

**MINNETONKA PLANNING COMMISSION
MINUTES**

OCTOBER 26, 2006

1. CALL TO ORDER

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

2. ROLL CALL

Commissioners Dahl, Schmitz, Adams, Brandt, Britain, Cheleen, and Hart were present.

Staff members present: City Planner Julie Wischnack, Planner Susan Thomas, Planning Technician Jeff Thomson, and Natural Resources Manager Jo Colleran.

3. APPROVAL OF AGENDA: The agenda was approved as submitted.

4. APPROVAL OF MINUTES: October 12, 2006

Dahl moved, second by Cheleen, to approve the October 12, 2006 meeting minutes as submitted.

Dahl, Schmitz, Adams, Brandt, Britain, Cheleen, and Hart voted yes. Motion carried.

5. REPORT FROM STAFF: None

6. REPORT FROM PLANNING COMMISSION MEMBERS: None

7. PUBLIC HEARINGS: CONSENT AGENDA: None

8. PUBLIC HEARINGS

A. Preliminary plat for a two-lot subdivision at 4700 Eastwood Road for Wayne Sinkie. (06056.06a)

Chair Hart introduced the proposal and called for the staff report.

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

Wayne Sinkie, 4700 Eastwood Road, applicant, explained the application. He understood the conditions regarding the access. He was present to answer questions.

The public hearing was opened. No testimony was submitted and the hearing was closed.

Chair Hart felt the report was appropriately written to explain why the application could not be denied. The attorney provided a clear statement regarding the right-of-way. Ordinance requirements would be met.

Dahl asked where the buildable area would be located. Thomas pointed it out on the illustration.

Brandt asked if the 5,240 square feet was all located in the southeast corner. Thomas responded affirmatively.

Cheleen asked how a road would be constructed on the steep slope. Thomas explained where the conservation easement would be located over the wetland and its buffer, north of the buildable area. The city engineer stated that a public street could not be constructed because of the steep grade. Significant grading would be required. A driveway could be constructed if an easement is purchased from the property owners south of the site.

Dahl moved, second by Schmitz, to recommend that the city council adopt the resolution on pages A1–A5 of the staff report, which approves the proposed preliminary plat. This resolution 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 wetlands, floodplains, and public storm water ponds, as determined by the city engineer.
 - b. Pay the city a park dedication fee of \$2,375 for the newly created lot.
 - c. If the developer is petitioning the city to construct the public improvements, the city council must order the improvements.
- 2) The following items must be submitted to the city before the city releases the final plat:
 - a. An electronic CAD file of the final plat in microstation or DXF on a CD disk.
 - b. The following documents for the city attorney's approval:
 - (1) Title evidence that is current within thirty days before release of the final plat.
 - (2) Conservation easements over the required wetland buffer, 25 feet upland from the delineated edge of the wetland and a drawing of the easement. The easement and drawings must be recorded with the final plat.
 - (3) Provide restrictive covenants to be recorded against the individual lots with the plat. The covenants must include the conditions 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 easement must be attached to the easement deed.

 - c. Any other requirements included with final plat approval.
 - d. Approval of a construction management plan by the planning director.
- 3) The following must be completed before the city issues a building permit:

- a. No building permit will be issued until the property owner obtains the right to: (1) build a public driveway; (2) use the existing driveway at 4807 Ridge Road; or (3) a public street is extended to the property. The city is under no obligation to construct a public street and it is highly unlikely the city would construct a street due to severe grades within the right-of-way.
- b. Submit the following documents:
 - (1) A copy of the recorded plat and any easement or covenants required to be recorded.
 - (2) A letter from the surveyor stating that boundary and lot stakes have been installed as required by ordinance.
 - (3) A construction management plan detailing management practices. The plan must also indicate: (1) how equipment will avoid roots of trees to be saved; (2) location for stockpiling of earth and construction materials and equipment; and (3) how contractors will prevent tracking of earth onto the street.
- c. City approval of a grading and tree preservation plan for each lot. The city may require adjustments in the house pad location to maximize tree preservation. The sewer and water services must be shown to minimize impact to any significant trees.
- d. No grading is allowed within the wetland buffer or below the stormwater elevation as determined by the city engineer.
- e. City approval of the installation of a temporary rock driveway, erosion control, tree protection, and wetland protection fencing for each lot.
- f. Pay a hookup fee for sanitary sewer and water.
- g. If a driveway is built up, natural drainage into the wetland from the east side of the drive must be maintained.
- h. Minimum lowest floor elevation is 937.0
- i. All portions of first story walls as measured by an approved route around the exterior of the house must be within 150 feet of the

street. If access requirements cannot be met the house must be protected with 13D automatic fire sprinklers.

- 5) During construction, the streets must be kept free of debris and sediment, and the tree protection fencing, and erosion control fencing must be maintained.
- 6) Trees must be planted to compensate for significant trees removed from each site that would be outside of the building pad and driveway area. The trees must be primarily species native to the area. They must be at least 2 ½ inches in diameter for deciduous trees and 6 feet tall for coniferous trees. The property owner or original developer must replace the required trees if they die within one year after installation.
- 7) 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.

Dahl, Schmitz, Adams, Brandt, Britain, Cheleen, and Hart voted yes. Motion carried.

B. Items concerning a two-phase office redevelopment with parking ramps at 9701 Data Park Drive for United Health Group called the Data Park Expansion project. (06060.06a)

Chair Hart introduced the proposal and called for the staff report.

Wischnack introduced planning consultant Geoff Olson.

Olson reported. He recommended general feedback be provided to staff and action be postponed until the November 9, 2006 planning commission meeting. There will be a specific recommendation of approval at that time. Staff generally supports the project. Issues to be studied include traffic, if the size and density is appropriate for the location, and internal circulation of the site.

Olson commented on the items included in the change memo dated October 26, 2006.

Britain asked how the density would be appropriate for the site. Olson reported that a study session was held with the city council, economic development authority, and the planning commission to consider planning for the Opus II area. The United Health Group project represents a trend in the Opus park. The city is

responding to the market-driven demand for more density as land values increase. The Minnesota Metropolitan Council is encouraging more density around regional facilities to provide more efficient use of land surrounding freeways and utilities. Specific to this site, it would be a lot of building for the site, but if it is looked at as a campus, the floor area ratio would equal 70 percent of what is allowed. It would not be unusual for the Opus II area. Cloud Nine is at a similar floor area ratio.

Dahl asked Olson if the garages were included in the floor area ratio calculation and how the proposal would compare to the Carlson Towers in regard to the number of parking stalls. Olson answered that the gross floor area of the office buildings is divided by the lot size, excluding all parking areas, to determine the floor area ratio. Olson stated that the proposal's number of parking spaces exceeds ordinance requirements. One of the issues being examined is whether a larger than normal amount of traffic would be generated by the project than by a typical office building. Olson will provide a comparison to the Carlson Towers and Crescent Ridge facilities at the next meeting.

Olson provided examples of commercial sites, Colonnade Phase I and II in Golden Valley and Norman Point in Bloomington, with floor area ratios of 1.84 and 1.12.

Adams felt that the density is ultimately inevitable. Opus provides a good site to expand. He was troubled by the parking issue. The proposal would allow 1.4 stalls for each estimated employee. The area is well served by rapid transit. Reducing the number of parking stalls could address some of the concerns by the residents. Chair Hart looked forward to the applicant addressing that issue.

Chair Hart asked if the fiber optic cable owned by Time Warner would have to be moved for Phase II. Olson understood it would be relocated around the perimeter service drive by the Minnesota Department of Transportation right-of-way.

Steve Dorgan, of CRESA Partners, working with the applicant, agreed with Olson's report. He stated that:

- Construction would start in January and completion of Phase I would be done by mid-2008.
- Phase I includes a 350,000 square-foot, 10-story building and 1,800 square-foot parking ramp. There are currently 400 parking spaces on the surface that would be maintained.

- The existing corporate headquarters has a lease through 2022, so it would function best to keep the development and corporate campus together.
- Phase II timing is undetermined. Its viability would depend on the results of an overall, area-wide study regarding infrastructure and traffic. The traffic and circulation are being worked on with city staff and consulting engineers. It is the intention to continue the traffic studies and find safe, efficient, and practical solutions for United Health Group, Opus office park, and the city as a whole.
- Xcel Energy has confirmed that it could accommodate power for the expansions of the Data Park, American Medical Systems, and Opus office park. Recent outages were due to infrastructure updates, not inadequate power capacity for the park.
- He acknowledged that the Phase I and Phase II master plan do exceed ordinance requirements at 143 percent; however, considering that the site functions as a campus, it shares parking, trails, and aesthetic amenities, the floor area ratio equals 73 percent when including their site to the north.
- Urban areas surrounding Minneapolis and St. Paul have developments that far exceed the 100 percent floor area ratio.
- He thanked staff, the commissioners, and the city's consultants who are working together to reach a final recommendation. He was present to listen to the comments, concerns, and questions.

In response to Chair Hart's request, Mr. Dorgan explained that Phase II would eliminate 400 existing spaces. Because of the function of United Health Group's services, visitors often come to the site. Chair Hart asked for the current square footage of the facility and amount of parking. She confirmed with Mr. Dorgan that there is currently overflow parking. Mr. Dorgan stated that the current square footage is 342,000 and the ramp has approximately 1,300 stalls plus 400 stalls of overflow parking that is used regularly. Chair Hart determined that the proposal's parking is almost the same as the current number of parking stalls per square footage.

Adams asked how many employees work in the current building. Mr. Dorgan stated that the corporate headquarters would have a few less. Adams thought 500 extra parking stalls seemed excessive, but he was unaware of the number of visitors to the site. He relied on staff's recommendation.

Chair Hart asked if the fiber optic cable would be moved. Mr. Dorgan believed that the cable would be moved once to the outer easement along the driveway of Phase I. Interruption of the service would be a concern.

The public hearing was opened.

Doug Jines, 6020 Blue Circle Drive, invited commissioners to visit the site. He stated that:

- He had spoken to most of the property owners and appreciated Olson's presentation.
- He felt the project would be "bloated." There would be too much building, in too little a space, located too close to his business.
- His view of the sky would be obstructed by the proposed building.
- He was never provided a copy of the applicant's traffic report.
- He was concerned with the three exits from the site, and there was no mention of Blue Circle Drive in the traffic report.
- He did not understand how 6,100 cars per day could visit the site and only 390 vehicles would be there during rush hour. He requested that be explained.
- The power outages for the area have been weekly.
- He was not ready for such a big project. Opus II was designed with green space. He moved from New York and enjoyed the openness of Opus II.
- Adding 6,100 vehicles to the site would not help the traffic congestion on State Highway 169 and State Highway 62 at 5 p.m.
- He requested that the size be reduced.

Chair Hart requested Olson address the traffic numbers. Olson warned that the initial traffic study was in the process of being updated and new information would be provided at the November 9, 2006 meeting. Olson explained that Mr. Jines referred to the traffic report which projected a net increase of 390 trips for the morning peak hour. It would really be 540 trips from the site, but there are already 150 trips from the site, so it would be 390 additional trips. The existing building would be removed and 540 trips would be the projected amount. The initial report estimated the daily traffic for Phase I to equal 2,800 trips and Phase II 3,300 trips. Olson stated that the underlying concern is that there is already congestion on State Highway 169 and the proposal would add more traffic. While some intensity of development is supported, the traffic impact needs to be accommodated. The first piece of addressing traffic issues is to compile the traffic projection figures. The second piece is to require the traffic improvements that are needed to handle the additional traffic. Staff recognizes that the proposal would increase traffic and improvements need to be made to accommodate the increase.

Stewart Lind, 6018 Blue Circle Drive, business owner and engineer, stated that:

- The campus would be very unbalanced.
- His biggest concern was how the trip rates were calculated. He enjoyed speaking with Tony Heppelmann.
- United Health Group's parking lots are usually packed. He drove around the campus at 2 p.m. and saw the other parking lots nowhere near capacity.
- United Health Group proposed 3,807 parking spaces. The city standard would require 2,565 spaces.
- He requested a study be done with the trip rates increased by 48 percent.
- He contacted another traffic engineer for another opinion.

Chair Hart stated that traffic issues are still being examined. The engineers and traffic consultant will determine the appropriate procedure. At this point, concerns are being collected.

Olson reminded those present that Mr. Heppelmann is hired by the city. In contrast, United Health Group employs its own traffic consultant. The city's priority is to make sure that traffic would function adequately. United Health Group also has a stake in having effective traffic control. Mr. Heppelmann represents the city and other Opus property owners.

Mr. Lind opposed the setback variances. The setbacks would not be consistent with the other buildings. He would prefer the variance be on the east side. He requested that at least the setback be maintained on the west side. It would be inconsistent with the rest of the campus, the green space would be eliminated, and there could be room for an entrance lane if needed in the future.

Chair Hart confirmed with Olson that Phase I would require setback variances for the building on the west side and Phase II would require a variance for the height of the parking ramp.

Dahl asked if the revised traffic study would be complete before the next meeting. Olson said that the trip generation numbers were being reviewed. It was based on square footages, which is the industry standard. Staff agreed with the residents that there are some indications that the number of parking stalls is more than typical for the specific project. Staff wants to feel confident with the recommended number of parking stalls before making the recommendation.

Dahl asked if the updated report would be available to the public before the November 9, 2006 meeting. Olson responded positively.

Jim Burns, 10201 Bren Road East, Burns Engineering, was concerned with increasing the congestion on his commute that included traveling on Green Oak Drive and Bren Road East. He stated that:

- Increased traffic problems would decrease his ability to attract employees to the area.
- He lives in Edina, 4.5 miles away, and it sometimes takes him 20 minutes to 25 minutes to get home. It is a concern how much traffic would cut through the residential areas and Londonderry Road.
- Access to State Highway 169 is already congested. He pointed out a hill that vehicles are unable to get up during the winter and causes back-ups on State Highway 169.
- Traveling on Shady Oak Road to west-bound Crosstown was difficult.
- The power outages have lasted long enough where he had to send employees home and lose production time. He hoped the proposal would help that, in the long run.

Robert De Brey, 6014 Blue Circle Drive, serves as chair of the architectural committee of the Opus II Condominium and Business Association. He stated that:

- The L-shape of the lot is not a reasonable basis for the variance for the Phase II parking ramp.
- Property owners are required to work within limitations all the time. In this instance, park fewer cars in the ramp.
- United Health Group has preserved a lot of space in front of its building for Phase I. He favored moving the building further from the neighbors on the west, instead of boxing the neighbor in with 7-story and 10-story structures.
- He was strongly opposed to the front yard variance.
- He opposed justifying the floor area ratio variance based on including the current United Health Group site to the north.
- A new property owner of the site could plan his or her own expansion and further increase the density.
- The Enron case demonstrates that stockholder's situations and fortunes of giant corporations can change.
- The 2 ½-inch in diameter, 6-foot tall trees required in the landscape plan would be light weights compared to 10-story buildings and 7-

- story ramps. He wondered why the minimum size would be required.
- When United Health Group moved into the 9900 Tower building, 60 mature pine trees were planted on the west side to block the view of a pond. The walking path around the pond used to be open to the public, but is no longer. It was a nice diversion to walk the path.
 - There would not be adequate sound and sight buffers to the neighboring businesses.
 - The views and light would be blocked.
 - He looked forward to getting the latest traffic information.
 - He questioned if a bus stop would be provided. There are already too many cars in the plan.
 - Locating the loading docks and parking ramp entrances and exits on the west side would dramatically downgrade the existing character of Blue Circle Drive. The plan would add substantial truck traffic and continuous car traffic throughout the day. A peaceful green lawn with a single-story white wall is much better. He requested the loading docks be designed on the south side of the office building where they would be substantially out of view. His second choice would be to provide full shielding of the trucking activity at the loading docks by extending a wall from the west end of the building, curving it around the driveway, and block a full-length view of a semi at the dock. The wall would also provide a sound barrier against diesel truck engines, air brakes, and the clang of garbage trucks.
 - He tried calling United Health Group headquarters, but no one answered the telephone. Out of the 9 listings in the directory, 3 numbers are not in service, 1 was a wrong number, 4 numbers did not answer after 20 rings, and 1 of the 9 numbers resulted in a security guard answering. He wondered why the business was so disconnected from the rest of the world.
 - He walked into the lobby of United Health Group to view a multi-million dollar sculpture, but was told by a security guard that the lobby was not open to the public.
 - The walk way around the pond is not open to the public. He did not understand why the area is so restricted. It went against United Health Group's claim that it supported local businesses in the community.
 - The proposal should not be approved before a long-range study is completed of the entire Opus park area.

Olson will learn if a bus stop is being considered before the next meeting.

Fred Steiner, 6108 Waterford Court, Edina, stated that he has traffic problems on the east side of State Highway 169. Much of the traffic from Opus travels on the frontage road. Londonderry Road can not support anymore traffic. Another route is needed. His home would be removed because there is not enough space for the vehicles to travel. Corridors need to be added on the west side. He can not get out of his cul-de-sac in the morning because of the traffic on the frontage road. He replied to the notices he has received. The project seems to be moving fast.

No additional testimony was submitted. The hearing was closed, but will be reopened during the November 9, 2006 planning commission meeting.

Chair Hart reviewed the work to be done before the next meeting.

Britain felt the updated study would address some traffic issues. He felt the neighbors made legitimate concerns that should be addressed. He challenged staff and United Health Group, especially regarding the Blue Circle Drive area, to reduce or eliminate the variance. The density and scope of the project legitimize the neighbors' concerns. He would like the proposed building shifted away from that area if possible. Overall, it would be a good project.

Schmitz appreciated the business owners' comments. She challenged staff and United Health Group to consider the loading dock situation. If the variance is needed because of the layout of the property, at the very minimum, the loading docks could be moved so that the neighbors on the west would not have to accommodate a 10-story building and loading docks.

Schmitz asked that diverting traffic to State Highway 212, where it connects to Eden Prairie without having to travel on State Highway 169, be considered.

Cheleen appreciated all of the comments. He requested Mr. Lind's input regarding the traffic study and 48 percent be incorporated with the traffic study to respond to his calculations.

Cheleen suggested that it be considered that signs for the existing businesses be added since the view of the businesses would be blocked by the proposed building.

Adams wanted United Health Group and staff to consider doing the development in reverse order. Phase II would be further away from the neighbors and would have less impact on Blue Circle's traffic. It would provide an opportunity to see if

the increased traffic would be supported and whether or not the business may change and make the second building unnecessary. There may be practical difficulties he is unaware of, but he thought it might address some of the concerns.

Chair Hart asked United Health Group to consider building two levels of parking on the existing parking lot so that the Phase I ramp could reduce its height by two levels.

Britain moved, second by Cheleen, to recommend that the planning commission postpone action until November 9, 2006 because of several unresolved issues.

Dahl, Schmitz, Adams, Brandt, Britain, Cheleen, and Hart voted yes. Motion carried.

9. ADJOURNMENT

Britain moved, second by Dahl, to adjourn the meeting at 8:45 p.m. Motion carried unanimously.

By: _____
Lois T. Mason
Planning Secretary