

**MINNETONKA PLANNING COMMISSION
MINUTES**

OCTOBER 6, 2011

1. CALL TO ORDER

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

2. ROLL CALL

Commissioners A. Thomas, Adams, Daeges, Lehman, Magney, Sjeklocha, and Cheleen were present.

Staff members present: Community Development Director Julie Wischnack, City Planner Loren Gordon, Principal Planner Susan Thomas, Planner Jeff Thomson, and Planning Technician Stephanie Scott-Sims.

3. APPROVAL OF AGENDA:

The agenda was approved as submitted with a revised site plan for Item 8C, a conditional use permit for a veterinary clinic at 10015 Minnetonka Boulevard (99011.11a), as provided in the change memo dated October 6, 2011.

4. APPROVAL OF MINUTES:

A. Thomas moved, second by Adams, to approve the September 15, 2011 meeting minutes as submitted.

A. Thomas, Adams, Daeges, Lehman, Magney, Sjeklocha, and Cheleen voted yes. Motion carried.

5. REPORT FROM STAFF

Gordon briefed the commission on land use applications considered by the city council at its meeting of October 3, 2011:

- Adopted a resolution approving a conditional use permit for an accessory apartment at 4827 Arlington Drive.
- Adopted a resolution approving conditional use permits for pedestrian improvements in Minnetonka Mills Park.
- Directed staff to prepare a resolution of approval for items concerning a 2-lot subdivision of existing properties at 12910, 12918 Rutledge Circle and a parcel with an unassigned address on Rutledge Circle.

- Upheld an appeal of the planning commission's decision regarding a minor amendment to the existing Circuit City Plaza master development plan to approve the plan.

Gordon noted that the planning commission's next meeting will be October 20, 2011.

Adams asked about the Rutledge Circle project. Gordon explained that the city council voted four to three to direct staff to create a resolution approving the proposal. Discussion focused on the ability to create another lot with adequate buildable area and adequate floodplain compensation.

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

7. **PUBLIC HEARINGS: CONSENT AGENDA:** None

8. **PUBLIC HEARINGS**

A. **Conditional use permit for an accessory apartment at 2245 Platwood Road (11028.11a)**

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

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

Wendy Eckman Weil, 2245 Platwood Road, applicant, stated that she purchased the property after it went through a mortgage foreclosure. The basement was constructed in 1989; the rest of the house in 1932. She envisioned a walkway for tenants that would be located around the garage on an existing path and down existing steps. It would be a private entrance. There would be an access door that would allow the property owner to access the basement, but it would have a door with a lock.

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

Adams moved, second by Sjeklocha, to recommend that the city council adopt the resolution on pages A6—A10 of the staff report. This resolution approves a conditional use permit for a 970 square foot accessory apartment. Approval is based on the finding that the proposal meets the

required conditional use permit standards and is subject to the following conditions:

- 1) Prior to issuance of a building permit, record this resolution with the county. A copy of the recorded resolution must be returned to the city.
- 2) The owner of the property must reside in either unit on a continuous basis except for temporary absences throughout the period during which the permit is valid.
- 3) The accessory apartment must comply with all applicable building, housing, electrical, plumbing, heating and related codes of the city.
- 4) All other provisions of the city code relating to single family dwelling units must be met.
- 5) The city council may reasonably add or revise conditions to address any future unforeseen problems.
- 6) 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.
- 7) The applicant must agree to the above conditions in writing.

A. Thomas, Adams, Daeges, Lehman, Magney, Sjeklocha, and Cheleen voted yes. Motion carried.

B. Minor amendment to the master development plan for the Bonaventure Shopping Center at 1501 Plymouth Road (86014.11b)

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

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

Adams asked what type of store Destination XL would be. Thomson answered a men's retail clothing store specializing in tall and large sizes.

John Ferrier, CSM Corporation, applicant, thanked staff for working with him on the proposal. The tenant spaces have been vacant for some time. He is excited about breathing some life into the center. The improvements would be aesthetic

improvements to the exterior. Approval of the trade dress for the businesses is included in the conditions of lease approval. Destination XL is an upscale men's clothing store for XL and above sizes. He was available for questions.

Sjeklacha asked what "trade dress" means. Mr. Ferrier explained that retail tenants have certain identifying items required on their facades. Branding is another term for it.

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

Lehman moved, second by Adams, to adopt the resolution on pages A9-A12 of the staff report, which approves the minor amendment to the master development plan for Bonaventure Shopping Center. Approval is based on the finding that the proposal meets all required standards and ordinances, and is subject to the following conditions:

- 1) Subject to staff approval, the site must be developed and maintained in substantial conformance with the building elevations date-stamped August 29, 2011.
- 2) Prior to issuance of a building permit, record this resolution with the county. A copy of the recorded resolution must be returned to the city.
- 3) 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.
- 4) Construction must begin by December 31, 2012, unless the planning commission grants a time extension.

A. Thomas, Adams, Daeges, Lehman, Magney, Sjeklocha, and Cheleen voted yes. Motion carried.

Chair Cheleen stated that an appeal of the planning commission's decision must be made in writing to the planning director within 10 days.

C. Conditional use permit for a veterinary clinic at 10015 Minnetonka Boulevard (Project No. 99011.11a)

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

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

A. Thomas asked what the relief area ground material would consist of. Thomson referred the question to the applicant.

Barb Leppke, Golden Valley, applicant, has been a veterinarian for over 20 years and has operated a veterinary clinic on Shady Oak Road for 13 years. The operation has outgrown its building and parking lot. She is excited to move to the new location. The biggest issue is the elimination area. The west side of the property would have the primary elimination area. That area is for clients arriving with their animals; mostly dogs. The east side would be for hospitalized animals which would include five to eight dogs in a day. If grass would not survive, then some type of sand and pebbles would be used and hosed down. The area would be picked up every day. She did not want the area completely enclosed because then pet owners would not clean up after their animals. It is mandatory that someone goes with a dog on a leash and pick up after the dog. The area is so small that it makes that happen. The west side would have a post with a garbage can and bags to pick up after one's dog.

Chair Cheleen confirmed with Ms. Leppke that the west side area is also owned by the applicant. Once a day, an employee would inspect the area.

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

Sjeklocha moved, second by Magney, to recommend that the city council adopt the resolution on pages A13-A16 of the staff report and modifications provided in the change memo dated October 6, 2011. This resolution approves a conditional use permit for an 8,200 square foot veterinary clinic at 10015 Minnetonka Boulevard. Approval is based on the finding that the proposal meets the required conditional use permit standards and is subject to the following conditions:

- 1) The veterinary clinic must be developed and maintained in substantial conformance with the floor plan date-stamped September 8, 2011.
- 2) Complete the following prior to issuance of a building permit:

- a) This resolution must be recorded with the county, and a copy of the recorded resolution must be returned to the city.
- b) Submit a revised site plan for staff review and approval. The site plan must be in substantial compliance with the staff-plan dated September 23, 2011. Specifically, the plan must:
 - provide a minimum of 28 striped parking stalls;
 - comply with the parking lot standards outlined in the zoning ordinance;
 - maintain a two-way drive aisle on the east side of the site;
 - delineate the edge of the parking lot;
 - clearly define the separation between the parking lot and the public trail on the south side of Minnetonka Boulevard;
 - locate the outdoor pet area on the east side of the site, adjacent to the building, and located towards the rear wall of the building;
 - provide a full, opaque, and permanent enclosure for the outdoor pet area
- 3) If parking demand exceeds parking availability, then employee parking must occur in the parking lot on the property to the south. If additional parking is needed on the southerly parcel, then the proof of parking stalls approved with the site and building plans must be constructed.
- 4) The city council may reasonably add or revise conditions to address any future unforeseen problems.
- 5) 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.
- 6) This conditional use permit expires if normal operation of the use has been discontinued for 12 or more months.
- 7) A violation of the terms or conditions of a conditional use permit renders the permit null and void. A violation also constitutes a public nuisance that may be abated in accordance with the provisions of the City Code.
- 8) The applicant must agree to the above conditions in writing.

A. Thomas, Adams, Daeges, Lehman, Magney, Sjeklocha, and Cheleen voted yes. Motion carried.

9. OTHER

A. Concept plan for redevelopment of the existing properties generally at the corner of Shady Oak Road and Excelsior Boulevard (11030.11a)

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

Gordon reported. Staff recommends the planning commission provide comments and feedback to assist the applicant with future direction that may lead to the preparation of more detailed development plans.

Richard Anderson, 11623 Lone Lake Ridge, stated that there would be a parking ramp for light rail at the Minnetonka and Hopkins border. His apartment project would be located next to 17th Avenue, on 19th Avenue. It would be set up for a resident to be able to walk from an apartment to the parking garage. The grocery store would be walking distance from the apartments. The McDonalds on Shady Oak Road may relocate to 19th Avenue to be closer to the light rail station. There would be 13 acres to work with. He was unable to acquire a couple buildings on the northwest quadrant. The project would create 2 new streets. There are no streets currently on the site. All of the existing structures, including 9 buildings, would be demolished. All of the apartment buildings would be 4 stories tall. Density of housing is needed on the site. The 4-story structures also need to create enough value so that the developer can afford to purchase the land. The reason for the value of the corner is because 26,500 vehicles travel on Shady Oak Road and Excelsior Boulevard a day. There is no pedestrian traffic on Shady Oak Road or Excelsior Boulevard. The existing jogging trail behind the property would be the route through which the light rail would be located. The light rail would turn south and extend to Opus. The 2 United Health Care facilities, 1 in Minnetonka and 1 in Eden Prairie, together house 8,000 employees.

Lehman agreed that the corner is valuable because of the traffic intensity. It strikes him as odd when there is so much space between a building and a street with parking laid out in front of a building. The buildings on Excelsior Boulevard through Hopkins are located much closer to the street. He thought the proposal might be better if the buildings would be located closer to the street front instead of a long stretch of bituminous. Mr. Anderson stated that the site has 696 feet of frontage on Shady Oak Road and 1,036 feet along Excelsior Boulevard. Two

vacant buildings owned by another party use 400 feet of Excelsior Boulevard frontage. The food store would be 200 feet to 250 feet deep and use 200 feet of frontage on Shady Oak Road. The apartments would use up approximately 400 feet of Excelsior Boulevard frontage. The proposal tries to keep housing close to the passenger station and the food store close to the apartments. Those are the two requirements the Southwest Corridor Light Rail representatives have announced. The only thing the proposal is not able to provide is a parking ramp on the property because it does not work for retail stores. He mentioned that the stores are going to be owned and built by the store owners. Housing would be built by 2 non-profit organizations that would develop, own, and finance the projects with long-term financing. It is not possible to finance retail businesses today. Going in, the businesses would be prefinanced by the users.

Lehman said that Mr. Anderson answered his second question of why the proposal would include so much surface parking. Mr. Anderson added that every parking stall in a ramp costs \$15,000 versus the cost of \$3,000 for an at-grade parking stall. No one is willing to pay the extra rent. The grocer is not willing to pay extra rent for a ramp and would not want one anyway.

Adams asked which plan is the most current. Mr. Anderson said that the grocery store size has been reduced to 50,000 square feet from 70,000 square feet.

Adams concurred with Lehman that the proposal contains a lot of bituminous. Underground parking would be preferred.

Adams asked if there would be retail mixed in with housing units. Mr. Anderson responded absolutely not. He would not touch it. The apartments would not rent. Restaurants smell and permeate the entire apartment building. The apartments would end up vacant. Tenants who pay rent are needed. Most cafes close after 10 years. It would not make sense from a financing stand point. As far as parking, the grocery store would like 1,000 vehicle stalls. The proposal includes less than 500 parking stalls. Adams saw 336 parking stalls. Mr. Anderson said it would not be a great deal of parking space for 50,000 square feet of retail. Some parking would be tied-in exclusively with the apartments. There would be 350 parking stalls in the basement, one for every unit. There would be 350,000 square feet of apartment building and 100,000 square feet of basement parking.

Adams asked who he anticipates the tenants would include. Mr. Anderson predicted seniors, empty nesters, employees of United Health Group, and 25 to 30 percent of the project would provide affordable housing. Adams noted a small urban park on the plan, but no playground. Mr. Anderson said that there is a big

park in front of the project that fronts Excelsior Boulevard. Hopkins Central Park is located across the street and is 100 acres in size.

Adams asked if it would tie into the trail system. Mr. Anderson stated that it would tie into the trail system from Shady Oak Road, 46th Street, 47th Street, and 19th Avenue. The project would cut 2,000 linear feet of roadway. The site is currently 90 percent filled with outdoor storage. Adams noted that the area is currently not attractive. Mr. Anderson noted that the buildings in the northwest corner are not very successful. There is a single row of parking in front of them, next to the street on Shady Oak Road, and a double row of parking on Excelsior Boulevard.

Adams asked if the plans make the assumption that the applicant would acquire two additional parcels on the corner. Mr. Anderson answered in the negative. That was not assumed. It would cost an astronomical amount. Adams said there would be something else developed beyond Mr. Anderson's control. Mr. Anderson agreed. He was not able to do anything and eminent domain would not work, so it remains unless the owner decides to do something.

A. Thomas said it was confusing looking at the different plans. Mr. Anderson explained that the grocer decided to reduce the size of the store from 70,000 square feet to 50,000 square feet. This all happened after the applicant submitted the plans to the city. He used the colored rendering for illustration purposes.

A. Thomas noted that two grocery stores are already located nearby. He understood the theory of walking to the grocery store. The proximity to the light rail might allow a decrease in parking space. This could be a test area for light rail and housing. He is a proponent of green space. He agreed with not appreciating a view of bituminous. That concerned him a little.

A. Thomas said that the urban park area does not look too exciting to him. There could be young people and seniors in the development. An urban park located next to Excelsior Boulevard may be a problem. Other parks near busy streets have needed to be fenced. Sidewalks should be installed to encourage walking and allow walking in the site. This is the first project with the intent of utilizing light rail. He did not see anything that really plays off being located on the light rail line. He wants something more exciting. Mr. Anderson stated that of the two existing grocery stores, one is already scheduled to disappear after its lease expires next spring. The other one is located three miles away. Mr. Anderson would be happy to cut the number of parking stalls to zero, but, for it to be successful, it would need some parking.

Daegas asked if available financing drove the decision to develop rental apartments rather than owner-occupied condominiums. Mr. Anderson answered affirmatively. No one can afford to have a condominium or single-family residence on the site. The cost would be astronomical. It would be asking and paying for a Park Avenue address without getting it.

Daegas confirmed with Mr. Anderson that the units would typically be 1,000 square feet with 1 or 2 bedrooms.

Daegas asked if the grocery store would be affordable. Mr. Anderson answered affirmatively.

Sjeklocha asked if the retail space would be designed for the apartment complex. Mr. Anderson said that the grocery store would serve the entire community. There is a four-mile radius that the store would draw from. At five miles out, competitors become available. Mr. Anderson said the project is preparing for a trade community of 55,000 people and looking at adding 8,000 people to the community.

In response to Sjeklocha's request, Mr. Anderson marked the future light rail's location on the illustration. He pointed out the location of the proposed parking garage. Wischnack explained that there are lots of drawings for hypothetical locations of the parking garage, but the location would not be determined until the preliminary engineering phase. It takes two years to complete preliminary engineering. The size of the parking garage has not yet been determined. The light rail's location will also change before final approval.

Sjeklocha asked if he planned on including internal biking trails. Mr. Anderson explained that the 2,000 feet of streets would have sidewalks and bike access. The jogging trail is better for biking.

A. Thomas asked what the market-rate unit rent would be. Mr. Anderson was not positive, possibly above \$1,000 a month. Experts in that area would be consulted.

Chair Cheleen asked where the property CVS was considering was located. Mr. Anderson pointed it out. Chair Cheleen noted that the units at Glen Lake are full. He asked if a wide range of housing would be provided. Mr. Anderson said there would be market rate and affordable units. Chair Cheleen said that seniors do not want to leave the area. He asked if amenities for seniors such as on-site dining would be provided. Mr. Anderson said that the buildings would be located close

to each other so that two buildings could be combined for a joint dining facility. Those amenities would be considered.

Chair Cheleen noted that grocery stores need parking. He asked if a review has been done along the Hiawatha line where there has been an explosion of multiple-unit housing and some retail businesses. Commissions usually require proof of parking. Mr. Anderson said he was waiting for that. Chair Cheleen wondered if the developer could almost approach parking from the reverse. Maybe some of the proposed parking lot could be left as green space and as the demand is created for parking, the pavement be added rather than paving it all at once and not needing it immediately.

Chair Cheleen asked if the proposed traffic light would be located too close to the one two blocks away. Mr. Anderson was open to the city staff's recommendation. Chair Cheleen understood that pedestrians need a way to cross the street because Central Park is not too far from there. Combining the efforts to create the green space, urban park, and Central Park area would be a good idea. Mr. Anderson lives on Lone Lake Park and everyone under the sun visits there from seniors to soccer players.

Gordon appreciated the comments and noted that the accuracy shown in the plan will need to be adjusted including items related to the ability to do traffic signals at the intersections and touch-down points.

The public hearing was opened.

Charlene Destefano, 4500 Willow Oak Lane, stated that:

- Her neighborhood would be directly affected because of the increase in the amount of traffic.
- There would be a lot more congestion through the area. It would be extreme difficulty getting out.
- The density issue has to be addressed.
- Shopping centers do not look pleasant. It would impact the value of her house. The aesthetic value needs to be examined.
- She would like to see the site done correctly. It is valuable.
- Once Shady Oak goes to four lanes, drivers would not be able to get out that way.

Jim Rooney, 11721 Karen Lane, stated that:

- His neighborhood has lived through heck the last couple years.

- He works for public housing in St. Paul. He has some intimate knowledge on that.
- He grew up in a development family.
- He can hardly get out of his neighborhood at rush hour. A development such as this could increase traffic from 25,000 to 40,000. He wants to know what the perspective traffic count would be.
- Affordable housing rental, to him, means Section 8 with low-income jobs along the line. The crime does go up. This is backed up by the FBI website about Section 8 Housing moving into a neighborhood.
- Along University Avenue, as more houses were purchased and more Section 8 was constructed, crime did increase in the area.
- The value of residences would drop because it would be known as a Section 8 neighborhood.
- A finance company his brother works for shies away from areas that have Section 8 housing due to the fact that the property values tend to drop.
- He is most concerned with the increased traffic, crime, and value of his residence.

Adams noted that the area is right for redevelopment. He asked for ideas of what would be appropriate.

Ellen Cousins, 4531 Greenwood Drive, stated that:

- She would like to see smaller retail rather than big-box retail on the site.
- Twenty-five to 30 percent of low income units would be too many for that area.
- Children are needed in that area. Senior housing is not needed in Minnetonka. Two to 3 bedrooms are needed instead of 1 to 2 bedrooms. Families that want to stay in the community are needed. There is a mobility issue right now that needs to be addressed. Hopkins has just taken down apartments.
- More than one proposal needs to be looked at.
- She favored townhomes that children could live in for 5 to 8 years.
- She favored 6 to 8 smaller retail stores and green space.

No other testimony was submitted and the hearing was closed.

Chair Cheleen noted that an application has not been submitted to the city. The city council will hold an informal dialogue on October 24, 2011 regarding this concept plan. Wischnack reminded residents that comments may also be provided at the future neighborhood meeting and formal public hearing conducted by the planning commission or emailed or mailed to city hall once an application has been submitted.

Chair Cheleen reviewed issues he wrote down including architecture of the buildings so it is not just a big box, traffic congestion on the corner and larger area, other types of housing possibilities, and different types of retail. Gordon said that the project, Ecostation 2012, may be followed on eminnetonka.com and to learn of future meeting dates and plans.

10. ADJOURNMENT

***Sjeklocha moved, second by Adams, to adjourn the meeting at 8 p.m.
Motion carried unanimously.***

By: _____
Lois T. Mason
Planning Secretary