parking and trails. A housing improvement area can also be used for private improvements that are part of new or existing housing developments.

#### *Limitations*

The city does not have the unilateral power to establish a housing improvement area. The process must be initiated

by petition of property owners. In addition, the actions to establish the area and impose the fees are subject to veto by the property owners. These potential complications become moot if the area is set up at the beginning of the development process. Typically, there is a single property owner at this stage of the process. In existing neighborhoods, this tool allows residents to take the initiative to improve local parks.

The current law is scheduled to sunset on June 30, 2005. If this tool becomes part of the ongoing redevelopment plans of the city, then an extension or removal of the sunset provision will be necessary.

### Automobile Parking Facilities

Minnesota Statutes, Section 459.14 provides the legal authority for cities to construct, or equip, maintain and operate automobile parking facilities. These facilities may be structured parking facilities (ramps) or surface parking. Cities are also empowered to acquire land for the parking facilities.

This statute also creates a basic authorization for public funding. In addition, to the general authority to spend municipal funds for these purposes, the statute allows cities to apply a variety of user fees related to parking. The city can issue general obligation bonds without an election if special assessments equal 50% or more of the amount of the bonds. Other legally available revenues, including general property taxes, can be used to pay debt service on these bonds.

### Utility Revenues

Revenues from municipal sewer and water utilities are not typically viewed as redevelopment tools. A common use of these revenues is to support the reconstruction of utilities associated with redevelopment projects and the rebuilding of streets.

Another application in Hastings will come with the relocation of the wastewater treatment plant. This project will be a unique combination of utility improvement and redevelopment opportunity. Planning for this project should explore how utility revenues can help facilitate the redevelopment of the current plant site.

To date, the city has not established a stormwater utility. If this utility is created in the future, it provides a source of funding for the stormwater management projects described in this Plan.

### Lease Revenue Bonds

Public buildings can be financed through the issuance of lease revenue bonds. This tool combines two pieces of statutory authority. A housing and redevelopment authority (or EDA using these powers) has the ability to issue revenue bonds to finance projects pursuant to a redevelopment plan. These projects can include the construction of public buildings. Most HRA's do not, however, have sufficient revenues to secure these bonds. A city can provide this revenue through a lease purchase agreement with the HRA. The authority for the lease comes from Minnesota Statutes, Section 465.71.

In considering the use of lease revenue bonds, several factors should be noted:

- The lease is not a long-term, binding obligation in the form of most city bond issues. The lease is subject to a statutory "annual appropriation" pledge. In simple terms, the city council has the right not to appropriate funds to pay the lease in any fiscal year. This action would, however, mean forfeiture of the facilities financed with the lease.
- If the amount of the lease exceeds \$1,000,000, then the obligation is subject to the statutory debt limit. This limit equals 2% of the taxable market value of property in Hastings.
- A levy by the city to make payments on lease revenue bonds qualifies as a special levy under the current levy limit system. A levy to pay debt of another political subdivision is an eligible special levy. Although a HRA is a part of city government, it is technically a political subdivision.

### General Property Taxes

General property taxes can be used to finance many of the services, improvements, facilities and development activities needed to implement the master plan. Taxes may be levied through the General Fund, to pay debt service on bonds, and as a levy for the EDA or HRA. The ability to use property taxes provides another resource for the plan.

### Other City Funds

While property taxes are the largest and most obvious source of city revenues, other funds may play a role in implementing the Plan. The use of other city funds should be factored into capital improvements planning and earmarked for downtown. Some potential funding sources include:

- Utility revenues. Monies from municipal utilities may be available to certain portions of Downtown improvement projects.
- Park dedication fees. New development contributes money (or land) towards the creation of the local park system. Revenues from park dedication may be available to support park and trail improvements.
- State aid for roads. The City receives money from the State for the construction and maintenance of roads. These roads must be part of the City's designated state aid street system.

### Commercial Rehabilitation Loans and Grants

Through HRA's and EDA's, cities have broad powers to facilitate the revitalization of existing buildings. State Law also creates specific statutory authority for loans by cities. The city may establish a program to make loans to finance the rehabilitation of small and medium sized commercial buildings (M.S. Section 469.184). The program can be funded through the issuance of bonds. Other revenues of the city (tax increment or tax abatement proceeds, for

instance) could be used to assist the program.

### **Other Programs**

At this point in time, it is difficult to predict the outside resources that could be available to finance initiatives in the Downtown. Resolution of the State's budget problems and the focus of the new administration will influence the nature of other programs available to Hastings. Despite this uncertainty, other entities and programs may provide resources for implementation.

The Dakota County Community Development Agency is an excellent resource for housing initiatives. The DCCDA is a potential developer of senior housing projects. The Agency operates funding programs for a variety of housing purposes. With its change in status from a housing and redevelopment authority to community development agency, the DCCDA may create new programs that help achieve the objectives of the Plan. Given their involvement in development projects throughout the County, Agency staff provide an excellent informational resource.

The power to use tax abatement powers resides with the County (in general) and not the DCCDA. Hastings should look for redevelopment initiatives that address issues of concern to the County. Such shared interests become the means to encourage County use of abatement powers.

In recent years, the Metropolitan Council has helped to fill gaps in redevelopment projects. It is difficult to predict the future role and funding approach of the new Council.

This uncertainty also applies to the State. It is likely that State funding will be available for specific policy objectives, like housing for low income persons, job creation and environmental cleanup. More general financial assistance seems unlikely given the budget issues facing the State.

## Recommended city code revisions

This section provides a review of Zoning, Critical Area, and Shoreland Management Chapters of the City Code, suggesting revisions needed to implement the Land Use Map and the Original Hastings Design Guidelines. The intent of these recommendations is to offer ways to work within the existing City Code, without overhauling or rewriting substantial portions of it. The uniqueness of the Design Guidelines creates the need for new approaches to zoning implementation. New and adapted zoning districts are proposed to the Zoning Regulations that are necessary to provide the consistency with the Land Use Map.

The recommendations are structured in a manner that they may be transferred directly into ordinance language. As a tool for City Staff, it does not necessarily provide a large amount of background detail the proposed changes. Therefore, review of the proposed changes with the Planning Commission and City Council may require some additional insight as Staff feels may be necessary.

## Recommended revisions to chapter 10 - zoning

The Zoning Code is the primary means of implementing many of the land use aspects of the Design Guidelines. Recommended revisions are needed in a number of areas in the code including districts, parking, and review process sections. The majority of these revisions are needed in the zoning districts section to subsections such as intent statements, use charts, and bulk standards.

The Zoning Code revisions address the following:

1. Modifying those existing zoning districts where minimal changes are needed.
2. Create new residential zoning districts to distinguish them from others in the community.
3. Develop bulk standards to respect historical platting and development character of the downtown area.
4. Require minimum densities of certain multi-family residential projects.
5. Necessary references to the Design Guidelines.

The proposed revisions are indicated on the following pages by section in a table format. The first column in the table identifies the subdivision within each Section proposed for revision. The second column identifies the proposed text in bold.

| Create a new downtown district based on SECTION 10.20. C-3 Community-Regional Commerce. District would be named the “DOWNTOWN CORE DISTRICT” and be separate from the existing C-3 District along Vermillion Street. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SECTION                                                                                                                                                                                                              | PROPOSED REVISION (IN BOLD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| a. <b>Rename the C-3 District:</b>                                                                                                                                                                                   | SECTION 10.xx. <b>DC - DOWNTOWN CORE DISTRICT.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| b. <b>Rewrite the intent statement as follows:</b>                                                                                                                                                                   | SUBD. 1. INTENT. The intent of the Downtown Core District is to create a vibrant mixed-use core with an aesthetic character that is distinctly different than other areas of the community and mix of uses arranged in a manner that encourages pedestrian movement and accessibility. The Downtown Core District focuses on the vertical integration of uses requiring certain uses to integrate residential housing above street level businesses. These high density residential developments have historically contributed to the life-cycle housing mix available in and around the downtown. Maintaining historical residential housing densities is also a contributor to downtown commerce and street level activity. Maintaining the historic distribution of businesses and density of housing is essential to protect municipal and private investment. Planning efforts to secure a transit center in the downtown will further the objectives maintaining and enhancing a pedestrian scale core. Careful design of buildings, public and private spaces is also a primary focus in the Downtown Core District which shall be guided by the Original Hastings Design Guidelines. The guidelines establish design criteria for building fronts that are based on the street type.                |
| c. <b>Modify the Use lists as follows:</b>                                                                                                                                                                           | <p>SUBD. 2. USES PERMITTED.</p> <ul style="list-style-type: none"> <li>a. Commercial retail and service establishments that have floor areas of less than 15,000 square feet on any single level including, but not limited to, the following:...</li> <li>e. Automobile parking lots with the following conditions: <ul style="list-style-type: none"> <li>1. Parking lots shall not have frontage or driveway access points on streets with an east/west orientation.</li> <li>2. Parking lots may front on streets with a north/south orientation when a landscape buffer is provided along the perimeter of the parking area.</li> <li>3. Every attempt should be made to locate parking lots internally within a block to allow buildings to front on street corridors.</li> <li>4. Existing alleys should be utilized whenever practical to facilitate orderly access and use of land.</li> </ul> </li> </ul> <p>SUBD. 3. USES BY SPECIAL PERMIT.</p> <ul style="list-style-type: none"> <li>a. Automobile service stations and motor vehicle repair and wash. <del>[Delete this item]</del>c. Towers as regulated by Section 10.05 Subd. 12 of this chapter. <del>[Delete this item]</del></li> <li>d. <b>Outdoor patio areas for entertainment, dining, and recreational activities.</b></li> </ul> |

| SECTION                                                                    | PROPOSED REVISION (IN BOLD)                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a. Create District Lot Regulations as follows:                             | <p>SUBD. 4. BULK STANDARDS.</p> <p>Minimum Lot Size: none</p> <p>Minimum Lot Width: 22 feet</p> <p>Minimum Lot Depth: 80 feet</p> <p>Maximum Building Height: 47 feet (height of the Finch Building) or 4 stories</p> <p>Minimum Residential Density: 14 dwelling units per acre</p> <p>Minimum Floor Area Ratio for non-residential uses/vertically mixed buildings:</p> <p>1.5</p> <p>Building setbacks: no requirement but based on Design Guidelines</p> |
| b. Create a tie to the Design Standards by so noting in a new subdivision: | SUBD. 5. BUILDING AND SITE DESIGN. Approvals granted through Building Permit, Site Plan, Conditional Use Permit or Planned Residential Development processes shall require conformance with the Original Hastings Design Guidelines.                                                                                                                                                                                                                         |

| Rename and revise SECTION 10.16. R-5 High-Density Residential District to “RESIDENTIAL MIXED-USE DISTRICT” |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SECTION                                                                                                    | PROPOSED REVISION (IN BOLD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| a. Rename the R-5 District:                                                                                | SECTION 10.16. <b>RMU - RESIDENTIAL MIXED-USE DISTRICT.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| b. Rewrite the intent statement as follows:                                                                | SUBD. 1. INTENT. The intent of the <b>RMU</b> District is to encourage the development of higher density multiple family dwellings <b>and limited commercial activities</b> adjacent to the downtown area <b>to support the activities in the Core District</b> , to serve as a transitional district from commercial to lower density residential districts, <b>provide an area for restricted commercial activities</b> and to provide a variety of housing types to satisfy individual preferences and financial capabilities. |
| c. Modify District Lot Regulations as follows:                                                             | SECTION 10.26. DISTRICT LOT REGULATIONS.<br><b>Minimum Residential for multifamily Density: 12 dwelling units per acre</b><br><b>Commercial activities are limited to 25 percent of the gross floor area with any project.</b>                                                                                                                                                                                                                                                                                                    |
| d. Create a tie to the Design Standards by so noting in a new subdivision:                                 | SUBD. 4. <b>BUILDING AND SITE DESIGN.</b> Approvals granted through Building Permit, Site Plan, Conditional Use Permit or Planned Residential Development processes shall require conformance with the <b>Original Hastings Design Guidelines.</b>                                                                                                                                                                                                                                                                                |

| Create a new residential district, “Neighborhood Conservation District” by adapting the current R-2 District regulations               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SECTION                                                                                                                                | PROPOSED REVISION (IN BOLD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 1. Create a new District for the single-family area shown as Neighborhood Conservation District by adapting the existing R-2 district: | SECTION 10.xx. R-X <b>NEIGHBORHOOD CONSERVATION DISTRICT.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 2. Create a new intent statement as follows:                                                                                           | SUBD. 1. <b>INTENT.</b> The intent of the Neighborhood Conservation District is to provide standards that protect the residential character of single-family areas surrounding the downtown. This District is intended to provide regulations that promote traditional neighborhood design. Residential neighborhoods surrounding the downtown incorporate many traditional neighborhood design features such as alleys, carriage houses, front porches, period sensitive housing design, and traditional street lighting. Preserving and enhancing traditional neighborhood design is the goal of this District. |
| 3. Modify R-2 Use Chart by adding:                                                                                                     | SUBD. 2. <b>USES PERMITTED:</b><br>a. Accessory living quarters with the consideration of other applicable code sections                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 4. Create Building and Site Design section to tie to the Design Standards by so noting in a new subdivision:                           | SUBD. 4. <b>BUILDING AND SITE DESIGN.</b><br>a. Approvals granted through Site Plan, Conditional Use Permit or Planned Residential Development processes shall require conformance with the Original Hastings Design Guidelines.<br>b. The Neighborhood Conservation District Guidelines shall apply to all lands within this District as reviewed by the Planning Commission. As contained in the Guidelines, items for review include but are not necessarily limited to: streetscape; site design; driveways and parking; garages and accessory buildings; and new construction.                               |



| Create a new residential district, “ OPEN SPACE REDEVELOPMENT DISTRICT” by adapting the current R-2 District regulations     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SECTION                                                                                                                      | PROPOSED REVISION (IN BOLD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| a. Create a new District for the single-family area shown as Open Space Redevelopment by adapting the existing R-2 district: | SECTION 10.xx. <b>OSR - OPEN SPACE REDEVELOPMENT DISTRICT.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| b. Create a new Intent statement as follows:                                                                                 | SUBD. 1. INTENT. The intent of the Open Space Redevelopment District is to provide standards that allow existing single and two family patterns to continue, but anticipate larger scale redevelopment of areas that may be the result of public improvement projects such as commuter rail, street systems and storm water treatment facilities. Attached housing areas that result from redevelopment should be designed in a manner to connect open spaces to adjacent greenway/preserve areas along Lake Isabel. |
| c. Modify Use Chart:                                                                                                         | SUBD. 2. USES PERMITTED: <ul style="list-style-type: none"> <li>a. Existing single and two family dwellings.</li> <li>b. Single and multiple family dwellings when developed as a Planned Residential Development subject to...[Section 10.27] and [Chapter 11]....</li> </ul>                                                                                                                                                                                                                                       |
| d. Create Building and Site Design section to tie to the Design Standards by so noting in a new subdivision:                 | SUBD. 4. BUILDING AND SITE DESIGN. <ul style="list-style-type: none"> <li>1. Approvals granted through Building Permit, Site Plan, Conditional Use Permit or Planned Residential Development processes shall require conformance with the Original Hastings Design Guidelines.</li> <li>2. Driveways shall only be allowed from alleys except for corner lots which may have separate driveway access. No new driveway shall be located in a front or side yard.</li> </ul>                                          |

| Create a new overlay district, “Vermillion Street Overlay District” to address structure conversion/use transformation sub-area |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Associated Standards                                                                                                            | Performance | <p><b>Create an Overlay District to address the Vermillion Street corridor</b></p> <p><b>Intent.</b> The intent of the Vermillion Street Overlay District is to preserve the character of existing residential and religious buildings while allowing conversions of their use to accommodate residential, institutional, and commercial activities. Preservation of building and site character elements are critical to ensure this corridor maintains its vitality. Conversion of structures to uses other than the original is based on performance criteria as defined in this section. This District recognizes that because each building and site has its own unique design characteristics, some structures will have greater conversion potential than others.</p> <p><b>Review use conversions as Conditionally Permitted Uses (CUP) when the inherent character of the building, site and corridor is not disrupted:</b></p> <ol style="list-style-type: none"> <li>Commercial activities in residential buildings provided that less than 2000 square feet of floor area is dedicated to such activity. Use conversion shall be acceptable to all building code issues as determined by the Building Official.</li> <li>Commercial activities in religious buildings.</li> <li>Professional Offices.</li> <li>Mixed Residential use of commercial structures.</li> </ol> <p><b>Prohibit:</b></p> <ol style="list-style-type: none"> <li>Assembly, storage and manufacturing activities.</li> <li>Outside sales.</li> </ol> |
|                                                                                                                                 |             | <p><b>Building Architecture:</b> The existing building character shall be maintained consistent with the Original Hastings Design Guidelines.</p> <p><b>Parking:</b></p> <ol style="list-style-type: none"> <li>Parking shall comply with requirements as stated in Subd. 7 Minimum and Maximum Off-Street Parking Requirements.</li> </ol> <p><b>Signage (make a reference to the following provisions to be added to Section 10.08 Sign Code):</b></p> <ol style="list-style-type: none"> <li>One sign per business not larger than 4 square feet that may be a wall or freestanding sign for residential buildings.</li> <li>One sign per business not larger than 40 square feet that may be a wall or freestanding sign for converted religious buildings.</li> <li>Freestanding signs are limited to 6 feet in height and shall be setback a minimum of 10 feet from front and side lot lines.</li> <li>No internal illuminated signs are allowed.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

**Existing Section 10.09 Parking and loading requirements**

| SECTION                                                                     | PROPOSED REVISION (IN BOLD)                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Subd. 7 Minimum and Maximum Off-Street Parking Requirements – Table 10.09-3 | Parking requirements for uses located in the Downtown Core and Residential Mixed-Use Districts shall be determined by a proof of parking study. When a study is required, the Urban Land Institute’s 1983 publication, <i>Shared Parking Standards</i> , the Institute of Transportation Engineer’s <i>Shared Parking Standards Planning Guidelines (1995)</i> , or equivalent shall be used to determine the number of spaces needed for a use or shared between uses. |



## Other Zoning Code items for further Staff review:

- **Accessory Living Quarters** – The Plan recommends modifying the zoning code for single-family zoned areas to allow accessory structures designed and used as residential living units. Accessory Living Quarters can offer increasingly important lifestyle options (own/rent, maintenance/maintenance-free) within a single-family lot. Traditional Neighborhood Design (TND) codes often have detailed criteria for this situation that could act as precedents for Hastings. In determining specific code modifications that will work for Hastings, City staff may want to consider treating requirements for accessory living quarters such as setbacks and height restrictions differently than either principal structures or other accessory structures (garages). Locally, the City of Chaska recently adopted accessory living quarters regulations that are recognized as successful in addressing zoning and building code issues for accessory living quarters.
- **Residential Structure Bulk/Mass** – Although the allowable building area on a lot is guided by yard setbacks, building out to the maximum amount may give a property the appearance that it is overbuilt. There are a couple of approaches the City may wish to consider. A maximum impervious surface limit would control the amount of building and other hardsurface area. This is typically used as a surface

water management technique but would also control building mass. Another approach would be to limit the foundation size of principal and accessory structures. Although either approach would prevent overbuilding, further analysis of existing conditions is needed to understand what currently exists.

- **Landscaping Provisions** – As areas of the Downtown area redevelop, the opportunity to enhance building character with landscaping should not be overlooked. Each of the Districts has its own character and landscaping standards should be developed to help accentuate each project. More than just typical type, caliper and number provisions should be considered in drafting new provisions.
- **Lighting** – The parking provisions discuss lighting of parking areas, but not in great detail. Parking lot lighting often involves balancing the need to provide adequate lighting to ensure personal security with the concerns of neighboring property owners about glare and overlighting. The use of unnecessarily high wattage lights can actually lead to a less secure environment, by creating very dark pockets just outside the range of the lights. Lighting is an especially important concern when commercial projects adjoin residential areas — and when very tall lighting poles are proposed to be used. While taller poles can illuminate larger areas they are more likely to cause light to spill over onto adjacent properties. Low-angle cutoff light fixtures can be

used to better direct the light to those areas where it is needed, minimizing glare, spillover effects and light pollution.

- **Fencing/Screening** – In some areas in the core, fencing may be appropriate. Other areas like the Open Space Redevelopment District may not be enhanced with fencing unless properly designed or designed in conjunction with landscaping provisions.
- **Green Buildings and Site Design** – Use LEED (Leadership in Energy and Environmental Design) or other comparable ratings. Buildings with approaches to save energy could receive flexibility in other code areas.
- **Stormwater Credits** – By reducing the amount of surface water on a site, credits could be gained and used for other items.

### Recommended revisions to Chapter 16 - Shoreland Management Ordinance

The City's Shoreland Management Ordinance regulates some of the land area within the Downtown Master Plan area. More specifically, those lands within 300 feet of the Mississippi River and 1000 feet of Lake Isabel.

The Shoreland Management revisions address the following:

1. The need for flexibility for with in the Downtown to address the existing built conditions.

Proposed revisions:

| <b>Chapter 16. Shoreland Management Ordinance.</b>                                                                                                                                    |                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SECTION</b>                                                                                                                                                                        | <b>PROPOSED REVISION (IN BOLD)</b>                                                                                                                                                                                                                                 |
| Section 16.04 – Shoreland Classification System and Land Use Districts.<br>Create a new section under Subd. 1 Shoreland Classification System to address a Flexible Standards Overlay | Subd. 1.4 – In addition to items 1.2 and 1.3 above, a new overlay district, “Flexible Standards Overlay District” should be created to respect the existing built environment and allow future development compatibility.                                          |
| Section 16.05 – Zoning and Water Supply/Sanitary Provisions Subd. 1.2(B) ( <i>Lake Isabelle</i> )                                                                                     | Lot area, lot width, and density standards for residential dwellings shall be determined by the underlying zoning district standards.                                                                                                                              |
| Section 16.05 – Stormwater Management 5.2(A)                                                                                                                                          | Impervious surface or site coverage in the Flexible Standard Overlay area will be determined by the average existing coverage or percent of impervious surface of similar uses within 500 feet of the proposed development.                                        |
| Section 16.05 – Zoning and Water Supply/Sanitary Provisions Subd. 2.3 – Height of Structures                                                                                          | Structure Height will be determined by the average height of existing multiple story structures within 500 feet of the proposed action, or 4 stories in height, whichever is greater.                                                                              |
| Section 16.05 – Zoning and Water Supply/Sanitary Provisions Subd. 2(E)                                                                                                                | Setbacks – The setback of commercial structures from the OHWL shall be determined by the average existing dimensional standards of similar uses within 500 feet of the proposed action, or underlying zoning district requirements, whichever is more restrictive. |
| Section 16.05 – Zoning and Water Supply/Sanitary Provisions Subd. 2.3                                                                                                                 | All uses in the Flexibility Standard Overlay shall be consistent with underlying zoning district and uses.                                                                                                                                                         |

## Recommended revisions to Chapter 19 - Critical Area Ordinance

The City's Critical Area Ordinance regulates some of the land area within the Downtown Master Plan area. There is some overlap between this ordinance and the Shoreland Management Ordinance. Within the Critical Area Ordinance is the Urban Diversified District which identifies the Downtown as a commercial core and does little to alter its character through use and dimensional standards. The Critical Area Ordinance encompasses more land area in the Downtown Master Plan study area than the Shoreland Management Ordinance and generally respects the existing downtown conditions better than the Shoreland Ordinance.

Proposed revisions:

| Chapter 19. Critical Area ordinance.                                          |                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SECTION                                                                       | PROPOSED REVISION (IN BOLD)                                                                                                                                                                                     |
| Section 6, Subd. C Urban Diversified District (3)(a) Dimensional Requirements | (a)(2) Ordinary High Water Level: The setback of residential and commercial structures shall be determined by the average existing setback along the shore line within 500 feet on either side of the proposed. |