

**MINUTES  
OF THE REGULAR MEETING OF THE  
EDINA CITY COUNCIL  
HELD AT CITY HALL  
SEPTEMBER 17, 2013  
7:00 P.M.**

**I. CALL TO ORDER**

Mayor Hovland called the meeting to order at 7:00 p.m.

**II. ROLL CALL**

Answering rollcall were Members Bennett, Brindle, Sprague, Swenson and Mayor Hovland.

**III. MEETING AGENDA APPROVED**

Member Swenson made a motion, seconded by Member Brindle, approving the amended meeting agenda.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland  
Motion carried.

**IV. CONSENT AGENDA ADOPTED**

Member Swenson made a motion, seconded by Member Bennett, approving the consent agenda, as follows:

IV.A. Approve regular and work session meeting minutes of September 3, 2013

IV.B. Receive payment of the following claims as shown in detail on the Check Register dated September 5, 2013, and consisting of 27 pages; General Fund \$167,239.89; DNU Old Communications Fund \$32.17; Working Capital Fund \$232,754.84; Equipment Replacement Fund \$14,821.43; Art Center Fund \$2,846.02; Golf Dome Fund \$3,551.07; Aquatic Center Fund \$9,730.83; Golf Course Fund \$24,808.31; Ice Arena Fund \$2,593.55; Edinborough Park Fund \$13,180.91; Centennial Lakes Park Fund \$2,608.20; Liquor Fund \$137,212.32; Utility Fund \$100,024.27; Storm Sewer Fund \$20,731.85; PSTF Agency Fund \$6,961.13; Centennial TIF District \$90.53; Payroll Fund \$3,605.76; TOTAL \$742,793.08 and for receipt of payment of claims dated September 12, 2013, and consisting of 31 pages; General Fund \$423,390.02; Police Special Revenue \$1,582.41; Working Capital Fund \$64,616.49; Equipment Replacement Fund \$77,996.99; Art Center Fund \$2,509.05; Golf Dome Fund \$554,884.34; Aquatic Center Fund \$11,840.45; Golf Course Fund \$24,195.85; Ice Arena Fund \$63,849.80; DNU OldEdinbor/Cent Lakes Fund \$150.00; Edinborough Park Fund \$29,380.52; Centennial Lakes Park Fund \$6,208.23; Liquor Fund \$246,271.80; Utility Fund \$447,081.48; Storm Sewer Fund \$18,794.76; PSTF Agency Fund \$1,195.96; Centennial TIF District \$65.36; TOTAL \$1,974,013.51; and Credit Card Transactions dated September 4, 2013; TOTAL \$31,753.52

IV.C. Adopt Resolution No. 2013-75 approving Setting the Hearing Dates for Special Assessments & Utility Certification (10/14/2013)

IV.D. Request for Purchase, 2012 12 Ft. Ford Box Truck – Edina Liquor Stores, awarding the bid to the recommended low bidder, Roseville Midway Ford, at \$28,060

IV.E. Adopt Resolution No. 2013-78, approving Lot Division – 5100 Mirror Lakes Drive/Interlachen Country Club, Michael Gorman

IV.F. Request for Purchase, Replacement of West Arena Low E Ceiling – Braemar Arena, awarding the bid to the recommended low bidder, Energie Innovation Inc., \$47,480.00

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland  
Motion carried.

**V. SPECIAL RECOGNITIONS AND PRESENTATIONS**

None.

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**VI. PUBLIC HEARINGS HELD** – Affidavits of Notice presented and ordered placed on file.

**VI.A. ACTION CONTINUED TO OCTOBER 1, 2013 SILVER OAK DEVELOPMENT ON BEHALF OF THE IRET PROPERTIES; SITE PLAN REVIEW WITH A PARKING RAMP SETBACK AND PARKING STALL VARIANCE AT 6525-45 FRANCE AVENUE - RESOLUTION NO. 2013-77**

Community Development Director Presentation

Community Development Director Teague presented the request of Silver Oak Development on behalf of the IRET Properties to build a four-story 60,000 square-foot medical office expansion, and new parking ramp expansion to the existing 273,000 square-foot Southdale Medical Office building located at 6525-45 France Avenue. The new addition would be located on the south side of the existing building and west of the existing parking ramp. Mr. Teague explained that to accommodate the proposed addition, the following was requested: Site Plan Review; Parking Ramp Setback Variance from 40 feet and 34.5 feet to 34.5 feet, 28 feet, and 20 feet for the new parking deck to match the existing parking ramp setback; and, Parking Stall Variance from 1,715 spaces to 1,577 spaces. Mr. Teague stated a proof of parking plan had been provided for an additional deck to expand parking to 1,749 spaces.

Mr. Teague stated on August 28, 2013, a Planning Commission motion to approve the proposed Site Plan and Variances subject to findings and conditions failed on a 4-5 vote. Planning Commission concerns included the location and screening of the loading dock, conflict between truck traffic and pedestrian and vehicle circulation, and width of drive entrance/exit from 66<sup>th</sup> Street. The proponent submitted revised plans to address concerns raised by the Planning Commission. Mr. Teague stated WSB & Associates conducted a parking impact study, which concluded that the proposed parking should adequately serve the site. WSB and Associates also completed a traffic impact study to analyze impacts on the adjacent roadways. The study concluded that existing adjacent roadways would support the proposed addition. However, should delays and queuing ever become an issue at the France Avenue/65<sup>th</sup> Street intersection in the future, minor intersection turn lane and phasing improvements might be necessary. Should these improvements be required in the future, the Southdale Medical site would be responsible for its share of those improvements.

Mr. Teague stated staff recommended that the City Council approve the Site Plan with Variances for the property located at 6525-45 France Avenue, subject to the conditions and findings outlined in Resolution No. 2013-77.

Chuck Rickart, WSB & Associates, provided an overview and answered questions of the Council relating to the Southdale Medical Campus Expansion Traffic and Parking Study.

The Council discussed whether to include a sidewalk to connect the west side of the building to the north side of 66<sup>th</sup> Street, concern relating to safety in the loading dock area, bike rack locations, the central plant proposed to be located on top of the parking ramp, and the proposed access points.

Proponent Presentation

James O'Shea, Collaborative Design Group, presented the proposed site plan for the Medical Campus Expansion at 6525-45 France Avenue. Mr. O'Shea stated initial goals set out were improvements to accessibility, safety, and efficiency of parking in any location that the site would be affected, as well as to provide a new model for the delivery system that did not currently exist. Mr. O'Shea discussed the parking plan, the proposed central plant, the loading dock area, the intent to install new permeable pavers along 66<sup>th</sup> Street and Drew Avenue, and the intent not to change existing entrances to the site. Mr. O'Shea presented the materials board for review by the Council and answered questions relating to the proposed site plan and materials.

Mayor Hovland opened the public hearing.

Public Testimony

No one appeared to comment.

**Member Sprague made a motion, seconded by Member Brindle, to close the public hearing.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

The Council discussion included support of postponing approval of the proposed site plan to ensure additional review by the Council of the following: addition of a sidewalk connection from the west end of the building to the north side of 66<sup>th</sup> Street, colored concrete to clearly denote the sidewalks on the site, additional landscaping along the loading dock area, driveway width reduction with details relating to turning ratios to be discussed with the City Engineer, 7 p.m. to 6 a.m. and weekends for loading zone hours, separation of the concrete area intended for truck turning radius from the interior sidewalk, expanding bike rack locations to the west and the north, incorporation of public art, confirmation of a sidewalk extension to the glassed corner area of the parking ramp, increased plantings around the parking ramp, aesthetic improvements to the parking ramp design (including the HVAC system/Central Plant) and parking ramp materials (potential for louvers) to be discussed with the Community Development Director, the incorporation of a mechanical system or alternative solution to separate the loading dock area from the drive lane into the parking ramp.

Mr. Teague stated the conditions included in the proposed resolution would be revised according to the Council's comments. **Member Swenson made a motion, seconded by Member Sprague, to continue consideration of Resolution No. 2013-77, Approving a Site Plan With Variances At 6525-45 France Avenue To Build a 60,000 Square Foot Addition And Parking Ramp Expansion For The Southdale Medical Office Campus, to October 1, 2013.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

**VII. COMMUNITY COMMENT**

No one appeared to comment.

**VIII. REPORTS / RECOMMENDATIONS**

**VIII.A. RESOLUTION NO. 2013-79 & RESOLUTION NO. 2013-80, AWARDING SALE OF G.O. BONDS SERIES 2013A & 2013B – ADOPTED**

Manager Neal requested Council consideration of Resolution No. 2013-79 and 2013-80, awarding the sale of G.O. Bonds Series 2013A & 2013B.

Mark Ruff, Ehlers and Associates, reviewed the two purposes of the \$8,265,000 General Obligation Bonds, Series 2013A. The first purpose would be to effect a current refunding of the HRA's Taxable Public Project revenue bonds, Series 2009B (Build America Bonds). The second purpose would be to fund approximately \$2,630,000 in principal to the Permanent Improvement Revolving (PIR) Fund to finance the City's street reconstruction projects constructed in 2013 and assessed in 2014. The 2009B Bonds were originally issued through the HRA and as such, the HRA needed to adopt a resolution to redeem the 2009B Bonds as a separate action within the HRA agenda. Mr. Ruff reported on the City's AAA bond rating assigned by Moody's and Standard and Poor's. The low bid offered on Series 2013A was at a 2.67% interest rate.

**Member Bennett introduced and moved adoption of Resolution 2013-79, Awarding Sale of G.O. Bonds Series 2013A.** Member Swenson seconded the motion.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

Mr. Ruff explained the purpose of the \$1,125,000 General Obligation Bonds, Series 2013B, to finance the portion of the Braemar Golf Dome improvements project, net of insurance payments. The low bid offered

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on Series 2013B was at a 3% interest rate. **Member Sprague introduced and moved adoption of Resolution 2013-80, Awarding Sale of G.O. Bonds Series 2013B.** Member Swenson seconded the motion.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland  
Motion carried.

***VIII.B. SKETCH PLAN REVIEW – 6725 YORK AVENUE (WICK’S SITE) AND FIVE SINGLE FAMILY HOMES ON XERXES AVENUE TO THE EAST OF 6725 YORK – REVIEWED***

Community Development Director Presentation

Mr. Teague presented the request of Lennar Multifamily Investors, LLC for sketch plan review of its proposal to redevelop the property at 6725 York Avenue. The proposed project would also include five single-family houses on Xerxes Avenue. The proponent was in negotiations with these property owners to purchase and incorporate the houses into the development. Mr. Teague stated the property at 6725 York (the former Wick’s building site) was currently zoned PCD-3, Planned Commercial District-3, and guided CAC, Community Activity Center. The five-single family houses were zoned and guided for low-density residential use. The proponent was requesting consideration of a proposal to tear down the existing commercial building and the five single-family houses and build a six-story, 273 unit, and upscale apartment building with 22,289 square feet of retail on the first level. A parking lot was proposed in front of the retail store on York Avenue and underground parking for residents. Surface spaces would be available along the north and south lot lines for resident’s guests. The loading area for the market would be at the rear of the retail building and south side of the apartment building. Mr. Teague advised that to accommodate the request, four amendments to the Comprehensive Plan would be required: Building Height from 4 stories and 48 feet to 6 stories and 66 feet; Housing Density from 30 units per acre to 59 units per acre; Floor Area Ratio from 1.0 to 1.55; Re-guiding the land use for the six single-family houses from Low Density Residential to Community Activity Center. In addition to the amendments, a rezoning of all the properties would then be required to Planned Unit Development (PUD).

Mr. Teague stated the Planning Commission reviewed the sketch plan and provided comments relating to reducing the buildings impact on Xerxes Avenue, increasing greenspace where possible, consideration of the City Comprehensive Plan during the design process, reconsidering the façade of the building as it relates to Xerxes Avenue, need for continued work on the loading dock area and the underground parking access, and incorporation of affordable housing.

Proponent Presentation

Peter Chmielewski, Lennar Multifamily Investors, LLC, introduced the concept of the sketch plan for the property located at 6725 York Avenue with five single-family houses on Xerxes Avenue to the east of 6725 York Avenue. Mr. Chmielewski discussed the intent to build a high-end luxury multifamily rental community with complimentary retail.

Aaron Russet, ESG Architects, provided a presentation on the subject sketch plan, the setback on Xerxes Avenue, landscaping, walking path/sidewalk network, gathering spots, outdoor seating area, retail element, landscape buffer, and parking.

The Council discussion included concern relating to the six story height across from single-family houses, the importance to include affordable units, incorporating a green roof over the market, option of utilizing podium height along Xerxes Avenue, improving the articulation/façade of the market area, reduction in density, including some smaller units in unit mix, greenspace, additional work needed on the appearance of the townhouses, concern with the loading dock area and underground parking access, and concern with the concept of routing truck traffic onto Xerxes Avenue.

***VIII.C. SECOND READING GRANTED – ZONING ORDINANCE AMENDMENT REGARDING THE R-1 & R-2 ZONING DISTRICT REQUIREMENTS; ORDINANCE NO. 2013-09 – ADOPTED***

Community Development Director Presentation

Mr. Teague stated proposed Ordinance No. 2013-09 reflected the Council's recommendation to include an option for side yard setback on lots 61-74 feet in width. The options included meeting the current setback requirements and the revised setbacks proposed by the Planning Commission. Mr. Teague explained if the ordinance was adopted tonight, the effective date for the new requirements would be January 1, 2014.

The Council discussion included the effective date of January 1, 2014 and the second-story setback rule reflected in the proposed ordinance. The Council directed inclusion of the following language as contained in the supplemental pages presented to the Council this evening for consideration: Page 4, Section 2, H: "...a combination of at least two (2) of the following architectural features: utilitarian features within every thirty (30) feet or less..."

**Member Swenson made a motion to grant Second Reading adopting Ordinance No. 2013-09, An Ordinance Amendment Regarding the R-1, Single Dwelling Unit, and R-2, Double Dwelling Unit District Requirements For Building Coverage, Setback, Height and General Regulations, as amended. Member Brindle seconded the motion.**

Rollcall:

Ayes: Brindle, Sprague, Swenson, Hovland

Nays: Bennett

Motion carried.

Member Bennett stated she supported two elements: the reduction in height and elimination of the second-story setback, but that the changes all together did not, in her opinion, make the code clearer, more practical or more enforceable, as had been her goal, or reduce the possible mass of new construction.

***VIII.D. RESOLUTION NO. 2013-76 ADOPTED – ACCEPTING VARIOUS DONATIONS***

Mayor Hovland explained that in order to comply with State Statutes; all donations to the City must be adopted by Resolution and approved by four favorable votes of the Council accepting the donations.

**Member Bennett introduced and moved adoption of Resolution No. 2013-76 accepting various donations.** Member Swenson seconded the motion.

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

***VIII.E. RESOLUTION NO. 2013-81 EMINENT DOMAIN ACQUISITION OF PROPERTY AT 3944 WEST 49-½ STREET – ADOPTED***

Mayor Hovland explained the City Council meeting would be recessed with the HRA meeting opened to hold the public hearing on the eminent domain acquisition of property at 3944 West 49-½ Street.

City Attorney Knutson explained the public hearing process that allowed anyone to speak to the topic with a three-minute time limit. **Member Sprague made a motion, seconded by Member Bennett, to recess the City Council meeting.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

The meeting was recessed at 10:10 p.m.

**Member Bennett made a motion, seconded by Member Brindle, to reconvene the City Council meeting.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

The City Council meeting was reconvened at 11:06 p.m.

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The Council discussion included the valuation process under Eminent Domain proceedings, potentially tabling action for two to four weeks to allow time to research additional information that might be available, the good faith attempt that had been made by the City to negotiate with the property owner, and future parking needs for the 50<sup>th</sup> and France area.

Mr. Neal stated approval of the resolution to proceed with eminent domain proceedings would trigger additional discussion for both parties and the City would continue to seek a willing buyer/willing seller transaction. Mr. Neal noted there were alternatives to the ultimate condemnation of the property and the City intended to propose all of those options if the Council approved the draft resolution. **Member Sprague introduced and moved adoption of Resolution No. 2013-81, Eminent Domain Acquisition – Authorizing the Acquisition of a Fee Simple Interest in Property located at 3944 West 49-½ Street.** Member Swenson seconded the motion.

Mr. Neal explained that at the end of the 60-day time period, there would be another opportunity for Council evaluation prior to voting on whether to proceed to condemnation of the property.

Ayes: Bennett, Sprague, Swenson

Nays: Hovland, Brindle

Motion carried.

**IX. CORRESPONDENCE AND PETITIONS**

**IX.A. CORRESPONDENCE**

Mayor Hovland acknowledged the Council’s receipt of various correspondence.

**IX.B. MINUTES:**

- 1. PARK BOARD MINUTES, AUGUST 13, 2013**
- 2. HERITAGE PRESERVATION BOARD MINUTES, AUGUST 13, 2013**
- 3. PLANNING COMMISSION MINUTES, AUGUST 28, 2013**
- 4. TRANSPORTATION COMMISSION MINUTES, JULY 18, 2013**

Informational; no action required.

**X. AVIATION NOISE UPDATE – Received**

**XI. MAYOR AND COUNCIL COMMENTS – Received**

**XII. MANAGER’S COMMENTS – Received**

**XIII. ADJOURNMENT**

There being no further business on the Council Agenda, Mayor Hovland declared the meeting adjourned at 11:50 p.m.

Respectfully submitted,

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Jane Timm, Deputy City Clerk

Minutes approved by Edina City Council, October 1, 2013.

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James B. Hovland, Mayor

Video Copy of the September 17, 2013, meeting available.