

**MINNETONKA PLANNING COMMISSION  
MINUTES**

**MAY 15, 2003**

**1. CALL TO ORDER**

Chair Wagner called the meeting to order at 6:30 p.m.

**2. ROLL CALL**

Commissioners Gallop, Hart, Knight, Maes, Britain, Egge, and Wagner were present.

Staff members present: Planning Director Geoff Olson, Principal Planner Cary Teague, Planner Susan Thomas, Environmental Coordinator Jo Colleran, Community Development Director Ron Rankin, and Assistant City Engineer Jennifer Posma.

- 3. APPROVAL OF AGENDA:** The agenda was approved as submitted. Chair Wagner announced that Commissioners Hart and Egge will be absent during The Sanctuary project discussion due to a conflict of interest. Chair Wagner reviewed the procedure for the public hearing regarding The Sanctuary project.

- 4. APPROVAL OF MINUTES:** May 15, 2003

*Hart moved, second by Maes, to approve the May 16, 2003, meeting minutes as submitted.*

*Britain, Egge, Hart, Knight, Maes, and Wagner voted yes. Gallop abstained. Motion carried.*

**5. REPORT FROM STAFF**

Olson briefed the Commission on land use applications considered by the City Council at its meeting of May 12, 2003:

- Tabled the consideration of the Hopkins School District Management Plan to June 2, 2003, to allow time for a generalized, day-to-day operational plan to be prepared.

Olson distributed copies of the results of the Glen Lake future redevelopment concept plan. Two plans were created to provide developers with an idea of what the residents in the area supported.

- 6. REPORT FROM PLANNING COMMISSION MEMBERS:** None

## 7. PUBLIC HEARINGS: CONSENT AGENDA

No items were removed from the Consent Agenda for discussion or separate action.

*Egge moved, second by Britain, to approve the items listed on the Consent Agenda as recommended in the respective staff reports as follows:*

**A. Conditional use permit, with variance and site plan review, for an automated teller machine and night deposit box at 9999 Wayzata Boulevard for General Mills Federal Credit Union (03012.03a)**

Recommend the City Council adopt the resolution on pages A1–A4 of the staff report, which approves a conditional use permit with variance and site plan review for an automated teller machine and night deposit box at 9999 Wayzata Boulevard. This resolution is based on the following findings:

1. Apart from stacking aisle setback, the proposal meets required conditional use permit and site plan standards.
2. Strict enforcement of the ordinance would cause undue hardship because of circumstances unique to this property.
  - a. The applicant is proposing to use the property in a reasonable manner.
  - b. Hardship is caused by the non-conforming setback of the existing parking lot.
3. The variance would be consistent with the spirit and intent of the Westridge master development plan and City ordinance for the following reasons:
  - a. The proposal would not alter the existing, non-conforming setback, merely designate a portion of the existing lot for ATM and deposit box users.

Approval is subject to the following conditions:

1. Remove proposed “Do Not Enter” signs from the north end of the drive aisle as noted on plans. Install “Begin One Way” signs on north end of drive aisle.
2. Record this resolution with the county.
3. The City Council may reasonably add or revise conditions to address any future unforeseen problems.

4. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.
5. The applicant must agree to the above conditions in writing.

**B. Conditional use permit for a business with storage of more than 10 percent of gross floor area at 11100 Cedar Lake Road for Mount Properties (03019.03a)**

Recommend the City Council adopt the resolution on pages A1–A5 of the staff report, which approves the proposed conditional use permit for a business with storage of more than 10 percent of gross floor area at 11100 Cedar Lake Road for Mount Properties, represented by Robert Solfelt, President. This resolution is based on the following findings:

1. The proposal meets required conditional use permit standards.
2. The proposal is appropriate for the site.

Approval is subject to the following conditions:

1. This resolution does not approve any signs. Separate sign permit applications must be submitted for staff review.
2. This resolution does not approve any exterior site work. A separate site plan review is required for any future site work.
3. Install an automatic fire sprinkler system acceptable to the City Fire Marshall.
4. Payment of any delinquent utility bills.
5. Storage space in the future rental area, as noted on plans date stamped April 14, 2003, may not exceed 2710 square feet.
6. Record this resolution with the county prior to issuance of any building permit.
7. The city council may reasonably add or revise conditions to address any future unforeseen problems.
8. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.
9. The applicant must agree to the above conditions in writing.

*Gallop, Hart, Knight, Maes, Britain, Egge, and Wagner voted yes. Motion carried and the items on the Consent Agenda were approved as submitted.*

## 8. PUBLIC HEARINGS

**A. Items concerning The Sanctuary Third Addition plat at 3230 and 3306 Groveland School Road and 3305 County Road 101 for Halley's Custom Homes, Incorporated (02074.02a):**

- 1) Resolution approving a comprehensive guide plan amendment from RL, low-density residential to RM, medium density residential;**
- 2) Ordinance approving a rezoning from R-1 low density residential to PUD planned unit development, and approving a PUD master development plan, with final site and building plans; and a**
- 3) Preliminary plat**

Chair Wagner introduced the proposal and reviewed the format for the public hearing. He called for the staff report. Chair Wagner excused Commissioners Hart and Egge from the discussion and action taken on The Sanctuary project discussion due to a conflict of interest.

Olson reported. He recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

Gallop asked the following four questions: would thirteen of the proposed homes exit onto County Road 101; would the shorter driveways be large enough to park a vehicle on; would there be sufficient room on the street for parking; and what qualified the structure as a historical residence. Olson confirmed that thirteen of the proposed residences would have access on County Road 101. He explained that market-rate units would have two vehicle spaces per unit. The affordable units would have one garage unit. Three additional on-site spots would be provided on the south side of the north drive. Olson calculated that the proposed short driveway would be just large enough to park a vehicle.

Olson stated that the City has given the Clement house historical recognition because it is one of the first residences in the area.

Britain asked how the Breconwood development was received by the residents and if there are currently any problems associated with it. Rankin explained that an active association has successfully maintained the units. The Breconwood development predated Olson's and Rankin's time with the City, so they were unsure of the area's initial reaction.

Chair Wagner asked why the 1999 plan changed the land use designation to low density. Olson explained the zoning history of the area.

Knight asked the traffic consultant to explain how the traffic study was done and what conclusions were received.

Maes asked that the steps of the "A to F" rating system be explained.

Tony Heppleman, Professional Traffic Operations Engineer for WSB and Associates, explained the methodology of the study. He stated that the focus was on the Minnetonka Boulevard and County Road 101 intersection and the Groveland School Road and Minnetonka Boulevard intersection. Traffic counts were conducted from 6:00 a.m. to 8:00 a.m. and 4:00 p.m. to 6:00 p.m. He explained that "A" represents the best operations and level of service for that intersection and "F" represents a breakdown in traffic flow. For instance, a vehicle would typically wait through more than one light before proceeding through the intersection. At an intersection without a signal, "F" represents an average of 60 seconds delay per vehicle.

Mr. Heppleman's report concluded that County Road 101 and Minnetonka Boulevard operated at service level D in the morning and evening and Groveland School Road intersection operated, over all, at service level A, because traffic on Minnetonka Boulevard is free-flowing. The southbound approach on Groveland School Road experienced the greatest delay because it has to wait for all of the other traffic at the intersection to clear. That approach equaled service level C, with a delay of 18.5 seconds in the morning and 24.8 seconds in the evening.

Mr. Heppleman explained what the trip-generation is based on. The rate for a similar type of unit is six trips a day and about six-tenths of a trip during the peak hours. The next step is to look at where the trips are traveling to and traveling from. The largest percent of the trips are headed toward Interstate 494. An almost equal percentage traveled north or south on County Road 101. A very low percentage headed west on Minnetonka Boulevard. His study assumed that all traffic that headed east, toward Interstate 494, would use Groveland School Road. A change in the site plan would restrict the ability of some of the traffic to use Groveland School Road. Some of the traffic traveling south on County Road 101 was assigned to Groveland School Road too. The analysis then added an estimate of the number of trips the proposal would generate and the change in the level of service was determined. In most cases, he found that there was little or no change. The greatest change was on the southbound approach and it amounted to an increase of approximately two seconds of delay per vehicle. The improvement proposed by Hennepin County would result in an overall improvement at County Road 101 and Minnetonka Boulevard. Long term, the traffic for the area should improve.

Mr. Heppleman stated that special attention was given to the bus traffic. Nine buses currently carry kids to and from school. Usually, it took the buses two minutes to clear the area. They had a minimal impact on the Groveland School Road and Minnetonka Boulevard intersection.

Maes confirmed with Mr. Heppleman that the County Road 101 Minnetonka Boulevard intersection received a D rating. She asked Mr. Heppleman to provide more details. Mr. Heppleman stated that the intersection is in the middle of the range, closer to the C than the D rating. Level service D delay goes up to 60 seconds for a signalized intersection and 60 seconds to 70 seconds is a level service E and over 70 seconds is an F. The improvements to County Road 101 will bring the number of seconds below 40.

Maes asked for clarification if the school hours will change. Mr. Heppleman learned from the Groveland School principal that in the fall of 2004, the start time may change to 7:30 a.m. or 8:15 a.m. If it is moved to 7:30 a.m., he felt that the buses would not have much of an impact on the operation of Groveland School Road. He explained that the westbound traffic is light in the morning. When the buses leave the site, they head west, toward the bus garage. The level of service would not change.

Knight asked if a school bus was considered one trip. Mr. Heppleman stated that a bus was considered two vehicles.

Knight felt that the vast majority of people living there create the vast majority of the current traffic problem. Mr. Heppleman stated that approximately 50 percent of the traffic travels through the County Road 101 Minnetonka Boulevard intersection to reach Interstate 494.

Knight asked if traffic consultants verify the predictions of their reports. Mr. Heppleman stated that generally the results are within ten percent of the consultant's report.

Knight asked if the impact of the proposal would be felt during the time prior to County Road 101 being improved. Mr. Heppleman stated that traffic continues to grow over time, so an increase would be noticeable in a few years.

Gallop asked if he foresees a stacking problem with motorists trying to leave the site by taking a left onto County Road 101. Mr. Heppleman stated that the left turn out of the site is an issue.

Gallop asked if a sign would be helpful to restrict a left-hand turn during certain hours. Mr. Heppleman stated that it is difficult to control traffic with signs. People tend to ignore the signs, but that some type of physical obstacle may force them to travel in the intended pattern. That may not be feasible for a temporary time period.

Gallop asked if the buses stacked up on Groveland School Road in the morning. Mr. Heppleman explained that the buses all enter the parking lot together and drop off their riders at the same time. There is no stacking on Groveland School Road.

Britain felt that the impact of the proposal was explained well. He asked for examples of roads in Minnetonka that operate at service level E or F. Mr. Heppleman stated that higher volume arterials, such as Baker Road and Minnetonka Boulevard, are at level service E. Traffic volumes do fluctuate, so some days are not as bad as others.

Knight lives near Baker Road and Minnetonka Boulevard. He did not think it was unacceptable. A sign is located at the intersection that states, "Do not block intersection." He has found that most motorists do not block the intersection. Mr. Heppleman agreed that most motorists want to comply with not blocking an intersection, but more would be inclined to violate a "no left turn" during specific hours sign.

Chair Wagner resides in the Gables Townhomes. He asked what would keep the proposed affordable housing units within the affordable housing designation. Rankin stated that the Gables Townhomes and the Ridgebury Townhomes were developed a few years ago in connection with larger developments. The City, at that time, used a restrictive covenant that ran for 30 years and regulated the amount of the increase in value of the property. A publication comes out every year for the realtors stating the average increase. The new maximum resale price for the units is provided to the property owners each year. The City considered the use of a community land trust to provide affordable housing that ultimately resulted in the creation of the West Hennepin Affordable Land Trust (WHALT). As WHALT has purchased single-family homes, the City has provided initial operating funds to purchase the land.

Rankin explained that the Economic Development Authority (EDA) has been discussing the indexing system. A couple of different ways are being looked at to use part of the average annual increase as the index amount. He was available to answer further questions regarding WHALT and price indexing.

In response to Chair Wagner's question, Rankin confirmed that a condition of approval of the application hinged on the City Council's approval of the EDA's indexing or WHALT recommendation. Olson explained that the condition would require six units to be sold to the City either through WHALT or an indexing system as approved by the City Council. The City Council may determine the percentage of the indexing at a later time. Rankin stated that it is expected that WHALT would have just enough funds to cover the cost of all six units.

Maes asked how the drainage of the proposal would affect Growtonka's park, playground, and ball fields. Posma pointed-out the location of the proposed regional pond. She indicated the areas that currently flood. She would work with the park's future plans for redevelopment

in that area. She explained the location of the storm sewer pipes and the drainage patterns in the area.

Mike Halley, 14801 Minnehaha Place, applicant, stated that staff's report was comprehensive. He explained that Mr. Clement contacted him. The original intent was to construct a 24-unit condominium structure dedicated to cliental 55 years of age and older. Staff felt the height would be too high and the density too intense. The cliental would be split between empty nesters and young couples. The school is a huge magnet for his younger clientele. It may be the only site in Minnetonka where the resident would be two blocks from forty businesses, a church, two health clubs, a coffee shop, and a school. He was available to answer questions.

In response to Gallop's question, Mr. Halley stated that all of the units would have three bedrooms. The affordable homes would be approximately 1,650 square feet; the two stories, with a finished lower-level, would be approximately 2,500 square feet; and the one-level walkouts would average 2,800 square feet finished.

Knight asked how the proposal would be changed if the tradeoffs for the affordable housing units were not included. Mr. Halley stated that the affordable homes would be offered in the \$220,000 price range. The plat would remain the same.

Chair Wagner asked if a wild flower garden, referenced in a resident's letter, could be preserved. Mr. Halley stated that the property owners have the option of taking the vegetation with them. If it remains, then Mr. Halley would have the opportunity to protect it during construction.

Chair Wagner called for a short recess.

The public hearing was opened.

Pam Dantzinger, 3106 Groveland School Road, spoke on behalf of a large number of residents. She stated:

- The proposal is a city-wide issue because Minnetonka is known for its large, beautiful lots and mature trees.
- A precedent would be set.
- The density would be too high.
- The traffic increase would cause a safety issue.
- Residents improved their residences based on the Comprehensive Guide Plan zoning the area single-family homes.
- A 30-unit townhome complex is not in character with a single-family neighborhood.
- The surrounding structures are one level.

- The proposal would stick-out like a sore thumb, located on the hill and two stories high.
- Still concerned about the drainage.
- They are not opposed to affordable housing. Six single-family residences that met the affordable housing guidelines would be “perfect.”
- The proposed development, to be located to the north of the site, would add eight residences.
- It is difficult to predict the increase in the Grays Bay Marina traffic. A resident on the corner of Bay Street and Groveland School Road has already seen boat traffic through their neighborhood.
- Increasing the traffic by 68 residences would create a safety hazard, similar to County Road 101.
- The traffic will continue to increase.
- Her neighborhood has three exits: Minnetonka Boulevard, County Road 101, and Grays Bay Boulevard.
- The development would be totally out of character with the neighborhood.
- The proposal would cause the removal of mature trees.
- The proposal includes no open space.
- There is no transition.
- The drainage needs to be improved to eliminate “Groveland pond”.

Ms. Dantzinger stated that when the ordinance was reviewed by the City Council, the staff report stated that there was significant opposition due to three main concerns: traffic and safety, inconsistent with the neighborhood, and a decrease in the property values. She knew the last concern was not accurate. She reviewed the feedback forms and only one of 287 comments opposed affordable housing. Three comments referred to a decrease in property value. She clarified that they are not opposed to affordable housing. She questioned the ability to keep the units affordable.

Ms. Dantzinger stated that the main reason they opposed the application was due to the high density. The Pullnows did not want to move, but they sold their property because they did not want to live next to the proposed townhome development. Ms. Dantzinger, a licensed real estate agent, noted that if a home buyer has the choice to purchase a home not located next to a townhome development, the buyer would take that one every time.

Chair Wagner reviewed Ms. Dantzinger’s questions regarding a transitional area, the Gray’s Bay traffic, drainage improvements, and the ability to maintain the affordable units as affordable units. She asked what accommodations would be taken for the increased impervious surface.

Jim Wahl, 3218 Groveland School Road, acted as a co-spokesperson with Ms. Dantzinger. He pointed out his residence. He and his wife moved to Minnetonka to get away from forty-foot-wide lots. He has seen positive changes in the neighborhood over the past twelve years. He stated:

- Seventeen of the residences' 2002 market values are below \$170,000.
- The need for a transition area is "nonsense".
- A 35 foot tall building would be a detriment and fundamentally incompatible with the neighborhood.
- The residents have made improvements relying on the zoning and guide plan that have been in place.
- His property value will increase, to a developer like Mr. Halley, with the approval of the proposal.
- There would be a detrimental impact on his privacy, use, and enjoyment of his property.
- He felt it was ironic that the City would step in if his neighbor proposed to put up a yard light or sign that violated ordinance regulations. Those violations would not decrease his property value, but it demonstrates that there is a value to the impact and enjoyment of a homeowner's property.
- Five balconies and decks overlooking his yard would impact his property.
- The EDA references preserving affordable housing on the web site, but the impact on existing affordable housing was not mentioned. He found that approximately 30 percent of the homes in Minnetonka are valued at below \$170,000. Ten to fifteen percent of the homes currently on the market are below \$170,000 level. He questioned the need to impose a high-density project without looking at the impact on the existing affordable housing.
- The density of the Breconwood development is six units per acre. The proposal would be eight and a half units per acre.
- The City could spend the \$1,000,000 to fund affordable housing units and not create such an impact on the neighborhood.
- He questioned why the City and the taxpayers need to "bail out" Mr. Halley and make his numbers work.
- He asked what the buffering and landscaping would include.
- He felt the development was being done at the expense of the neighborhood.

Chair Wagner reviewed Mr. Wahl's questions with him.

Olson explained the standard practice of the use of transitional zoning districts by planning entities.

Gallop asked what buffer and screening the proposal would provide. Olson stated that screening is included in the landscape plan. Colleran referred Gallop to the landscape plan that described the plantings that would provide a buffer to the commercial development located on the south. A variety of trees and shrubbery are currently located in the area. She described the vegetation in the area, what areas would be protected, and what vegetation would be added. She stated that the plan may be modified to include the protection of the lilac bushes that have filled-out nicer than she anticipated.

Posma addressed a petition received by the City in reference to Groveland School Road. She explained the drainage and ponding patterns and low land areas. Extending the concrete curb and gutter, that currently exists on the east side of the street, past the driveway to the church and realigning the low spot in the road closer with the existing pipe on the north end of the school, is being considered to alleviate the current problem. Posma explained the plan's benefits, but cautioned that some ponding may still occur in the spring. She confirmed that those improvements would be done regardless of the outcome of the proposed project.

Rankin clarified that WHALT would provide \$47,000 through City, state, and county funds each. The remaining \$120,000 for each of the units would be paid by the buyer. The net amount would be \$282,000 that WHALT would provide to purchase the land that it would own forever.

Ms. Dantzinger asked how many of the units that were funded with the 5.8 million dollars remain affordable housing units. Rankin explained that the 5.8 million dollars was used to purchase 146 units in the Ridgebury and Gables developments. Most of the Ridgebury units remain valued at \$170,000 or less. The Gables townhomes are valued around \$190,000. The Minnesota Housing Finance Agency, money help for first time homebuyers, and tax increment financing were used to create the affordable housing units. The current proposal would use the WHALT, not the vehicles used for those projects.

Ms. Dantzinger again asked for the specific number of units that still meet affordable housing guidelines. She felt it was important because she said that Olson said that the "most important reason we are considering this is the affordable housing." She questioned if funding was available through WHALT and what indexing would be used. Chair Wagner explained that indexing was used previously. A condition of approval requires the pieces of the affordable housing funding to be worked out by the use of WHALT and/or indexing. The EDA would determine the final calculations to keep the units within the affordable guidelines forever. Rankin stated that now that the City has an idea of the grant funds that WHALT will receive, the money the City allocated for WHALT would be sufficient to fund all of the affordable housing units.

Knight asked Ms. Dantzinger if she questioned if the City met its affordable housing goal. Ms. Dantzinger supported affordable housing and those units remaining affordable. Chair

Wagner clarified that the EDA and the City Council would address the affordable housing issue further.

Olson explained Hennepin County's plans to improve the traffic in the area.

Doug McNamara, 3633 Comet Lane, submitted the following:

- He commended the developer for including six affordable housing units.
- A majority of city workers, teachers, pastors, service providers, and their kids cannot live in the City because they cannot afford to.
- He was formally on WHAT 's board. WHAT will keep the units within the affordable guidelines in perpetuity.
- Groveland School is projected to have 175 less students in the fall. Discussions are taking place considering the closing of the school; which would cause the plummet of property values. The proposal would supply more children for the school.
- Higher density of the City will decrease property taxes.
- The developer is willing to pay \$65,000 for parkland dedication and fund a drainage pond.

Kate Smith King, Pastor of St. Luke's Presbyterian Church at 3121 Groveland School Road, owns a home at 1418 Clarendon Drive. She heard no reason to oppose the proposal. She is willing to wait two seconds to cross an intersection. She spent over a year trying to find a residence that she and her husband could afford in Minnetonka. She questioned the median price of a home in Minnetonka. She heard, from numerous people, the need for affordable housing. Rankin stated that the housing price increases have been ten percent to twelve percent per year for the past six years. The prior sixteen years ranged from zero percent to eight percent increases. The median price of a home in Minnetonka approaches \$280,000.

Eric Larson, 17411 Bay Lane, felt that turning the park into a pond would confiscate the park area. People do play there. Public park area should not be used for drainage for another property. Mr. Larson stated that no other building in the neighborhood is as tall as the proposal (he considered it three stories tall) and it would be out of character with the neighborhood.

Winnie White-Scherber, 14605 Orchard Road, spoke in support of The Sanctuary development. She spoke on behalf of social justice and the common good. She stated:

- The Sanctuary is a good fit for economic and social good.
- Her neighborhood is transitioning to an older population.
- Housing demands and prices have soared.
- Townhomes are needed for first-time buyers and empty-nesters.

- The project would provide good links to transportation, commercial areas, and schools.
- Twenty percent of the development would be affordable units.
- Communities are made stronger and healthier when affordable housing exists.
- She is proud to be in Minnetonka because of its commitment to affordable housing.
- Affordable housing provides the opportunity to live where they work.
- The Minnetonka Boulevard and County Road 101 intersection will undergo improvement to support increases in traffic.
- Townhomes provide a buffer between single-family residential housing and commercial businesses.

Mrs. Richard Olson, lived in Tonkawoodcroft since 1969, and is an expert realtor. She stated:

- Trying to get onto Minnetonka Boulevard is dangerous.
- There are affordable homes in Minnetonka.
- She loves her neighborhood, including its proximity to nature.
- She supported conserving the trees.
- A variety of houses are important. Many people like older, well-kept homes.
- The proposal lacks green space and trees.
- Buyers give-up newness for a shorter commute.
- It should be politically correct for people to stand-up for the values of their property.

Knight asked if a home located next to a townhome development would be impacted. Mrs. Olson answered in the affirmative. People like privacy and larger lots.

Tracy Wellums, 3213 County Road 101, was opposed to the development. She would not want to live there if the proposal is approved. Most families want a home, not a townhome.

Joe Dantzing, 3106 Groveland School Road, asked if the Department of Transportation had given written permission to allow the proposal to access County Road 101. He stated that the density of the area is 1.3 units per acre. He asked what affect the proposal would have on the environment. He stated that he is a realtor and he found 20 homes listed for sale under \$170,000 in Minnetonka. Olson stated that a county permit is not applied for until an application is approved.

Mr. Dantzing stated that the density of the proposal would be five times higher than the surrounding area. He also opposed the height of the proposed development. Approval of the current planned unit development (PUD) application would make it easier for adjacent properties to change to PUD zoning. He improved his residence based on the City's Comprehensive Guide Plan that should have remained the same until 2020. He supported affordable housing.

Colleran addressed the methods that would be used to offset the increase in impervious surface, including pretreatment ponds to offset the nutrients that currently drain into Purgatory Creek.

In response to Mr. Dantzinger's question, Posma explained that a feasibility study was not warranted.

Mr. Dantzinger asked the Planning Commission to not rezone, not reguide, and say "no" to the PUD.

Henry Letterer, 3132 County Road 101, stated that medium density housing would create a domino affect and change the whole neighborhood. In 20 years, no single-family residences would remain.

Scott Nelson, 17520 Blaine Avenue, stated that the whole neighborhood is being redeveloped. He questioned where the redevelopment would end. In the next generation, the three and four acre lots will be divided into six units and house twelve to sixteen cars. The density of the traffic in ten years on the road will make the problem worse. It is impossible to get onto County Road 101 during most times of the day. It is unacceptable for his children to live in an area where the density may be increased like that and another quadrant added. The Planning Commission must make a decision that will have an affect well into the future of Minnetonka. He did not think it was about affordable housing.

Chair Wagner stated that only the current application is being reviewed.

Niel Herring, 15008 Evelyn Lane, supported the project for affordable housing reasons. The need for affordable housing is greater than individuals' goals. What's best for the City, as a whole, needs to be looked at.

Becky Guerkie, 17310 Charmy Downs, stated that Olson discussed the redevelopment in his report and it should be considered when reviewing the proposal. Nobody is opposed to affordable housing, but to increase the density is wrong and would change the entire neighborhood.

Mr. Wahl opposed the destruction of the Clement property. He feared it would start a wholesale destruction of historic homes.

Mr. McNamara rejected the vast majority of WHAT houses because they require so many improvements it was not cost effective to fix and sell them.

No additional testimony was submitted and the hearing was closed.

Chair Wagner reviewed the primary issues.

Britain supported having two exits. He asked where ten vehicles visiting one unit would park. Olson explained that two spaces would exist on the driveway and the rest would be on-street parking. The street would be wide enough. All of the buildings would be sprinklered to address the fire safety issue.

Chair Wagner asked if the street inside the development would be able to accommodate visitor parking. Olson stated that it would depend on the number of visitors. Chair Wagner was concerned that homeowners have adequate visitor parking. Mr. Halley explained that the street would be 24 feet wide and one side would be signed "no parking" to allow parking on the other side and provide room for two-way through traffic.

Chair Wagner discussed with Olson the benefits of capping off the left-hand turn onto County Road 101.

Chair Wagner continued to review the primary issues.

Gallop asked if staff felt there would be a negative impact on the property value. Olson stated that the City Tax Assessor determined that the proposal would not negatively affect single-family residential surrounding properties.

Chair Wagner felt there was a consensus that 3231 should not be included. He reviewed the consensus on the remaining primary issues.

Knight was concerned that the green space would be lost to a drainage pond. Maes attended a meeting regarding the redevelopment of the park and felt comfortable that other green areas would be available for her son and husband to continue playing ball at the park.

Knight asked what percent of the park would become a pond. Posma stated that approximately 150 feet by 150 feet of the park would become a pond area, which is a minimal portion of the park.

***Gallop motioned, Maes seconded, to extend the Planning Commission meeting past 11:00 p.m., but not to extend past 1:00 a.m.***

***Gallop, Knight, Maes, Britain, and Wagner voted yes. Hart and Egge were absent. Motion carried.***

Knight felt he had a lack of knowledge regarding if the house has significant historical value to warrant preserving it.

Maes asked herself the question, "is this an allowable project?" The loss of the trees would be the loss of a natural resource. She felt the drainage would be improved. She has had a hard time with the traffic at that intersection daily. She felt that the Minnetonka Boulevard and County Road 101 intersection rates worse than a D. One morning, the vehicles were backed-up sixteen deep and vehicles making left turns did so on yellow and red lights to make it through the first light change. The next day, she wanted to turn left. Two of the six cars turning left made it. Two cars made it through the light. She pulled into Lakeland and watched between 9:15 am and 9:24 am. Nine cars ran a red light to turn left. She felt that was unacceptable. The motorists had a prior knowledge that if they did not turn on the red, they would have been stuck there for a long time. She requested the developer wait until 2006, when Hennepin County completes its improvements.

Gallop felt there was sufficient reason to amend the Comprehensive Guide Plan for the proposal. Chair Wagner concurred with Gallop. He reviewed the nine criteria and the proposed site met all of them.

Knight disagreed with Gallop and Chair Wagner. The proposal would be inconsistent with the neighborhood, going from three units to thirty units. He did not see the need for a transition area. He supported keeping the Comprehensive Guide Plan in accordance with the residents' expectations. The proposal would increase the hard surface coverage and impact the environment.

Britain agreed with Gallop and Wagner. The Breconwood townhomes are located directly across from the proposed site. He supported rezoning the proposed site.

Maes concurred with Britain; that the location was appropriate and provided an appropriate transition.

Gallop stated that eight and a half units per acre is in the mid-range and acceptable. The affordable housing provided a great benefit. Twelve units per acre would still be in the middle of the medium density range.

Knight stated that there was no basis to increase the density.

Chair Wagner stated that he was struggling with the hard-surface coverage.

Gallop acknowledged that reducing the density might not affect the hard-surface coverage, because the unit sizes could be larger.

Chair Wagner asked if staff discussed minimizing the footprint with the developer. Mr. Halley stated that staff's goal was to achieve 20 percent of affordable housing without a

financial subsidy. With that premise, he did a market study and created the proposal. He stated that if something would be changed, it would be the affordable housing. He needs the size and density to offer the six affordable homes. He would be willing to drop a couple affordable housing units in exchange for green space. He stated that he has been in negotiations with staff for over six months and that would be the only change. Mr. Halley compared the project to the Parkers Lake Road project where seventeen percent of the project was affordable housing units.

Britain felt the two projects were not comparable. His issue was the density. He felt it would be more in line with Breconwood if it would be six units to seven units per acre. He felt that the structure appeared massive on the site because the size of the units would be very big. His issue was the density of the proposal. He felt the amount of green space should be increased and the number of units decreased.

Maes agreed with Britain and connected the density issue with increased traffic.

Knight felt the proposal was too dense.

Chair Wagner stated that the site met all of the checklist requirements. He supported the proposal to obtain the affordable housing units in perpetuity, without subsidies. The location matches all of the desired site criteria. He felt it was the best site in the City for the proposal.

Gallop agreed.

Knight felt the “cost of exchanging is too great.” He felt the surrounding residents paid too much of a cost.

Chair Wagner asked Knight if, regardless of the density of the project, he would view the site as a good spot for redevelopment including affordable housing. Knight stated he was not willing to make that trade-off. Chair Wagner asked if his issue was the density and the footprint or the overall concept of redeveloping the site. Knight said it was “everything” for him. He disagreed with eight of the ten issues.

Britain felt the location was good for affordable housing, but that the density would be too great. He supported eliminating two affordable housing units in exchange for green space. He felt going from single-family homes to the proposal would be too extreme. The proposal would be too massive. Britain felt the redevelopment would be compatible with the neighborhood with a fewer number of units and a two-story or lower structure.

Chair Wagner acknowledged that the neighbors would no longer be looking at green space. When he considered how significant the three parcels are to the overall area, he felt the

transition was reasonable with the affordable housing benefit. He supported a smaller footprint, but felt the proposal was reasonable.

Maes felt the proposal would be compatible with the neighborhood and create a nice transition, but that it would be too dense. She favored lowering the height of the structure. She felt senior residences would utilize the close location of the commercial businesses and be a complimentary use to the surrounding area.

Knight felt it was not compatible with the neighborhood.

Gallop felt the structure would not “blend” with the surrounding area, although it would be a beautiful facility. He felt it could be considered compatible.

Maes did not feel the streets would support the increased traffic.

Gallop acknowledged that the traffic problem is a current one and that 30 residences would have an impact, but probably not a noticeable one. He acknowledged the traffic consultant’s comments.

Knight felt comfortable with the private road for visitor parking. The proposal would impact Minnetonka Boulevard and County Road 101.

Chair Wagner agreed that the current traffic situation is a D at Minnetonka Boulevard and County Road County Road 101, but he felt that the proposal would not increase it so much as to cause undue hardship as opposed to what it is today.

Britain felt the situation would not be ideal, but it would be acceptable now and improved in a few years.

Knight was opposed to losing park area, but comfortable with the design of the park.

Gallop felt the regional pond and drainage issue would be greatly improved. Maes, Britain and Chair Wagner concurred.

Britain learned that it might take a little longer to find the right buyer, but that the property value would not decrease. Chair Wagner and Maes concurred.

Knight felt that the property values of the residences right next to the proposed site would be lowered. He stated that privacy is worth a dollar value.

Gallop felt either side could be argued. He said that the proposal would probably not lower the property values.

Gallop thanked the audience for presenting excellent points and remaining orderly. Chair Wagner thanked the audience for their professionalism and interest.

Knight did not see a reasonable balance for the residents.

Gallop felt that he considered the individual neighbors concerns as well as the over all City's benefits. Overall, he favored the project with staff's recommendation, but he did have some concerns.

After reviewing the key issues and the City's goals, Chair Wagner leaned toward supporting the proposal because the neighbors who own the property are willing to sell and this is the number one location the City has identified as reasonable for the use. Minnetonka Boulevard and County Road 101 are not an ideal traffic situation, but the development may put the necessity of installing a stoplight over the edge. He felt the proposal would impact the neighborhood, however a reasonable job has been done to ensure that it would blend in with the neighborhood.

Britain agreed that the site would be a good location. A "low" medium-density project would work nicely, but he did not support the particular project because the density, amount of hard surface, and height of the structure would be too high.

Maes was worried with the traffic and safety issues. She liked the project; it would be attractive and the site would be a great location. She supported affordable housing. She requested the developer wait until the traffic issues are improved.

Knight supported a proposal more in character with the neighborhood. He could not vote to approve it as it was presented. The trade-off was too great for the affordable housing.

***Gallop moved, second by Maes, to recommend the City Council approve the following items concerning The Sanctuary Third Addition plat at 3230 and 3306 Groveland School Road and 3305 County Road 101 for Halley's Custom Homes, Incorporated (02074.02a):***

- A. Recommend that the City Council adopt the resolution on pages A1–A2, which amends the guide plan from RL, low density residential, to RM, medium density residential. This resolution is based on the following findings:*
1. The guide plan change would provide a transitional land use between the commercial area to the south and single-family homes to the north.

2. The site is next to a commercial center, which provides services such as supermarkets, service stations, drugstores, cleaners, banks etc. Metro Transit bus service is also available at Minnetonka Boulevard and County Road 101.
  3. The land use pattern would be similar to the land use pattern to the west across County Road 101.
  4. The guide plan change would be consistent with the public health, safety, and welfare.
- B. Recommend that the City Council adopt the ordinance on pages A3–A8, which approves the proposed PUD, master development plan with final site and building plans. This ordinance is based on the following findings:*
1. The rezoning would provide a transitional land use between the commercial area to the south and single-family homes to the north;
  2. The site would be next to a commercial center, which provides services such as supermarkets, service stations, drugstores, cleaners, banks etc. Metro Transit bus service is also available at Minnetonka Boulevard and County Road 101;
  3. The land use pattern would be similar to the land use to the west across County Road 101;
  4. The rezoning would be consistent with the public health, safety, and welfare;
  5. The rezoning would be consistent with the proposed guide plan designation;
  6. The proposed development would not have an adverse impact on neighborhood traffic or property values and would provide for a regional pond to improve water quality in the neighborhood.

This rezoning is subject to the following conditions:

1. The site must be developed and maintained in substantial conformance with the following plans, unless modified by the conditions below:
  - Site plan dated March 18, 2003
  - Grading plan dated March 18, 2003
  - Landscaping plan dated March, 2003
  - Building elevations date-stamped December 24, 2002
  - Utility plan dated March 18, 2003

2. The following work must be completed before the City issues a grading permit or before starting any site work:
  - a. The installation and maintenance of a temporary rock driveway, erosion control, tree protection and wetland protection fencing for each lot must be installed, subject to review by the City's Environment Resources Coordinator.
  - b. Submit final site, grading, drainage, utility and erosion control plans for staff approval. Final plans must include the following revisions:
    - 1) The water main must be looped/connected to the County Road 101 system;
    - 2) Separate water/sewer services are required for each townhome;
    - 3) Water services must be 1-1/2 inch diameter;
    - 5) Provide an emergency overflow for the catch basins in the middle of the development;
    - 6) Additional tree protection fencing and erosion control, specifically along the north line of Blocks 6 and 7, the south line of Blocks 6 and 7, the gazebo area, and the west line of Block 1. Tree protection fencing of all trees to be saved must be shown on the final plan;
    - 7) The grading plan must be revised to save the eight most easterly evergreens along the southerly property line, next to the dance studio; and
    - 8) Two more species of shade and ornamental trees must be included on the final landscape plan.
  - c. A letter of credit or cash escrow for 150% of the estimated cost to comply with grading permit requirements and restore the site must be submitted to the City. The City will not release the letter of credit or cash escrow until the developer submits as-built drawings and a letter certifying that the utilities, driveway and grading have been completed according to the plans approved by the City.
  - d. Submit copies of the watershed district permit, NPDES permit and County permits for driveways and utility connections. The City may require revisions to the approved plans to meet these agencies' requirements.

- e. All trees to be preserved must be fenced and erosion control measures must be installed for staff approval. The Pine Trees along the south lot line adjacent to the dance studio must be protected and saved.
  - f. A construction management plan must be submitted for staff approval.
  - g. Obtain and record a public drainage and utility easement over the Groveland School property for a storm sewer connection to an existing storm sewer on the school property. If the applicant makes a reasonable effort to obtain the easement and cannot for reasons beyond his control, he must revise the site plan to include on-site stormwater ponding, subject to the approval of the city engineer.
3. The following must be completed before the City issues a building permit:
- a. The installation and maintenance of a temporary rock driveway, erosion control, tree protection and wetland protection fencing for each lot must be installed, subject to review and approval of the City's Environmental Resources Coordinator.
  - b. An illumination plan for staff approval. Exterior lighting must be designed and arranged to limit direct illumination and glare upon or into any contiguous parcel. Reflected glare or spill light shall not exceed five-tenths (.5) foot-candles as measured on the property line when abutting a residential parcel.
  - c. A final landscape and irrigation plan for staff approval.
  - d. A hookup fee for sanitary sewer and water.
  - e. A letter from the surveyor stating that boundary and lot stakes have been installed as required by ordinance. If the grading for proposed streets has not been completed, the planning director may approve a time extension to this requirement.
  - f. A copy of the recorded plat and any easements or covenants required to be recorded.
  - g. \$17,490 toward the cost of an off-site stormwater treatment pond in Gro Tonka Park.
4. All structures must meet the minimum setback and height requirements.
5. The property owner is responsible for replacing any required landscaping that dies.
6. Six units must be sold to the City or an affordable housing organization designated by the City for \$167,000 or less or be subject to resale indexing covenants approved by the city

council, after EDA review of the city's indexing policies. The City must approve specifications for the construction of the affordable units.

7. All rooftop and ground-mounted mechanical equipment, and exterior trash and recycling storage areas, must be enclosed with materials compatible with the principal structure, subject to staff approval. Low profile, self-contained mechanical units that blend in with the building architecture are exempt from the screening requirement.
8. The buildings must be constructed with automatic fire sprinklers throughout.
9. Construction of the trail shall be subject to review and approval of the Environmental Resources Coordinator and the Fire Marshal.
10. Approval does not include the signs shown on the drawings. Separate permits are required from staff.
11. The applicant must arrange for the city to have access to the site prior to any site disruption to photograph the house.
12. The floor area ratio and hard surface coverage may not exceed 50% of the site area.
13. Construction must begin by December 31, 2004, unless the Planning Commission grants a time extension.
14. During construction, the streets must be kept free of debris and sediment, and the tree protection fencing, and erosion control fencing must be maintained.

*C. Recommend that the City Council give preliminary approval to The Sanctuary 3<sup>rd</sup> Addition, date-stamped March 19, 2003. Approval is based on the finding that the plat meets the required standards and ordinances. Approval is subject to the following conditions:*

1. Complete the following before final plat approval:
  - a. Show the following on the final plat:
    - (1) At least ten-foot-wide drainage and utility easements next to any existing or proposed public street rights-of-way and at least seven-foot-wide drainage and utility easements along all other lot lines
    - (2) Utility easements over existing or proposed public utilities, as determined by the City Engineer.

- (3) Drainage and utility easements over any storm water ponds, as determined by the City Engineer.
  - b. If the developer is petitioning the City to construct the public improvements, the City Council must order the improvements.
  - c. If required, submit evidence of the watershed district approval. The City may require revisions to the preliminary plat to meet the district's requirements.
  - d. Mail a completed wetland certificate of no loss or exemption form to the appropriate parties.
2. The following items must be submitted to the City before the City releases the final plat:
- a. An engineering/utility inspection fee.
  - b. An electronic CAD file of the final plat in microstation or DXF.
  - c. Pay the City a park dedication fee of \$64,125.
  - d. If the developer is constructing any public improvements, the developer must submit a signed agreement with the City. This agreement must guarantee that the developer will complete all public improvements and meet all City requirements. This agreement must include an escrow to ensure that the developer completes all public improvements and complies with all City regulations. This escrow must be a letter of credit or cash deposit. The amount must be 150% of the estimated cost of the improvements or 125% of the cost if based on actual bids.
  - e. The following documents for the City Attorney's approval:
    - (1) Title evidence that is acceptable to the City Attorney. Title evidence must be current within thirty days before release of the final plat.
    - (2) Documents establishing a homeowners' association. The association must be responsible for maintaining any common areas, common drives, the required drainage pond and any other required drainage improvements approved by the City. Maintenance will include, but not be limited to, the periodic removal of sedimentation at the base of the pond and any adjacent drainage ditches, keeping a vegetative cover within the ditches and pond, and removing any blockage of the swale or culvert that may impede the drainage of the site, as approved with the building permits.

- (3) Common access easements for each lot. The easement must state the maintenance responsibilities of each owner. The minimum driveway width must be as required by the fire marshal.
- (4) Provide restrictive covenants to be recorded against the individual lots with the plat. The covenants must include the conditions below that have not been met as of the release of the plat. These covenants must first be submitted for the city attorney's approval.

These documents must be recorded with the final plat, and a drawing of any easements must be attached to the easement deed.

3. The City must approve the final plat within one year of preliminary approval or receive a written application for a time extension or the preliminary approval will be void.

***Gallop, Maes, and Wagner voted yes. Knight and Britain voted no. Hart and Egge were absent. Motion carried.***

Chair Wagner stated that the City Council would tentatively review the item at its June 2, 2003, meeting.

## 9. ADJOURNMENT

***Britain moved, second by Knight, to adjourn the meeting at 11:56 p.m. Motion carried unanimously.***

By: \_\_\_\_\_  
Lois T. Mason  
Planning Secretary