

**Minnetonka Planning Commission
Minutes**

March 3, 2022

1. Call to Order

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

2. Roll Call

Commissioners Hanson, Maxwell, Powers, Waterman, Banks and Sewall were present. Henry was absent.

Staff members present: Community Development Director Julie Wischnack, City Planner Loren Gordon and Assistant City Planner Susan Thomas.

3. Approval of Agenda

Maxwell moved, second by Hanson, to approve the agenda as submitted with additional information and an addition of an item to the agenda as provided in the change memo dated March 3, 2022.

Hanson, Maxwell, Powers, Waterman, Banks and Sewall voted yes. Henry was absent. Motion carried.

4. Approval of Minutes: Feb. 17, 2022

Banks moved, second by Waterman, to approve the Feb. 17, 2022 meeting minutes as submitted.

Hanson, Maxwell, Powers, Waterman, Banks and Sewall voted yes. Henry was absent. Motion carried.

5. Report from Staff

Gordon briefed the commission on land use applications considered by the city council at its meeting of Feb. 28, 2022:

- Introduced and referred to the planning commission an ordinance amending the Minnetonka Corporate Center master development plan as it pertains to 6000 Clearwater Drive.
- Adopted a resolution approving a conditional use permit with variance for a detached accessory dwelling unit at 17503 Bridgewater Circle.
- Adopted a resolution approving items for Unmapped Brewing at 14625 Excelsior Blvd.
- Reviewed a concept plan for residential development of the properties at 3928 and 3930 Shady Oak Road.

- Adopted a resolution approving items for a Vantage and Momentum programs facility for Minnetonka Public Schools at 5735 Co. Rd. 101.

The next planning commission meeting is scheduled to be held March 17, 2022 and will be held in person.

6. Report from Planning Commission Members

Maxwell noted that the parking lot at Taco Theresa's was full during lunch time when she visited.

7. Public Hearings: Consent Agenda: None

8. Public Hearings

A. Ordinance amending the existing Minnetonka Corporate Center master development plan as it pertains to 6000 Clearwater Drive.

Chair Sewall 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.

Scott Kramer, chief financial officer for King Technology, representing the applicant, stated that:

- He appreciated the opportunity to speak to commissioners. Thomas did a good job outlining the background of King Technology. The business has been operating since 1984 and is involved in providing water sanitizing solutions for the recreational water industry including pools and hot tubs.
- The business has outgrown its current location. The proposed location would service the business well moving forward.
- The company develops and sells products for pool and hot tub owners. Testing on site includes testing products in hot tubs and pools to sanitize the water.
- All of the manufacturing is done at contracted manufacturing plants throughout the United States. There would be no manufacturing done at the 6000 Clearwater Drive facility.
- He expects the business to grow due to the uniqueness of the product. The intent is for King Technology to occupy the second floor entirely for the current employee base and expected expansion over the next couple years. Initially, there would be other tenants in the third and fourth floors until the space is needed. The first floor would be a combination of King Technology employees and common area spaces such as a cafeteria, fitness center and training rooms.

- The applicant does not foresee a need or have any plans to add additional parking stalls at this time. There is sufficient parking for the current and future needs.

Hanson agreed that there would be enough parking. He was curious if employees would be able to work from home. Mr. Kramer stated that the entire workforce has had the ability to work remotely for two years. The intent is to utilize a hybrid situation long term with employees working partially in the office and partially remotely. The employees who require more collaboration would spend more time on site, but others may spend less time in the office. Every employee will have a dedicated work space on site.

Maxwell asked what volume of water would be traveling into and from the building. Mr. Kramer explained that a hot tub may hold 200 gallons to 500 gallons of water. There would be a higher than normal use of water compared to a normal office setting. The hot tubs would not be drained very often. Their product is more environmentally friendly and sanitizes with minerals to allow a greatly decreased use of chlorine or bromine.

Maxwell asked if chlorine or other chemicals would be released into public utilities in bulk. Mr. Kramer answered in the negative. He explained that the chlorine would be dissolved into water. It would be similar to what would be found at a hot tub at a residence. There would be biology and chemistry labs that would each have a fume hood to protect employees.

The public hearing was opened.

Jennifer Stumpf, representing the applicant, stated that Mr. Kramer and Thomas answered all of the questions perfectly.

No additional testimony was submitted and the hearing was closed.

Maxwell supports the proposal. She is not concerned with the environmental impact or its use as a research and development site compared to an office use. Parking is not a concern, especially with the available proof of parking. She supports staff's recommendation.

Hanson supports staff's recommendation. He looks forward to adding a strong business member to the community.

Powers supports the proposal. He welcomes lowering the cost of pool maintenance. It is a wonderful business for Minnetonka.

Banks agreed with commissioners. He appreciates the thoughtfulness behind the parking plan. There is a mitigation plan if it is needed. He looks forward to having the business in Minnetonka.

Waterman supports the proposal. It seems like a natural extension of the predefined uses listed in the master development plan. His environmental-impact concerns have been addressed. He is excited for a new business to operate in Minnetonka.

Chair Sewall noted that safe guards are in place to prevent an adverse environmental impact. Parking would be adequate and more could be added later if needed. He supports staff's recommendation.

Banks moved, second by Powers, to recommend that the city council adopt the ordinance amending the existing Minnetonka Corporate Center master development plan as it pertains to 6000 Clearwater Drive.

Hanson, Maxwell, Powers, Waterman, Banks and Sewall voted yes. Henry was absent. Motion carried.

9. Other Business

A. Concept plan for Minnetonka Woodland Preserve at 2511 and 2615 Plymouth Road.

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

Gordon reported. Staff recommends the planning commission provide comments and feedback on the identified key issues and any others the planning commission deems appropriate.

Paul Robinson, development director for Rachel Development, representing the applicant, provided a presentation. He stated that:

- Rachel Development completed Highcroft Meadows in Minnetonka and over 70 residential housing projects consisting of 5,000 housing units.
- The site is 9.5 acres in size and 90 percent of it is covered with trees.
- The site was previously a farm.
- There is a 43-foot decrease in elevation across the property. Most of the drainage travels from the north to the south. The center of the property is considered a steep slope by ordinance.
- The applicant worked to create a conservation design to work with the topography of the site and cluster the houses to reduce the overall footprint and save a large, contiguous area of trees.
- Two to four units per acre would equal 19 units.
- The proposal would leave 41 percent of the land open space.
- A planned unit development (PUD) would be the only way to utilize the conservation approach and reduce the footprint of the development.
- In response to the initial concept plan, he received calls from neighbors concerned with buffering. The location of the south road was modified

- and the number of units changed to 17 to allow more buffering on the south and west. A strip of trees would be preserved behind all of the lots.
- Utilizing a PUD would provide greater preservation of existing natural resources; many people, including neighboring residents, want this product and there is none available in the area; and it would show that a project could be viable and successful and still meet the city's stringent tree protection and steep slope ordinances.
- The units would be custom, single-level living residences with a homeowners association to provide exterior maintenance and sell for \$1.2 million to \$1.3 million.
- A development that would follow R-1 zoning requirements would not do as good of a job protecting the environment.
- The entire site could use a private drive which would allow the units to be moved closer together and protect more of the woodland area.
- He looks forward to hearing feedback from commissioners.

Powers appreciated the applicant's presentation. He asked for the estimated size of the houses. Mr. Robinson stated that the footprints in the concept plan would accommodate a 3,500-square-foot to 4,000-square-foot house. Most of the living space would be on the main floor. The topography would allow for walk-out basements.

Waterman appreciated the thorough presentation which answered most of his questions. He asked for the width of the lots in Revision Two. Mr. Robinson answered 65 feet in width. He would be willing to install a fence if that would help provide a buffer from the neighbors.

Banks asked how a public street would impact the concept plan. Mr. Robinson said that a private drive would allow a street to be 25 feet wide rather than 50 feet wide and save 25 feet of trees. The open space could be an area controlled by the homeowner's association (HOA) or public trail.

Chair Sewall invited public comments.

Emily Anthony, 12610 Bent Tree Road, stated that she spoke on behalf of several neighbors. She stated that:

- She collected 87 signatures on a petition.
- The concept plan is at odds with the strategic priorities as defined by the city and listed on the website.
- She has four areas of concern: tree preservation, runoff and water treatment, impact to the environment and quality of life.
- The concept plan would build 18 houses on 4.1 acres of the site to equal .23 acres per unit.
- She chose to live in Minnetonka for the trees.
- Bald eagles, owls, deer and other animals live in the area.

- There has been no environmental assessment.
- She liked seeing the elevation and drainage pattern detail on the concept plan. There is already concern for soil erosion and runoff in the area.
- The average surrounding density is .71 acres per lot.
- Highcroft Meadows looks beautiful and elegant and has a lot of space between the trees, but she did not think the impact on the quality of life was fully appreciated or assessed.
- It is harder to develop a site that has trees than convert a meadow into a development.
- She requested an independent, comprehensive, environmental review be done before a proposal would be formally considered and reviewed by the planning commission and city council.
- She requested the idea of rezoning the site to a PUD be denied due to the lack of a public benefit.
- She suggested the city purchase the property and use it for a park and to construct a trail from Ridgedale to Hilloway Park and Big Willow Park.

No additional comments were submitted.

Waterman stated that:

- He appreciates the detail provided in the applicant's presentation and Ms. Anthony's presentation.
- He understood the environmental and traffic concerns which would be reviewed thoroughly if a formal application would be submitted.
- He would be curious to know how many trees would be removed from the site for a housing development that would meet R-1 zoning requirements.
- There is not a lot of this type of housing stock in Minnetonka. It could be a beneficial use of the property. It would create natural affordable housing by seniors who want to stay in Minnetonka moving out of their older, less expensive, single-family houses to move into new single-level living houses. There would be a benefit to Minnetonka to provide this type of housing.
- Any variance to the tree ordinance would have to be pretty limited. He appreciated the concept plan being created to try to save as many trees as possible.
- As much buffering as possible should be done to the adjacent properties. The natural elevation may cause the new houses to look over properties on the east and south sides.
- He was not sure if it would be possible to have 16 lots.
- Meeting the tree protection ordinance requirements is a high priority.

Hanson stated that:

- He thought 16 lots would look crowded.

- He did not see the concept plan providing much of a public benefit or fitting a housing need since people with \$1.2 million could remodel their existing house.

Powers stated that:

- He appreciated Ms. Anthony's presentation.
- He did not like the idea. It would be a dramatic change for the neighbors to the south and east.
- He did not see much of a public good yet.
- He likes the lot sizes. Minnetonka does need smaller lots. He likes the 65-foot lot width.
- He thought the houses would be too big.
- There is a big market for residents who want to stay in Minnetonka, but need to move to one-level living.
- The costs for development are so extraordinarily high that he could understand why the price would be \$1.2 million.

Banks stated that:

- He appreciated the presentations.
- This is a good starting point for a concept plan.
- He likes the lot sizes, but would prefer fewer lots.
- He appreciated the plan preserving over a third of the trees.
- Only one house and an access to the property would be visible from Plymouth Road by preserving the wooded area and tucking houses behind the trees which is a fabulous idea.
- The price point for houses is expensive. He would like to see more affordable houses, but he understood the cost challenges.
- He would like to see fewer lots to preserve more trees and woodland area and make the houses more affordable if possible.

Maxwell stated that:

- She lives very close to the site, attended the neighborhood meeting and toured the gorgeous property with Mr. Robinson to get a feel for the steep slopes and tree coverage.
- She appreciated the level of detail with the topography and tree survey provided with the concept review.
- Meeting and exceeding the tree protection ordinance would provide a public benefit.
- This type of housing may have to work a little more to be considered a public benefit to justify PUD zoning.
- Donating the remaining land to the city or adding publically-accessible trails through the wooded area may provide a public good.

- Preserving the ecosystem may be considered providing a public good.
- She appreciates the proposed smaller lots, but the houses would be too big on the lots. She suggested having either large houses on fewer lots or smaller houses on the current lots. The villa-style house has a larger footprint to fit more on the main level than a standard two-story house.
- She knows the city prefers streets that meet public-street standards.
- The big wooded space with trees clustered together needs to be preserved rather than scattering homes throughout the property. That would be healthier for the ecosystem. It would keep the gorgeous view for residents overlooking the pond.
- The road access on Plymouth Road would be located on a hill and visibility would not be good at that location. The sight lines need to be studied.

Chair Sewall stated that:

- He was less swayed by the argument that the housing would provide a public good since it would not be affordable housing.
- He would consider the environmental benefits of a PUD as a public benefit. He would like to hear more information on the differences between the environmental benefits of the site being developed as a PUD and R-1 zoning.
- He would defer to staff's recommendation regarding a private or public road.
- This property is regulated and guided by the tree ordinance, so he would like that to be followed and create the parameters for the rest of the development.
- He was fine with the proposed smaller lots, but not with houses 4,500 square feet to 5,000 square feet in size.
- He noted that neighbors who oppose a property's development usually propose that the city buy the proposed site and turn it into a park, but, unfortunately, the city's budget is not able to do that and the property is not zoned for a park.

Gordon appreciated the input. The concept plan is scheduled to be reviewed by the city council at its meeting on March 21, 2022.

10. Other Business

A. 2021 Community Development Annual Report Presentation

Wischnack reported.

Hanson requested more information on how a new house priced at \$1.2 million would provide housing stock affordability. Wischnack explained that the report shows that the

average sales price of a single-family house was \$468,000 in Minnetonka in 2021. The land trust program is a crucial program for providing affordability. Councilmembers are discussing providing a more significant down-payment-assistance program that would be forgivable over time. That would assist buyers to purchase a house in Minnetonka who would not normally have that opportunity. The program is being considered to be available to first-time homebuyers and first-in-a-generation-first-time homebuyers. A lot of the city's owned-affordable-housing stock is in condominiums and townhouses.

Chair Sewall asked if Wischnack thought that the tree protection ordinance is preventing potential development applications from being submitted. Wischnack has heard from developers who felt it is too extreme, but she has not heard of any fatal flaws. The balancing act is making sure that the tree canopy is preserved. She felt that it is working for now. Chair Sewall appreciated all of the work done by staff to update the tree protection ordinance.

11. Adjournment

Hanson moved, second by Banks, to adjourn the meeting at 8:48 p.m. Motion carried unanimously.

By: _____
Lois T. Mason
Planning Secretary