

**MINUTES
CITY OF EDINA, MINNESOTA
PLANNING COMMISSION
CITY COUNCIL CHAMBERS
SEPTEMBER 12, 2012
7:00 P.M.**

I. CALL TO ORDER

Chair Grabiell called the meeting to order at 7:00 PM

II. ROLL CALL

Answering the roll call were Commissioners Scherer, Forrest, Schroeder, Kilberg, Potts, Platteter, Cherkassky, Carpenter, Staunton, Fischer Grabiell.

Chair Grabiell welcomed the student members and gave a special welcome to new student member Benjamin Kilberg.

III. APPROVAL OF MEETING AGENDA

Meeting Agenda was approved as submitted.

IV. APPROVAL OF CONSENT AGENDA

The minutes of the August 22, 2012, meeting was filed as submitted.

V. COMMUNITY COMMENT

None

VI. PUBLIC HEARINGS

A Side Yard Setback Variance for Jim and Crissy Field, 7312 Wooddale Avenue, Edina, MN. Tabled indefinitely.

B. Site Plan and Front Yard Setback Review for Stuart Company, 10 Southdale Center, Edina, MN

Planner Presentation

Stuart Development Company and Simon Properties are proposing to develop the southeast corner of the Southdale site with a 232-unit luxury rental apartment and townhome development. The site is currently an overflow parking lot for Southdale and is

used by park-n-riders for Metro Transit. The applicant is proposing to develop the site with an upscale 10 & 6-story apartment building; and a 3-4 story townhouse building. A 5.1 acre site would be created on the Southdale site. Parking would be primarily provided underneath the apartments and within two-stall attached garages for the townhomes. Visitor surface parking is provided north and south of the buildings. Primary access would be off of 69th Street and from the Southdale frontage road. Proposed density would be 45 units per acre.

The site plan, building footprints and site circulation have not changed significantly from the plans reviewed by the Planning Commission and City Council as part of the sketch plan review. The one-story podium structure on the first level has been reduced in size from the Sketch Plan proposal. The buildings have been specifically designed, and landscaping has been upgraded. Additionally, a pedestrian connection has been added along 69th Street to the existing sidewalk connection that exists from the Galleria to south side of the restaurant area, specifically in front of the Cheesecake Factory.

To accommodate the above request, the following is requested:

1. Site Plan Review.
2. Conditional Use Permit to allow the residential use.
3. Front Yard Setback Variance from 115 feet to 63 and 42 feet.
4. Parking Stall Variance from 6,747 to 6,442 spaces.
5. Re-Plat of the Southdale Site. To reconfigure the existing lots.

Teague with graphics delivered a power point presentation highlighting the proposal.

Planner Teague concluded that staff recommends that the City Council approve the Site Plan with Front Yard Setback Variance from 115 feet to 63 feet and Parking Stall Variance from 6,747 spaces to 6,442 spaces based on the following findings:

1. With the exception of the proposed variances, the proposal meets all minimum City Code requirements.
2. The proposal is consistent with the Edina Comprehensive Plan. The proposed project would meet the following goals and policies of the Comprehensive Plan:
 - a. Building Placement and Design. Where appropriate, building facades should form a consistent street wall that helps to define the street and enhance the pedestrian environment. On existing auto-oriented development sites, encourage placement of linear buildings close to the street to encourage pedestrian movement.
 - b. Locate prominent buildings to visually define corners and screen parking lots.
 - c. Locate building entries and storefronts to face the primary street, in addition to any entries oriented towards parking areas.

- d. Provide sidewalks along primary streets and connections to adjacent neighborhoods along secondary streets or walkways.
 - e. Limit driveway access from primary streets while encouraging access from secondary streets.
 - f. Provide pedestrian amenities, such as wide sidewalks, street trees, pedestrian-scale lighting, and street furnishings (benches, trash receptacles, etc.)
 - g. Encourage infill/redevelopment opportunities that optimize use of city infrastructure and that complement area, neighborhood, and/or corridor context and character.
 - h. Support and enhance commercial areas that serve the neighborhoods, the city, and the larger region.
 - i. Increase mixed use development where supported by adequate infrastructure to minimize traffic congestion, support transit, and diversify the tax base.
 - j. Increase pedestrian and bicycling opportunities and connections between neighborhoods, and with other communities, to improve transportation infrastructure and reduce dependence on the car.
 - k. Create walkable streets that foster an active public life; streets that are energized by their proximity to a vibrant mix of activity-generating uses.
 - l. Within larger redevelopment sites, promote a fine-grained and interconnected network of local streets and paths, encouraging pedestrian circulation and providing a choice of access points.
 - m. Within corridors served by existing or planned transit, orient buildings toward sidewalks and paths that lead to mixed use destinations and transit stops.
3. The Southdale site is under developed in terms of the allowed (FAR) floor area ratio allowed on the site. The allowed FAR is 1.0. The existing and proposed uses only total .43.
 4. The proposed buildings would fit the character of the area. The variety of height and building sizes blend in well in the area.
 5. The traffic study done by WSB and Associates concludes that subject to conditions, the existing roadways and intersections would support the new development.
 6. The proposal meets the variance criteria.
 7. The City encourages buildings to be brought up to the street, rather than having large parking lots in front of the building from the adjacent streets. Section 850.16. Subd. 12. C. of the Zoning Ordinance states that the City Council will consider exceptions to the setback requirements if the use creates an active pedestrian and streetscape environment.
 8. The applicant is proposing a sidewalk along York Avenue and would provide an active pedestrian and streetscape environment.
 9. The City's code requirement for buildings to be setback an equal distance to the height creates difficulty in developing the site. The setback requirement encourages parking lots to be built in front of buildings, and does not encourage an active pedestrian environment suggested in the Comprehensive Plan.

10. The Southdale site is unique in the PCD-3 zoning district. There are no other 80 acre sites held in common ownership and zoned the same within the City.
11. The proposed setback is similar to the Westin and CVS pharmacy, which were also brought up closer to the street than allowed by City Code.
12. The parking study done by WSB Associates concludes that the City Code required parking is not necessary for the Southdale site. Based on the study, 5,952 stalls are adequate for the site. The proposed development would provide 6,442 spaces.
13. A variance was granted to Southdale for a shortage of 759 stalls; over the past 10+ years, Southdale has operated very well without the code required parking.

Approval is also subject to the following conditions:

1. Subject to staff approval, the site must be developed and maintained in substantial conformance with the following plans, unless modified by the conditions below:
 - Site plan date stamped August 17, 2012.
 - Grading plan date stamped August 17, 2012.
 - Utility plan date stamped August 17, 2012.
 - Landscaping plan date stamped August 17, 2012.
 - Building elevations date stamped August 17, 2012
 - Pedestrian connections plan date stamped August 24, 2012
 - Building materials board as presented at the Planning Commission and City Council meeting.
2. Prior the issuance of a building permit, a final landscape plan must be submitted, subject to staff approval. Additionally, a performance bond, letter-of-credit, or cash deposit must be submitted for one and one-half times the cost amount for completing the required landscaping, screening, or erosion control measures.
3. Prior to issuance of a building permit, a final pedestrian connection plan must be submitted to provide an additional direct pedestrian connection from the apartments to a main Southdale entrance. The final connection plan shall be subject approval of city staff.
4. The property owner is responsible for replacing any required landscaping that dies.
5. Submit a copy of the Nine Mile Creek Watershed District permit. The City may require revisions to the approved plans to meet the district's requirements.
6. Compliance with the conditions required by the city engineer in his memo dated September 7, 2012.
7. Compliance with the conditions required by the fire marshal in his memo dated August 30, 2012.
8. The construction of an eastbound left turn lane at 69th Street and the Southdale West access.

Teague also recommended that the City Council approve the Conditional Use Permit to allow a residential use on this Southdale site based on the following findings:

1. The proposal is consistent with the Edina Comprehensive Plan.
2. The proposal meets the Conditional Use Permit Criteria.
3. With the exception of the proposed variances, the proposal meets all minimum City Code requirements.
4. The Southdale site is under developed in terms of the allowed (FAR) floor area ratio allowed on the site. The allowed FAR is 1.0. The existing and proposed uses only total .43.
5. The proposed buildings would fit the character of the area. The variety of height and building sizes blend in well in the area.
6. The traffic study done by WSB and Associates concludes that subject to conditions, the existing roadways and intersections would support the new development.

Approval is also subject to the following conditions:

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3. Prior to issuance of a building permit, a final pedestrian connection plan must be submitted to provide a direct pedestrian connection from the apartments to a main Southdale entrance. The final connection plan shall be subject approval of city staff.
4. The property owner is responsible for replacing any required landscaping that dies.
5. Submit a copy of the Nine Mile Creek Watershed District permit. The City may require revisions to the approved plans to meet the district's requirements.
6. Compliance with the conditions required by the city engineer in his memo dated September 7, 2012.
7. Compliance with the conditions required by the fire marshal in his memo dated August 30, 2012.
8. The construction of an eastbound left turn lane at 69th Street and the Southdale West access.

Planner Teague stated staff also recommends that the City Council approve the proposed re-plat.

Appearing for the Applicant

David Motzenbecker, BKV Group and Stuart Nolan, Stuart Co.

Comments/Questions

Chair Grabiell asked Planner Teague if staff had any issues with the re-plat. Teague responded there are no issues with the re-plat.

Commissioner Fischer observed that the re-plat doesn't include Parkland Dedication and asked Teague why this request doesn't trigger payment of Parkland Dedication. Teague explained that this request is only shifting lot lines. No new lot is being created. Parkland Dedication is triggered by creation of another lot.

Chuck Rickart, WSB was asked to present his report on parking and traffic.

Mr. Rickart addressed the Commission and explained when analyzing traffic and parking he looked at the whole site fully developed. This included the proposed 232-unit apartment building(s) and a future restaurant (outlot).

Continuing, Rickart explained two Build alternatives. Build Alternative 1 included a right-in/right-out on 69th Street and a full movement access from York Avenue so the Southdale Site. Build Alternative 2 includes roundabout for the two Southdale site access locations on 69th Street.

Applicant Presentation

Stuart Nolan addressed the Commission informing them this project excites him. He said the location is "Triple-A" and his market research shows a need in this area for high quality rental apartment and townhouse units.

David Motzenbecker with graphics presented the proposal highlighting the following:

- Enhanced greenspace. By reducing impervious surfaces we have created places to help infiltrate stormwater.
- Addition of extensive publicly-accessible sidewalk adjacent to the development on both York and 69th Street. Extend sidewalk west along West 69th Street connecting with the existing crosswalk to the Galleria (the same connection will also connect to one of the Southdale Mall entries).
- Bike parking racks will be added to the front and rear of the buildings and will also be located in the underground parking garage.
- Promote environments that make it safe and convenient for people to integrate physical activity into their daily life. The site will provide a fitness room, club room,

central courtyard with swimming pool, bocce ball court and the connected walkways.

- Green roofs.

Motzenbecker introduced Mike Krych with BKV to further address the Commission.

Mr. Krych explained to the Commission the Westin established the level of quality the development team wanted to incorporate into this development. Krych said their approach was to achieve a sophisticated, timeless, fresh look. The idea being that this site is at the center of an active vibrant retail area.

Krych presented the materials board pointing out the exterior building materials are contemporary but timeless. He added when one views the buildings no two sides are exactly alike, creating buildings that appear to change and move. Krych also noted that the green roofs also add energy to the site. Concluding Krych said the goal has been to create a unique housing experience within a very animated friendly pedestrian environment.

Discussion

Chair Grabiell thanked the applicants for their presentation and asked them if they are amenable to staff's condition to relocate the pedestrian connection to the Southdale Mall. Grabiell said in his opinion the shortest distance is a straight line adding he believes staff's recommendation/condition makes sense and would be the "path" used. Mr. Motzenbecker responded they have been working with Simon on making a connection to the Southdale Mall, adding some concern was expressed over the possibility of losing parking spaces and trees if the connection is made per staff's recommendation.

Chair Grabiell questioned if there actually is a market for luxury apartments in this area.

Mr. Nolan responded that his company operates a large number of apartment units adding the rents in some of those buildings are as high as 5-thousand per month. Nolan explained that many of the apartment buildings in the area were constructed in the 1960's and 1970's and with the addition of a new 21st century building this would create choices at another level. Nolan stated he is confident in his research that in this specific area luxury apartment and townhomes are needed.

Commissioner Carpenter asked with respect to the referred demand for luxury units was that determined from an outside or internal study, adding what was found. Nolan reiterated he is very confident with the research done on this product by his staff reaffirming that the market analysis indicates a demand for this type of mixed rental living; townhomes and apartments. Commissioner Carpenter asked Mr. Nolan his vacancy rates. Nolan responded vacancy rates are 2%. Concluding, Nolan stated at this time his company is renting units that are still under construction.

Commissioner Schroeder commented that in the past the Commission has granted setback variances to allow buildings to be built closer to the street if an active pedestrian

environment was created. Schroder said usually that meant that the building had active operable doors on the street. He pointed out in this instance there is a buffer between the building and sidewalk with no active storefronts addressing the street. Mr. Motzenbecker acknowledged that point. Continuing, Motzenbecker said what this project is trying to accomplish is striking a balance. He explained this is not a mixed use project, adding they are attempting to achieve an active environment by creating layers. Motzenbecker said it is his hope that this would be a catalyst for the area; noting this proposal will create more of an active pedestrian environment than what is there today. Concluding, Motzenbecker said it is their belief that the main focal piece is the entrance, adding he believes that's where all the energy starts creating a more active York Avenue and West 69th Street.

Commissioner Platteter said what he doesn't want to see is this development becoming an island. Platteter said he wants the "path" to the Mall to be more direct (as per staff) and he also wants a viable connection to the new transit facility. Continuing, Platteter said the attractive thing about this project is that the residents won't need a vehicle (if they don't want one). With this proposal its entirely possible amenities including a bus to work, medical care, etc. can be accessed without using a car. Concluding, Platteter stressed the importance of enhanced pedestrian connections.

Chair Grabiell said in his opinion Southdale Mall is very important to Edina. Grabiell said during the past several years there appears to have been a decline at Southdale Mall. Grabiell asked if anything else was being done to rejuvenate the Mall.

Laurie Van Dalen, of Simon Group (Southdale Mall) explained that at this time the entire Mall is being rejuvenated. She reported 18 stores are under construction, along with a new "food court". Van Dalen noted the rejuvenating process is a continuing process and important to Simon. She also reported that crime at the Mall is down 30%. Concluding, it was noted that this development proposal was a "key piece" in the redevelopment puzzle pointing out that the proposal adds permanent residents to the area further "knitting" the area together.

Commissioner Forrest said when reviewing the plans she had difficulty locating the connection to new transit facility. Mr. Motzenbecker with graphics referred to the access to "bus stops" on York Avenue and West 69th Street and explained that part of the approved Southdale Transit Plan calls for Southdale to provide "connections" to the Transit Center. Forrest said as previously mentioned by Commissioner Platteter, she doesn't want this connection to be forgotten; it's important.

Public Testimony

Bill Lindberg, 3209 Galleria, told the Commission he lives on the 9th floor of the Westin facing north. He said from the discussion thus far he was somewhat reassured. He added his concern was if building setback variances were granted loss of greenspace/vegetation would occur. Lindberg said that presently he views greenspace, adding he doesn't want to lose that.

Les Wanninger, 3209 Galleria told the Commission his concern is with the traffic and traffic flow along West 69th Street between France and York Avenues. Wanninger said he understands the differing traffic scenarios but wants the Commission to ensure safety for both cars and pedestrians.

Commissioner Staunton asked Mr. Wanninger if he ever walks to Cub, CVS, etc. Wanninger responded in the summer he walks; however, in the winter he drives. Wanninger commented that in his opinion the round-about on West 70th Street has been successful, adding as mentioned "Build 2" (Round-about) could also be successful on West 69th Street.

Chair Grabiell asked if anyone else would like to address this proposal; being none Commissioner Fischer moved to close the public hearing. Commissioner Platteter seconded the motion. All voted aye; motion carried.

Commissioner Forrest asked for procedural clarification if the Commission hears this request once. Planner Teague responded in the affirmative.

Commissioner Staunton said in his opinion the proposed 232-unit development with Conditional Use Permit allowing residential makes sense.

Commissioner Potts said he agrees with Commissioner Staunton adding he supports the Site Plan and Conditional Use Permit to achieve this project, adding in his opinion in this area an increase in density is a good thing. Continuing, Potts also stated he supports the variance, adding he doesn't want to see the building pulled back farther from the street.

Commissioner Scherer asked what the applicant believes is the age of the average renter. Mr. Nolan responded that in his opinion the majority of the tenants would be empty nesters; however, he believes the product will appeal to everyone.

Commissioner Platteter echoed Commissioners comments and stressed he doesn't want to miss an opportunity to provide connectivity in this area.

Commissioner Schroeder added he also supports the project noting on the Southdale campus this area is the least used. Schroeder said he would also like the Commission to further study and define what we believe is an active pedestrian environment.

Commissioner Fischer said he agrees with previous comments adding if one looks at Edina as a whole this intersection is in the top five as far as high visibility goes. Continuing, Fischer said this project also aids in breaking up the "super block", adding he likes the project. Concluding, Fischer stated this corner is strong and there is great value in keeping the corner residential, active and green.

Motion

Commissioner Fischer moved to recommend Site Plan approval to include a front yard setback variance from 115 feet to 63 feet and parking stall variance from 6,747

spaces to 6,442 spaces based on staff findings and subject to staff conditions. Fischer also recommended that approval is to include direct pedestrian access to the Southdale Mall via a 45 degree angle and to also include pedestrian access to the transit facility. (Fischer also asked that special thought be given to find a way to preserve the trees along that access route). Commissioner Potts seconded the motion. Ayes; Scherer, Forrest, Schroeder, Potts, Platteter, Carpenter, Staunton, Fischer and Grabiell. Motion carried 9-0.

Commissioner Staunton moved to recommend Conditional Use Permit approval based on staff findings and subject to staff conditions to include direct pedestrian access to the Southdale Mall via a 45 degree angle and to also include pedestrian access to the transit facility. Commissioner Scherer seconded the motion. All voted aye; Scherer, Forrest, Schroeder, Potts, Platteter, Carpenter, Staunton, Fischer and Grabiell. Motion carried 9-0.

Commissioner Carpenter moved to recommend re-plat approval. Commissioner Potts seconded the motion. All voted aye; Scherer, Forrest, Schroeder, Potts, Platteter, Carpenter, Staunton, Fischer and Grabiell. Motion carried 9-0.

VII. REPORTS

A. Sketch Plan, Frauenshuh, 7700 France Avenue, Edina, MN

Planner Presentation

Planner Teague reported that the Planning Commission is being asked to consider a sketch plan proposal to develop the northeast corner of the 7700 France with a single-story, 7,500 square foot “fine-dining” restaurant building. The site is 17 acres in size and contains a six-story 319,000 square foot office building and a 7,623 square foot single story office building in the southeast corner of the site.

The restaurant would be designed for seating up to 250 people, and would provide 93 dedicated parking spaces in addition to the shared parking with the office buildings.

Teague said the proposed building would be made of high quality stone, glass and metal. An area for outdoor dining would also be provided, however, is not guaranteed to be utilized.

Teague asked the Commission to note that the primary issues with this request is that a free-standing restaurant is not a permitted use in the POD-2 zoning district; however, a restaurant is a permitted accessory use within an office building.

Teague said if the Commission and Council are receptive to allowing a restaurant in this location the applicant would need to decide on two options; 1) a PUD rezoning and 2) Ordinance amendment to allow restaurants as a permitted use in the POD-2 zoning district.

Concluding Teague also stated if this proposal “moves forward” a traffic study would need to be completed to determine impacts on adjacent roadways.

Appearing for the Applicant

David Anderson, Frauenshuh.

Comments/Questions

Commissioner Fischer said this seems reasonable considering the size of the tract and asked Planner Teague if he knows the reason a freestanding restaurant isn't allowed in a POD-2 zoning district. Teague responded he really doesn't know the history behind this decision. Commissioners said maybe the decision to exclude freestanding restaurants in this zoning district was to prevent fast-food restaurants from popping up.

Applicant Presentation

Mr. Anderson briefed the Commission on the history of the property. He said the site is 17 acres that consists of a principal multi-story office building totaling 319,000 square-feet. Anderson explained that the site includes underground parking spaces for building tenants and ample surface parking with over 1,400 parking spaces for building tenants and guests.

Continuing, Anderson said the property has a solid appeal in the market place and is in a sound financial position. Anderson said this request is a direct response to market interest. He noted the property is very large and the proposed building isn't very large. Anderson introduced Eric Reiner of Sperides Reiner Architect.

Mr. Reiner informed the Commission that at this time they are not working with a particular restaurant company. They are only working off directives to develop a restaurant that engages France Avenue and complements the office building(s).

Chair Grabiell noted if you look up and down France Avenue there are a number of restaurants. Grabiell asked if there was a decision on the type of restaurant. Mr. Reiner responded that their goal is an upscale high service restaurant.

Commissioner Carpenter asked if the applicant viewed the site in broader terms. Mr. Anderson responded that if one views the site the proposed location of the restaurant is on a natural pad. Anderson explained that at this time the office market is slow; however, if a PUD is granted the option of amending the PUD would remain. Concluding, Anderson said at this time they believe a high-end restaurant addressing France Avenue is a great fit for the area and of benefit to the site itself.

Commissioner Forrest said she agrees with a rezoning to PUD, adding it's a great idea trying to incorporate the restaurant to work with the public realm.

Commissioner Platteter agreed that a PUD rezoning in this situation was best. Platteter said in his opinion changing the Ordinance to allow this isn't the way to proceed. Changing the Ordinance could open the door to less desirable proposals.

Commissioner Fischer said he likes this concept and in his opinion PUD is the correct way to proceed. Fischer added this fits the "theme" of doing innovative things with large parking lots.

Commissioner Schroeder stated he agrees this is a good concept; however, the pedestrian physical connection is missing because the area lacks sidewalks.

Chair Grabel stated the consensus of the Commission appears to support a rezoning to PUD to facilitate construction of a freestanding restaurant. Grabel encouraged the applicant to proceed to the City Council with their sketch plan.

VII. CORRESPONDENCE AND PETITIONS

Chair Grabel acknowledged back of packet materials.

VIII. CHAIR AND COMMISSION COMMENTS

Chair Grabel said the joint work session between the City Council and Commission was constructive.

IX. STAFF COMMENTS

Planner Teague reported that Starbucks will be back before the Commission on October 10th with a revised plan. Teague told the Commission Starbucks is rotating their building similar to the suggestion made by Commissioner Staunton.

Jordan Gilgenbach asked the Commission to note a new interactive City website SpeakUpEdina.org.

X. ADJOURNMENT

Commissioner Potts moved adjournment at 10:10 PM. Commissioner Platteter seconded the motion. All voted aye; motion to adjourn carried.

Jackie Hoogenakker

Respectfully submitted

