

**2014 BUILDING PERMITS, VALUATIONS
& DEVELOPMENT ACTIVITY**

A total of 937 building permits were reviewed, processed and issued with a total construction value of \$38.3 million in improvements to properties within the City of Waconia in 2014. The summary of 2014 Building Permits and Valuations is attached as Exhibit A of this report. The 2014 total permit count and construction valuation are a slight decrease from 2013 in which a total of 1,124 building permits were reviewed, processed, and issued with a total value of \$47.11 million. In comparison, in 2012, a total of 1,068 building permits were reviewed, processed and issued with a total value of \$34.62 million and 595 permits were issued with a total value of \$20.9 million in 2011.

RESIDENTIAL ACTIVITY

A total of 84 new home units (83 single family and 1 townhome unit) were built in 2014. By comparison, a total of 107 new home units (103 single family and 4 townhome units) were constructed in 2013 and a total of 88 new home units constructed (86 single family and 2 townhomes) were constructed in 2012. The table below includes the units constructed in 2014 listed by the development name.

Table 1. New Home Units Constructed in 2014

Development Name	Total # of Units Constructed
Interlaken	42
Legacy Village	21
Waterford	11
Windmill Creek	4
Crosswinds	1
Oakpointe 2 nd Addition	1
City Lots of Waconia	1
Old Beach Lane	1
Tear Down/Re-build(s)	2
<i>TOTAL</i>	<i>84</i>

The new home units constructed in the Interlaken, Waterford, and Windmill Creek Plats are broken down further in Tables 2 through 4 below. In 2014, two homes were demolished and rebuilt in the City, one was due to fire and the other was the removal of the single family home formerly located on Lots 19, 20, and 21, Block 41, City Lots of Waconia to allow for the individual development of each parcel.

Table 2. Analysis of the # of Units Constructed in Interlaken

Development Name	# of Units Constructed
Interlaken 2 nd Addition	2
Interlaken 4 th Addition	1
Interlaken 6 th Addition	14
Interlaken 7 th Addition	19
Interlaken Cottages West	6
<i>TOTAL</i>	<i>42</i>

Table 3. Analysis of the # of Units Constructed in Waterford

Development Name	# of Units Constructed
Waterford	6
Waterford 3 rd Addition	3
Waterford 5 th Addition	2
<i>TOTAL</i>	<i>11</i>

Table 4. Analysis of the # of Units Constructed in Windmill Creek

Development Name	# of Units Constructed
Windmill Creek 2 nd Addition	1
Windmill Creek 3 rd Addition	2
Windmill Creek Windy Lane 4 th Addition	1
<i>TOTAL</i>	<i>4</i>

The most active residential developments for new home starts in 2014 were Interlaken, Legacy Village, and Waterford. The homes in these developments have a construction value beginning in the upper \$200,000 range.

A total of 74 new single-family home lots were platted in 2014 and were included in the lot inventory as follows: 21 lots were platted in the Interlaken Woods residential development and another 53 in the Crosswinds residential development.

COMMERCIAL ACTIVITY

The City experienced an increase in the number of commercial permits issued in 2014. The City issued a total of 88 commercial permits with a total construction value of \$3,543,039. The significant commercial building permits are listed below.

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- 77 Highway 5 West - Construction of new building for co-branded Caribou Coffee/Bruegger's Bagels
- 1250 Oak Avenue South – Installation of 96 solar panels on the Ice Arena
- 1320 Mill Lane – Remodel former Valley Pontiac building into J. Carver Distillery
- 1309 Oak Avenue – Remodel/finishing of interior space to accommodate future tenants
- 712 Vista Blvd. – Build out for Sir Knight dry cleaning tenant space
- 641 Marketplace Drive – Build out for Edward Jones tenant space
- 333 5th Street West – Addition to Good Samaritan assisted living facility
- 801 Highway 284 South – Remodel of UFC Farm Supply to allow for further office space and reconfiguration of the lunch room space
- 255 Main Street West – Build out of tenant space for Waconia Brewing Company
- 1400 Community Drive – Solar panel installation for the Waconia School District
- 140 Main Street West – Installation of a concrete slab to house the outdoor cooler for Jax Taphouse
- 801 Marketplace Drive – Build out of tenant space for Unhinged Pizza
- 209 1st Street West – Remodel existing space for Waconia Dance Company
- 138 1st Street West – Remodel of interior space for Freshwater Church

INDUSTRIAL ACTIVITY

The City of Waconia experienced an increase in the number of industrial permits issued in 2014. The City issued 15 industrial permits with a total construction valuation of \$3,431,837. The significant industrial permits are listed below:

- 96 8th Street - construction of new storage facility buildings for Store It in Waconia
- 79 8th Street – Construction of a new facility for Nordic Components
- 141 Industrial Blvd. – Remodel of space for Structural Design Concepts

2014 INVENTORY OF SITES AVAILABLE

RESIDENTIAL LOTS/UNITS AVAILABLE

As of December 31, 2014, the City of Waconia had a total inventory of 399 buildable residential lots/units available including 161 single-family units, 18 multi-family units, and 220 apartment units. The table below includes a list of lots/units that have public improvements available and are ready to be built upon. The developments are numbered by development name (i.e. 1. Wagener's Bay) and correspond with the location of the development on the attached Exhibit B, Residential Lots Inventory Map.

Table 1. Residential Lots/Units Available

Name of Development	Single-Family Lots	Multi-Family Units	Apartment Units
1. Wagener's Bay	3	0	0
2. Cherrywood	0	3	0

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3. Bent Creek	1	0	0
4. Sugarbush	1	0	0
5. Waconia Landing	4	0	0
6. Windmill Creek	14	0	0
7. Oakpointe	4	0	0
8. Waterford	21	14	0
9. Provence Townhome	0	1	0
10. Legacy Village	7	0	120*
11. Interlaken (incl. Interlaken Woods parcels)	54	0	100*
12. Crosswinds	52	0	0
<i>Total Units</i>	161	18	220*

* denotes number of total approved units that would be within apartment type structures

INDUSTRIAL & COMMERCIAL PROPERTIES AVAILABLE

As for non-residential development opportunities, there are a total of 90.53 acres of land available including 16.43 acres zoned and guided for industrial and 74.10 acres zoned and guided for commercial. The development areas and acreages are numbered and correspond with the locations on the attached Exhibit C, Commercial and Industrial Inventory Map.

Table 2. Industrial Acreage Available for Development

Location	Acreage
1. Pine Business Park	4.75
2. Sudheimer Trust Property	11.68
<i>Total Acreage</i>	16.43

Pine Business Park – This district is located along 8th Street, south of Highway 5 and east of Highway 284. The Pine Business Park currently has two vacant buildable parcels, one 2.38 acre parcel owned by Clearwater Libare, LLC and one 2.37 acre parcel owned by Hartman Communities, LLC.

Sudheimer Trust Property – This property, located just south of County Road 10 and the Mackenthun’s development, includes one large 11.68 acre parcel. The parcel is currently zoned AG, Agricultural District, but the property is guided for I, Industrial.

Table 3. Commercial Acreage Available for Development

Location	Acreage
3. Medical Business Development Area	5.99
4. Highway Business Development Area	24.44
5. Legacy Village Development Area	7.22
6. Interlaken Village Development Area	36.45
<i>Total Acreage</i>	74.10

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Medical Business Development Area – The Medical Business Development Area has a total of 5.99 acres available for development with the size of the lots ranging from 1.9 acres up to 2.12 acres. This district includes three properties west of the Ridgeview Medical Center hospital and Lakeview Clinic located at 579 Cherry Drive (1.9 acres owned by the Moravian Care Housing Corp.), 502 Cherry Drive (1.97 acres owned by Waconia Mill IV, LLC), and the parcel north of the AmericInn property (no assigned address 2.12 acres owned by Klingelhutz Development Co.).

Highway Business Development Area - The Highway Business Development Area has a total of 24.44 acres available for development. The acreage of the lots range in size from 1.04 acres up to 10.04 acres. This land is located along Highway 5 and Marketplace Drive.

Legacy Village Development Area – The Legacy Village Development Area includes six properties primarily west and south of the Shoppes at Legacy Village site off of Minnesota Highway 5 and Main Street. These properties are located at 839 Vista Blvd. (1.57 acres), 732 Vista Blvd. (0.9 acres), 710 Vista Blvd. (1.23 acres), 706 Vista Blvd. (1.06 acres), 702 Vista Blvd. (1.69 acres), and another property off of Vista Blvd. with no assigned address (0.77 acres). The acreage of the lots range in size from 0.77 acres up to 1.57 acres.

Interlaken Village Development Area - The Interlaken Village Development Area includes seven parcels within close proximity to Target and the Interlaken residential development south of Minnesota Highway 5. The properties are located at 751 Main Street (9.30 acres), 824 Main Street East (13.16 acres), 835 Main Street East (1.43 acres), 836 Main Street East (1.99 acres), 855 Main Street East (1.59 acres), 900 Airport Road (1.92 acres), and 1300 Sparrow Road (7.06 acres). The acreage of the lots range in size from 1.43 acres up to 13.16 acres.

RESIDENTIAL ANALYSIS

Residential Lot Inventory Analysis & Comprehensive Plan

The number of single family lots available to build on (161) is lower than the City has had available in the past. While it may be premature to gauge future new home construction trends on the 2014 building permit numbers, the inventory of 161 vacant single family home lots would afford the City just less than a 2 year supply of lots based on the new home starts of 84 in 2014. Until the housing market establishes some consistent trends, our vacant lot inventory will remain lower than what we have usually been accustomed to having available.

In the 2030 Comprehensive Plan update, the City has identified potential residential, commercial and industrial areas east of the current City limits. The ability to develop to the east coincides with the metro lift station that was completed in the late 1990's. The City has also allocated areas within Interlaken and Legacy Village for higher density residential development that could facilitate market rate, work force and senior rental opportunities. In conjunction with these developments, significant infrastructure (sanitary sewer, water, storm sewer, roads, water tower and over sizing of utilities for future growth) have been installed. The City will focus on promoting the development and build out of these developments and in future areas in the upcoming 2040 Comprehensive Plan.

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Housing Units

The following is an annual summary of new home unit permits and total estimated population:

The April 1, 1990 Census indicated the following:

875 single-family units 600 multi-family units = 1,475 total units

	<u>SINGLE FAMILY UNITS</u>	<u>TOWNHOME/APT. UNITS</u>	<u>TOTAL UNITS</u>
1990	33	4	37
1991	29	3	32
1992	51	99	150
1993	65	18	83
1994	89	2	91
1995	98	0	98
1996	107	3	110
1997	148	38	186
1998	172	26	198
1999	166	18	184
2000	147	63	210
2001	128	18	146
2002	135	47	182
2003	130	108	238
2004	88	109	197
2005	74	61	135
2006	79	31	110
2007	67	52	119
2008 ¹	37	48	85
2009	50	0	50
2010	45	0	45
2011	25	93	118
2012 ²	85	2	87
2013 ³	102	4	106
2014 ⁴	82	0	82
Totals	3,107 Single-Family Units	1,447 Multi-Family Units	4,554 Total Units

¹ Adjustments included for 2008-2009:

- 1) - 25 units from Centex in Waterford (withdrawing of townhome permits previously counted)
- 2) - 2 units (St. Joseph's demolitions)
- 3) + 8 units (Old Beach Lane Annexation)

² 2012 Notes:

- 1) 4 new home units were not included in the new unit total due to the fact that all 4 were tear down and rebuilds
- 2) 1 new home unit was included in the new unit total due to the annexation along Waconia Parkway South

³ 2013 Notes:

- 1) 1 new home unit was not included in the new unit total due to the fact that it was a tear down and rebuild (415 Lakeview Terrace Blvd.).

⁴ 2014 Notes:

- 1) 1 single family home and 1 townhome unit were not included in the totals above as they were tear down and rebuilds (233 Lake Street East and 421 Lake Street East).

Table 1. City Estimate of Housing Unit Totals as of 12/31/2013

Units	2011	2012	2013	2014
Single-Family	2,844 (66.8%)	2,929 (67.3%)	3,031 (68.1%)	3,107 (68.2%)
Multi-Family (includes townhomes & apartments)	1,416 (33.2%)	1,418 (32.7 %)	1,422 (31.9%)	1,447 (31.8%)
TOTAL UNITS	4,260 (100%)	4,347 (100%)	4,453 (100%)	4,554 (100%)

The estimated population of the City of Waconia, as of December 31st, of 2014, is 11,827 people based on a 2.6 person per household average, the number of housing units in the community, and an assumed 95 percent occupancy rate for new homes/units constructed in 2014.

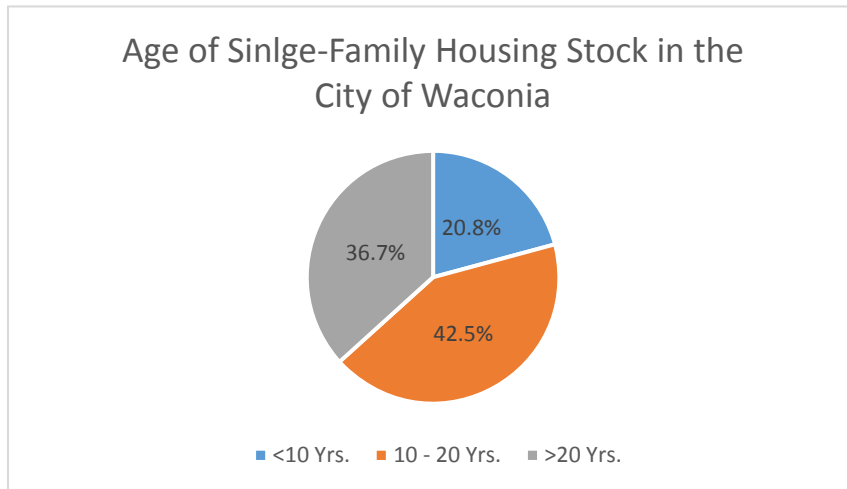
ESTIMATE OF PERSONS PER HOUSEHOLD UNIT: 2.60

TOTAL ESTIMATED POPULATION: 11,827
(AS OF 12/31/2014)

Age of Single-Family Housing Inventory

The majority of Waconia’s lot inventory is single-family development and the bulk of the new residential development has typically been single-family, so staff has included analysis of the single-family lot inventory for purposes of this report.

Of the total 3,107 single-family units that have been constructed within the City as of December 31, 2014, 646 or 20.8% of the total were constructed within the last 10 years. Further, 1,319 or 42.5% of the single-family housing stock is between 10 and 20 years old, and a total of 1,142 or 36.7% of the single-family homes were constructed over 20 years ago.



Future Commercial & Industrial Properties Available

There are approximately twenty-five acres of property guided for industrial use located at the intersection of Hartman Drive and 10th Street. This property is currently located in Waconia Township and has good road and utility access via 10th Street. This property would need to be annexed into the City to allow for development and connection to City services. The City has also reviewed and identified future areas for industrial/business park development in the 2030 Comprehensive plan update, which is guided to be located to the southeast of the community along Highway 10.

There are approximately fifty acres of property guided for future commercial use located just west and southwest of Target. The property is currently located in Waconia Township and has excellent road access to State, County and local road facilities. Looking ahead, the City's long-term commercial development will occur south of the City along County Road 10 as identified in the Comprehensive Plan. Exhibit C, 'Commercial & Industrial Lots Inventory Map' is attached with this report.

**2014 PLANNING, ZONING, & LAND USE ITEMS
REVIEWED BY THE PLANNING COMMISSION AND/OR CITY COUNCIL**

Ordinance Amendments

- 1) Ordinance Amendment to Section 900.10 Sign Regulations. Specifically, amendment to allow more than one wall sign for multi-tenant buildings as long as certain criteria are met. (APPROVED)
- 2) Ordinance Amendment submitted by Pro Partners Group to amend Section 900.05 of the Waconia City Code to allow nursing homes and assisted living facilities as a permitted use in the B-2, General Business District. (APPROVED)

VariANCES

- 1) After-the-fact variance request by Paul & Vici Scheuble to allow the installation of a fence 7ft. in height vs. the 6 ft. maximum allowed in the R-1, Single Family Residential zoning district for the property located at 715 Old Beach Lane. (APPROVED)
- 2) Variances requested by Good Samaritan to allow the construction of a cardboard baler, a trash enclosure and a tunnel at reduced side yard setbacks vs. the 25 ft. minimum required in the B-4, Health Care Business District for the property located at 333 5th Street. (APPROVED)
- 3) After-the-fact variance request by Samantha Pohlen to allow a reduced side yard setback for an existing garage located at 1379 Creekside Drive. (APPROVED)
- 4) Variance requested by Nordic Components to construct a new structure at a front yard setback of 30 ft. vs. the 40 ft. minimum setback requirement in the I-1, Industrial Park District and a variance from the rooftop mechanical screening requirement for the property located at 79 8th Street. (APPROVED)
- 5) After-the-fact variance request by Adam Dittrich/Crusher Crossfit for the current location of the detached accessory building on the parcel located at 219 E. Frontage Road. (APPROVED)

Interim Use Permits

- 1) Interim Use Permit request by Paul Strong to allow a parking lot without hardcover surface for the commercial property located at 900 Strong Drive. (APPROVED)

Site Plans

- 1) Site Plan Review for Good Samaritan expansion at 333 5th Street. (APPROVED)
- 2) Site Plan Review for a two story expansion of the Ridgeview Professional building at 560 Maple Street and the development of a surface parking lot at 478 Cherry Street. (APPROVED)
- 3) Site Plan for a new facility for Nordic Components at 79 8th Street. (APPROVED)
- 4) Site Plan Review for Adam Dittrich/Crusher Crossfit for a change of use of the detached accessory building from storage to a workout facility. (APPROVED)
- 5) Site Plan Review for Jax Taphouse located at 140 West Main Street and the neighboring commercial property at 144 West Main Street. (APPROVED)
- 6) Site Plan Review for Tavern 387/Brick Tavern located at 100 West First Street. (APPROVED)
- 7) Site Plan Review for David Ohlshansky for an assisted living facility at 232 Elm Street South. (APPROVED)

Residential Plats and Minor Subdivisions

- 1) Preliminary Plat submitted by OP2 Realport, titled Interlaken Woods, consisting of 69 single family parcels. (APPROVED)
- 2) Preliminary and Final Plat submitted by Mattamy Homes titled Crosswinds. The Preliminary Plat consists of 96 single family lots, of which only 53 lots were final platted with this application. (APPROVED)
- 3) Minor Subdivision by David Kenneth/Woodridge Homes for the properties located at 1337 and 1341 Shadywood Lane. (APPROVED)
- 4) Minor Subdivision for the Eugenia E. Schmitt Trust and Raymond J. Schmitt Family Turst and OP2 Realport, LLC to facilitate the development to Interlaken Woods (1.67 acre parcel). (APPROVED)
- 5) Final Plat submitted by Ryland Homes, titled Interlaken Woods, consisting of 21 single family lots. (APPROVED)

Vacation of Right-Of-Way

- 1) Vacation of Right-of-Way for a section of 94th Street submitted by Ryland Homes for the development of Interlaken Woods. (APPROVED)

Annexation

- 1) Orderly Annexation of a 1.67 acre parcel required to facilitate the development of the Interlaken Woods residential development. (APPROVED)
- 2) Orderly Annexation of the ParkSide Church property located at 9560 Paradise Lane. (APPROVED)

Miscellaneous

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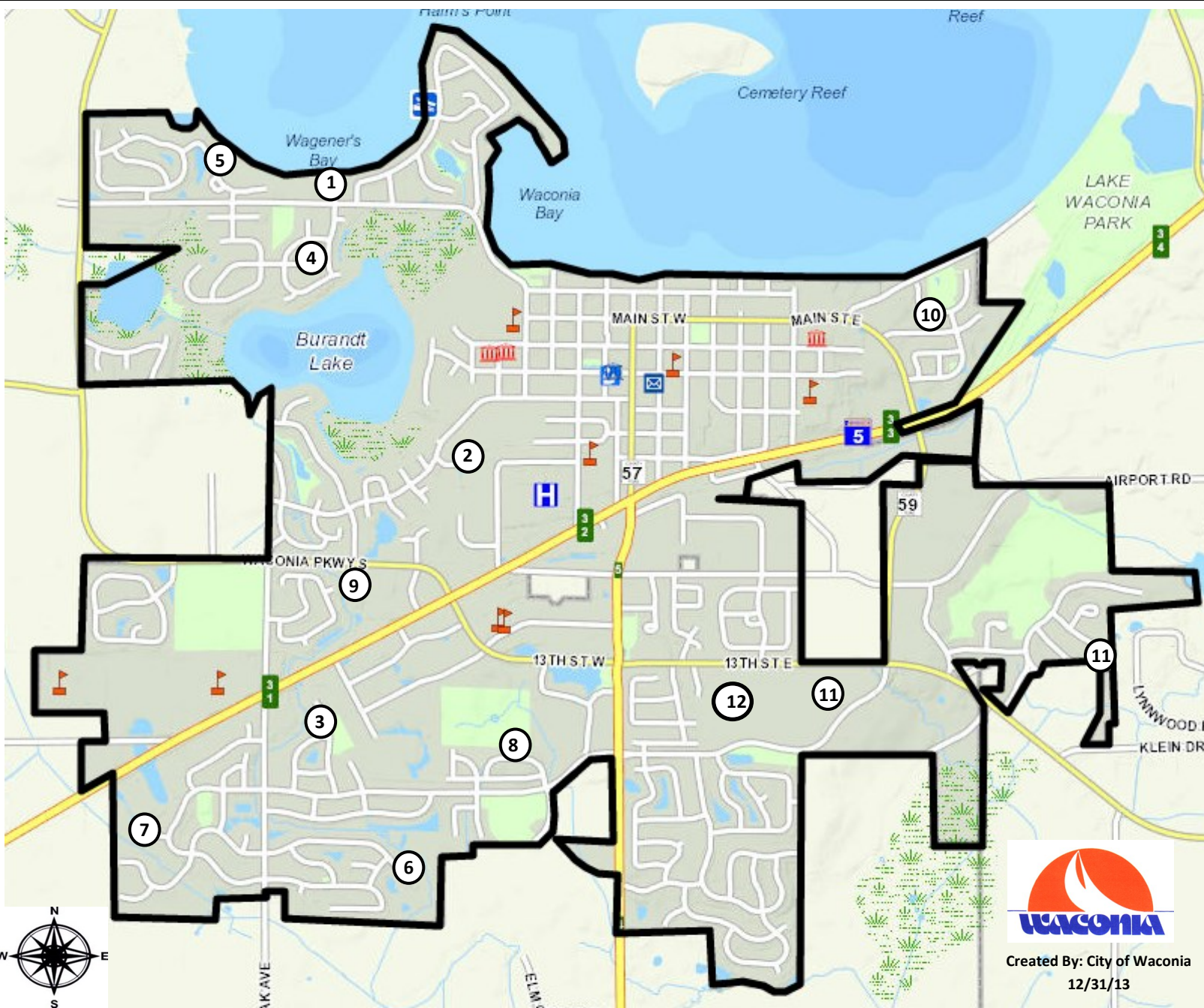
- 3) Developer's Agreement Amendment request submitted by the Legacy Village Home Owners Association to allow seasonal storage of docks and related equipment on Outlot I of Legacy Village. (APPROVED)
- 4) Developer's Agreement Amendment request submitted by the Legacy Village Home Owners Association to allow certain landscape improvements on Outlot I of the Legacy Village development. (DENIED)
- 5) Adoption of the Downtown Master Plan. (APPROVED)
- 6) Moving Permit submitted by Natalie Meger for the property located at 132 5th Street. (APPROVED)
- 7) Directed staff to commence advertisement of three City owned parcels. Two of which were tax forfeit properties located in Interlaken and the third is the southeast corner of Highway 284 and 10th Street.

City of Waconia 2014














EXHIBIT A - BUILDING PERMITS AND VALUATION

RESIDENTIAL	COMPLETED		COMPLETED		COMPLETED		COMPLETED		2014 TOTAL	
	Quarter One		Quarter Two		Quarter Three		Quarter Four		2014 TOTAL	
	PERMITS	VALUATION	PERMITS	VALUATION	PERMITS	VALUATION	PERMITS	VALUATION	PERMITS	VALUATION
New Single Family Homes	15	4,983,264	31	9,885,231	29	9,199,116	9	2,834,224	84	26,901,835
Townhouse/Twin Homes	0	0	0	0	0	0	0	0	0	0
House Additions	1	850	0	0	5	347,983	0	0	6	348,833
House Remodels/Basement Finish	17	309,200	17	645,464	2	30,570	15	292,750	51	1,277,984
Garages	0	0	1	40,000	0	0	1	32,000	2	72,000
Deck	2	30,150	27	299,542	25	279,151	3	24,175	57	633,018
Swimming Pools	0	0	2	31,000	1	21,400	2	46,000	5	98,400
Demolition Permits	0	0	2	4,300	2	14,000	0	0	4	18,300
Sheds/Fences/Accessory Structures	0	0	17	0	13	0	5	0	35	0
Mechanical Permits	29	0	56	0	57	0	34	0	176	0
Plumbing Permits	49	0	68	0	69	0	50	0	236	0
Re-Roof/Window/Side Valuation Based	12	103,228	49	410,891	55	372,849	28	248,454	144	1,135,422
Miscellaneous	0	0	5	36,500	9	36,807	2	17,100	16	90,407
TOTAL RESIDENTIAL	125	\$5,426,692.00	275	\$11,352,928.00	267	\$10,301,876.00	149	\$3,494,703.00	816	\$30,576,199.00
COMMERCIAL/INDUSTRIAL										
New Buildings	1	250,000	2	500,000	1	2,100,000	0	0	4	2,850,000
Remodel/Additions	3	270,000	5	1,746,319	2	55,500	5	359,000	15	2,430,819
Re-Roof, Re-Window and Re-Side	0	0	2	84,350	6	62,157	2	17,500	10	164,007
Mechanical Permits	4	36,650	3	35,745	9	273,465	4	16,798	20	362,658
Plumbing Permits	7	46,000	7	72,002	2	18,986	5	79,300	21	216,288
Fire Sprinklers/Fire Alarm	2	5,110	6	51,025	1	7,400	2	67,488	11	131,023
Miscellaneous	3	48,000	7	559,250	8	145,646	4	67,185	22	820,081
TOTAL COMMERCIAL/INDUSTRIAL	20	\$655,760.00	32	\$3,048,691.00	29	\$2,663,154.00	22	\$607,271.00	103	\$6,974,876.00
PUBLIC & INSTITUTIONAL										
New Buildings	0	0	0	0	0	0	0	0	0	0
Remodel/Additions	2	410,000	1	10,000	0	0	1	10,000	4	430,000
Re-Roof, Re-Window and Re-Side	0	0	0	0	0	0	0	0	0	0
Mechanical Permits	0	0	1	1,200	0	0	0	0	1	1,200
Plumbing Permits	0	0	0	0	1	30,000	0	0	1	30,000
Fire Sprinklers/Fire Alarm	7	29,317	3	4,961	0	0	0	0	10	34,278
Miscellaneous	0	0	0	0	1	0	1	262,000	2	262,000
TOTAL PUBLIC & INSTITUTIONAL	9	\$439,317.00	5	\$16,161.00	2	\$30,000.00	2	\$272,000.00	18	\$757,478.00
GRAND TOTALS	154	\$6,521,769.00	312	\$14,417,780.00	298	\$12,995,030.00	173	\$4,373,974.00	937	\$38,308,553.00

Exhibit B—Residential Lots Inventory Map



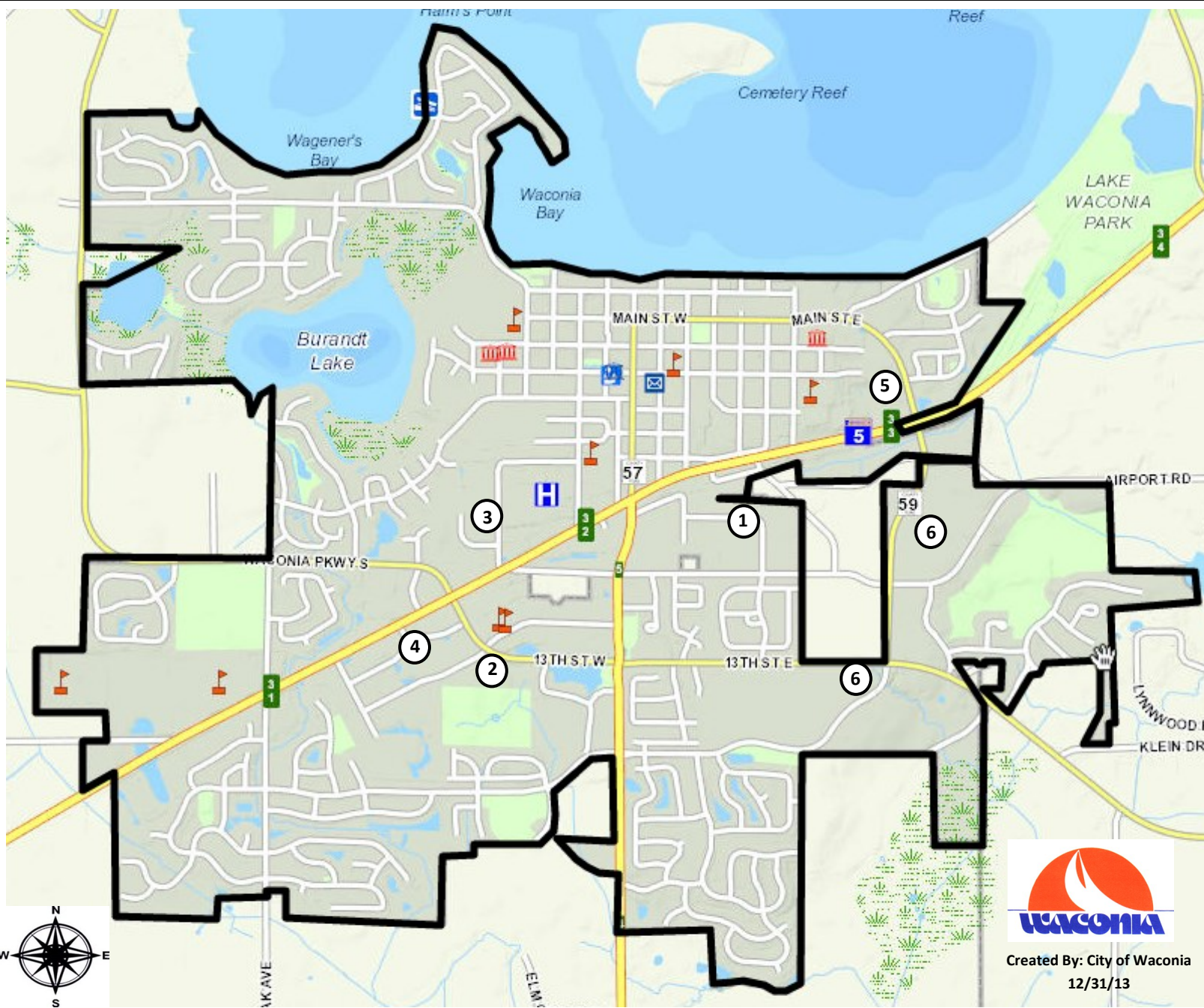
Legend

-  City Boundary
-  Wagoner's Bay (3 SF Lots)
-  Cherrywood (3 MF Units)
-  Bent Creek (1 SF Lot)
-  Sugarbush (1 SF Lot)
-  Waconia Landing (4 SF Lots)
-  Windmill Creek (14 SF Lots)
-  Oakpointe (4 SF Lots)
-  Waterford (21 SF Lots & 14 MF Units)
-  Provence Townhome (1 MF Unit)
-  Legacy Village (7 SF Lots)
-  Interlaken (54 SF Lots)
-  Crosswinds (52 SF Lots)




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12/31/13

Exhibit C - Commercial & Industrial Inventory Map



Legend

-  City Boundary
- 1** Pine Business Park Industrial (4.75 acres)
- 2** Sudheimer Trust Property Industrial (11.68 acres)
- 3** Medical Business Dev. Area Commercial (5.99 acres)
- 4** Highway Business Dev. Area Commercial (24.44 acres)
- 5** Legacy Village Dev. Area Commercial (7.22 acres)
- 6** Interlaken Village Dev. Area Commercial (36.45 acres)



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