

**Minnnetonka Planning Commission
Minutes**

September 7, 2017

1. Call to Order

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

2. Roll Call

Commissioners Knight, Powers, Schack, Sewall, Calvert, and Kirk were present. O'Connell was absent.

Staff members present: Community Development Director Julie Wischnack, City Planner Loren Gordon, Assistant City Planner Susan Thomas, Planner Drew Ingvalson, Natural Resource Manager Jo Colleran, and Water Resources Technician Tom Dietrich.

3. Approval of Agenda

Schack moved, second by Calvert, to approve the agenda as submitted with items provided in the change memo dated September 7, 2017.

Knight, Powers, Schack, Sewall, Calvert, and Kirk voted yes. O'Connell was absent. Motion carried.

4. Approval of Minutes: August 24, 2017

Powers moved, second by Knight, to approve the August 24, 2017 meeting minutes as submitted.

Knight, Powers, Schack, Sewall, Calvert, and Kirk voted yes. O'Connell 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 August 28, 2017:

- Adopted a resolution approving final site and building plans, with expansion permit, and conditional use permit, with variance, for Midwest MasterCraft at 17717 State Highway 7.
- Introduced an ordinance to remove area from floodplain overlay district at 11806 Cedar Lake Road.

- Introduced an ordinance to remove area from floodplain overlay district at 3136 County Road 101.
- Adopted a resolution and ordinance approving items for Mesaba Capital at 17710 and 17724 Old Excelsior Boulevard.
- Adopted a resolution approving items concerning Minnetonka Hills Apartments at 2800 and 2828 Jordan Avenue.

The next planning commission meeting will be Wednesday, September 20, 2017.

6. Report from Planning Commission Members: None

7. Public Hearings: Consent Agenda: None

8. Public Hearings

A. NightOwl Discovery at 1000 Parkers Lake Road is requesting a variance to allow for copy on a monument sign that is smaller than required by city code.

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

Ingvalson reported. He recommended denial of the application based on the findings listed in the staff report.

Petar Poucki, representing NightOwl Discovery, applicant, stated that the business model is one of modesty. The business is a litigation discovery company. Everyone who visits the business is by appointment only. Keeping it low key is in the business' interests.

Powers noted that the fire department needs to be able to read signs. That may be part of the reason for the four-inch text-height minimum.

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

Chair Kirk confirmed with Ingvalson that a sign is not required. The address on the building is required.

Calvert thought that a way-finding sign is needed for the address. The sign is not about advertising, but is about helping first-time clients find the location.

Knight thought that the building number should be at least seven inches in height.

Calvert moved, second by Sewall, to adopt the resolution denying a copy height variance for a monument sign at 1000 Parkers Lake Road.

Knight, Powers, Schack, Sewall, Calvert, and Kirk voted yes. O'Connell was absent. Motion carried.

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

B. Items concerning construction of a house at 3136 County Road 101.

Chair Kirk 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.

In response to Chair Kirk's question, Thomas explained that if the McMansion Policy would be applied, then the maximum FAR for the property would be .26. The .26 FAR would allow a house up to 3,200 square feet with an attached garage. A change in the plan would require approval by the planning commission. The proposed house would take up the buildable area, so it could not be expanded without an additional variance.

Schack asked for the size of the property. Thomas answered 1.4 acres.

Knight asked if there would be a risk that the lake would be drained. Dietrich answered in the negative. The ground water table is several feet below the compensation area.

The applicant was present for questions.

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

Calvert asked if the slope is considered a steep slope. Thomas answered in the negative. The elevation does not go up 25 feet.

Chair Kirk thought that the tree loss would be minimalized. The created floodplain works around most of the trees in the area.

Colleran explained the conservation easement adjacent to the wetland.

Knight moved, second by Calvert, to recommend that the city council adopt the following associated with construction of a house at 3136 County Road 101:

- 1. A resolution approving a floodplain alteration permit and horizontal floodplain setback variance from 20 feet to 7.5 feet and waiving the McMansion policy.***
- 2. An ordinance to remove area from the floodplain overlay district.***

Knight, Powers, Schack, Sewall, Calvert, and Kirk voted yes. O'Connell was absent. Motion carried.

C. Items concerning Shady Oak Crossing at 4312 Shady Oak Road.

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

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

Chair Kirk listed comments from the last public hearing.

Mike Waldo, of Ron Clark Construction and Design, stated that the revised site plan works quite well. It would have zero fill along the pipe and it would provide more green space and buffer from the single-family residence. The building was reduced a foot and a half in relationship to the road to make everything work for the grade. He is available for questions.

The public hearing was continued.

Kyle Holm, 4234 Oak Drive Lane, asked what would be the livable space for the buildings and what would be the zoning.

Chris Aanestad, 4255 Oak Drive Lane, stated that:

- He wanted the project scrapped because of the location of the retention pond. He asked if Ron Clark would pay for 4292 Oak Drive Lane. The city already discounted 4312 Oak Drive Lane.
- He asked for the plans for 4292 Oak Drive Lane.
- The revised site plan is unacceptable. He wanted the planning commission to deny the proposal.

Stephen Philbrook, 4222 Oak Drive Lane, stated that:

- The road is narrow. If a vehicle is parked on one side, other vehicles can barely pass through.
- He does not want kids playing in four lanes of traffic. He was concerned with safety.
- He would like a stop light and entrance on the adjacent property.

Andy Braun, 4408 Crawford Road, stated that:

- He asked why there would not be a 50-foot setback from a county road.
- The traffic study was not inclusive. It did not incorporate pedestrian traffic crossing the four-lane county road.
- The other high density examples have a larger setback from the road.
- Adjacent property to the south could solve accessibility problems.

Elizabeth Miller, 4408 Crawford, stated that:

- She has not heard back from county staff regarding her questions that asked why the road was built and what was it built for?
- The plan is barely viable for the developers. It is not viable for the neighboring community. She worried for future residents. The rents would go up higher and faster than their wages would.
- The cost of the units would be \$260,000. She thought that would decrease her property value.
- The examples do not look like the proposed site. The street is narrow.
- This is not a good place for high-density.
- There are bus stops, but the buses do not run very often.
- She wants the plan put on hold.
- She thanked staff for having so many meetings.

Jeri Massengill, 4272 Oak Drive Lane, stated that:

- There are three buses in the morning and three buses in the afternoon. There are four other buses that run in the evening. There are 10 buses in the morning for a different route that run again in the evening. There is a gap in the afternoon when there are no buses.

Sarah Biese, 640 Oakridge Road, Hopkins, stated that:

- She appreciates the neighbors' research.
- She could utilize the proposed affordable housing.
- Affordable housing is an important need in the area.
- This is a long-term fix.
- The proposal is very much needed.

Carol Johnson, 12611 Orchard Road, stated that:

- The proposal would be a good use of the land.
- She has friends who would like to live there.
- The need is very great for affordable housing.
- She heard the same reasons from people who opposed the construction of the ICMA Food Shelf building. Over the years, through mediation and communication, all of the issues have been resolved. She hopes the same could happen with this project because it is needed.

Ms. Miller stated that she supports affordable housing, but she opposes a building taller than one or two stories. She questioned how Minnetonka would provide affordable housing.

Veta Segal, 12830 April Lane, stated that:

- She cannot afford to live in her house anymore. There is very little housing in Minnetonka for seniors in her situation who cannot find affordable housing. She was astounded to find out that she might have to move out of Minnetonka to downsize to an apartment that she can afford. It pains her that she has to look outside of the city for housing. It is a catastrophe.
- She was a social worker for many years. She helped people obtain jobs in Minnetonka, but the workers could not take the jobs because they could not afford to live in Minnetonka or the transportation to Minnetonka.

Ann Annestad, 4255 Oak Drive Lane, stated that:

- She provided written copies of what she is going to say.
- She disagreed with the staff report. She has always been open to commercial and low-density uses.

- The area has many young families. Traffic and safety issues are a concern.
- The holding pond would decrease the size of the yard next door.
- Mr. Johnson is open to negotiation.
- She requested that the planning commission vote “no.”
- She was told that there were no plans, when there were plans.
- The traffic study was inaccurate.
- The size of the property changed. It is 1.2 buildable.
- “Adjacent” is different than sharing the only access road.
- Beacon Hill and The Atrium have multiple accesses.
- Zvago has its own road. Stratford Woods has a huge swamp and creek that separates it from the neighborhood. She provided address of sites for commissioners to visit.
- There is no room for a buffer.
- The cars would face Oak Drive Lane from the parking lot.
- It is not a plan to park on Oak Drive Lane or in commercial parking lots for plowing of parking lots.
- The easement is a sloped hill, not a play area.
- The lights would not be acceptable.
- Traffic and noise would occur at all hours.
- She is o.k. with change, but the proposal would be too big and too much for the parcel.

Kyle Holm, 4234 Oak Drive Lane, questioned where residents would park if the old lines would fracture and be cut off.

Ellen Cousins, 4531 Greenwood Drive, stated that:

- She wants to know where she can build good affordable houses.
- She asked why a different project with two and a half acres and 97 units did not include affordable housing.
- This property needs to be joined with Mr. Johnson’s property so Oak Drive Lane would not have to absorb all of the traffic. She would like proof that staff communicated with Mr. Johnson. She questioned why there were 16 or 17 meetings for this proposal.
- The site is not good for a high-density apartment building. She is against this because she can see what it would do to the neighborhood.

Chris Aanestad, 4255 Oak Drive Lane, stated that:

- He thought it is inappropriate for city officials to be quoted on a developer's website. This is a huge conflict of interest. He did not appreciate it. He thought Wischnack should "be removed" because of that. Councilmember Brad Wiersum was also quoted.

No additional testimony was submitted and the hearing was closed.

Chair Kirk confirmed with Gordon that the documents provided by public hearing speakers would be included in the city council agenda for the next meeting.

Gordon addressed some of the questions:

- All of the examples provided have high-density zoning with R-4, R-5, or PUD. The Atrium has the lowest density with 15 units per acre. The narrowest street is 34th Street which is 19 feet wide. The other streets are 25 to 26 feet in width which is the same as Oak Drive Lane.
- The colored slide illustrated green space, building placement, and sidewalks. It is not intended to be detailed like the civil plans.
- The water retention pond is not meant to hold water for an extended period of time. The water would infiltrate down into the groundwater and would be dry most of the time.
- The pond has always been in its current location. It cannot be located on the site because of the easement and existing contamination. Earlier concepts did show the retention pond in other locations. Grading limits were designed to preserve as many trees as possible.
- The PUD would allow the 16.5-foot setback at the narrowest point to Shady Oak Road.
- The bus routes typically run from 5:15 a.m. to 9:15 a.m. and 4:30 p.m. to 8 p.m. for Route 12 and Route 60 is an express route traveling from downtown to Minnetonka.
- The preliminary plat shows the size of the site to be 1.57 acres. The easement is not excluded for net density purposes.

Gordon stated that he has met with Mr. Johnson, but has not had negotiations with Mr. Johnson since the road project. Wischnack agreed. There were no numbers discussed.

Chair Kirk stated that it was unfortunate timing for Mr. Johnson to bring up the issue of his property at the public hearing. Commissioners agreed.

Wischnack noted that staff is always open to meeting with residents and will continue to do that. If the proposal moves forward, there is a two-year window in the contract with the developer because things can change in that time period. The door is still open to discuss that option.

Gordon explained that the site is currently blighted and contaminated. That is the worst situation to impact property values. The proposal would have a positive impact on property values. Calvert noted studies that have shown that high-density residential properties do not decrease the property values of low-density residential properties.

Wischnack clarified that the quote cited by Ron Clark's website was taken from an interview she conducted with the *Minneapolis Star Tribune*. Calvert added that the website includes the entire article and it cites the *Minneapolis Star Tribune*.

Chair Kirk confirmed with Wischnack that most affordable housing projects need to have an incentive to include affordable housing.

Gordon stated that the traffic study found that the generated vehicle trips would typically not enter the neighborhood, but would travel to Shady Oak Road. Chair Kirk noted that the increase in trips would be a drop in the bucket. Powers visited Oak Drive Lane from 7 a.m. to 8:30 a.m. on two separate occasions and found virtually no traffic from Oak Drive Lane. The gas station attendant said that traffic happens from 6 a.m. to 7 a.m.

Calvert would like to know the snow removal plan to plow the surface lot. Chair Kirk stated that the plan would be to have tenant vehicles parked in the indoor parking structure.

Schack agreed that the additional traffic would be a drop in the bucket compared to the current volume on Shady Oak Road.

Calvert acknowledged that staff made a concerted effort to reach out to commercial as well as residential developers to accommodate the vision that neighbors were looking for because she was part of those discussions. Wischnack added that the information from 2016 is on the website. No new commercial developers would work on the site. Not even for a mixed use. Calvert thought mixed use sounded great at the time, but no developer was interested.

Chair Kirk stated that commissioners receive comments from residents and neighbors. He grew up in the area. He appreciates that the house on 4292 Oak Drive Lane would be preserved to provide a buffer.

Calvert noted that there is a slide and information in the agenda packet that explains the sustainable aspects of the proposal. The proposal would decrease the site's amount of impervious surface by 32 percent. That is a tremendous improvement.

Schack recognized that Minnetonka is considering including sustainability in the next comprehensive guide plan.

Mr. Waldo confirmed with the management company that residents are notified of a two-hour window when the lot would be plowed. It would occur during the day when the majority of residents would be at work and the remaining tenants usually chose to run an errand during that time or park on a street.

Knight supports the proposal. He did not think traffic would be an issue. If he lived in the proposed building, he would not travel west. He did not think safety is a concern. Shady Oak Road is a mess right now because of Highway 169 being under construction. It will get better.

Schack does not take the proposal lightly. The concerns of the community, residents, and neighbors are taken seriously. It is a matter of providing affordable housing in as many places as possible. This is a really good start. The environmental benefits are noteworthy. Pervious surface would be added. The contamination would be cleaned up. The green space seems minimal, but a lot of trees would be planted. She trusts that the developer would plant large trees. Minnetonka has more jobs available than places for workers to live. That is a big problem for retail, restaurants, and business owners needing workers. This type of development helps everyone.

Calvert has met with many of the audience members. She lives in the community because it is an American dream community. She feels privileged to live here. She wants to take really good care of the city and the residents. She agreed with Schack. Minnetonka is not business friendly because it does not have adequate workforce housing. That includes employees who work for the city. There is no affordable housing for police officers and teachers. She is not a big fan of the design of the proposal. The proposed landscaping would help a great deal. She is concerned with parking during snow removal and conscious of where the driveway accesses the road across the street from a residence. The developer moved the driveway to the east 25 feet to help alleviate that situation. The advantages include providing workforce housing, a 32 percent increase in pervious surface, toxic cleanup, high-density housing near transit, and the type of housing that would attract young families to the community. There will be a 40 percent increase in residents over 65 years of age in the next 10 years. This proposal would have 3-bedroom units that a young family would live in. She

appreciates the proposed stormwater treatment and buffering of the wetland. She encouraged the developer to include attractive detail on the building. There really is not a comparable development with the same access and egress.

Chair Kirk knew that this site would be guided for residential. He struggled with the access to Shady Oak Road. The proposal would impact neighbors' views across the swamp. Inevitably, the site would be developed. The proposal is missing a buffer to the neighborhood. Tearing down the house at 4292 Oak Drive Lane might be the right thing to do to provide a buffer and tree cover. He did not think the building would need to be stepped back on the east side. He would prefer to push the density to the south, step the building down as it approaches Oak Drive Lane, and move the building back to allow room for a buffer.

Calvert struggled with the lack of transition from high density to residential.

Chair Kirk thought that the location is great for affordable housing. He did not support the project. The mass of the building needs to be shifted to allow more of a buffer. One way or another, development is going to happen. He supports moving the drive off of Oak Drive Lane.

Powers found this to be the most difficult project that he has worked on for the planning commission. The neighbors are organized and capable, but attempting to impugn the integrity of staff or commissioners is counterproductive. He loves the affordable housing component. The future residents of the proposal would be the future homeowners on Oak Drive Lane. The area is blighted on that corridor. A commercial use would have to be very large. He wished the building would be two stories which would remove 14 units and 15 feet in height. He supports the proposal. The corridor needs to be developed and the developer needs to be gutsier, more forward thinking, and build more vertical on the south end. The half-acre residential lots in Minnetonka would subdivide into two residential houses and there are few opportunities for affordable housing in Minnetonka.

Sewall stated that staff are experts who do an excellent job. Commissioners do not always agree with staff, but their opinion is valued and respected as professionals. He appreciates that. He stated that the developer is not out to pull one over on anyone or be deceptive. This is a negotiation process. This situation is not unique. The developer has been working to make progress. He understands that neighbors would prefer lower density, but he knew that would not happen because market conditions would not support it. He supports the comprehensive guide plan amendment, the rezoning, and the subdivision. He is stuck with the direct access to Shady Oak Road. He drove it today and thought that the stop light would provide the perfect spot. He would support the proposal if the access could be relocated at the stop light.

Calvert saw this as a perfect opportunity for affordable housing. She struggled and is still making up her mind.

Chair Kirk hoped the best for the property and the neighbors.

Powers moved, second by Schack, to recommend that the city council adopt the following with the modifications provided in the change memo dated September 7, 2017:

- 1. A resolution approving a comprehensive guide plan amendment;***
- 2. An ordinance rezoning the property from B-2 to R-1; and***
- 3. A resolution approving final site and building plans and preliminary and final plats.***

Knight, Powers, Schack, and Calvert voted yes. Sewall and Kirk voted no. O'Connell was absent. Motion carried.

The city council is tentatively scheduled to hear this item at its meeting on September 25, 2017.

9. Adjournment

Sewall moved, second by Knight, to adjourn the meeting at 10:48 p.m. Motion carried unanimously.

By: _____
Lois T. Mason
Planning Secretary