

**MINUTES OF THE REGULAR MEETING
OF THE EDINA PLANNING COMMISSION
WEDNESDAY, FEBRUARY 26, 2003, 7:30 PM
EDINA CITY HALL COUNCIL CHAMBERS
4801 WEST 50TH STREET**

MEMBERS PRESENT:

**Chair, Gordon Johnson, David Byron, John Lonsbury, Helen McClelland,
Geof Workinger, William Skallerud**

MEMBERS ABSENT:

Stephen Brown, David Runyan and Ann Swenson

STAFF PRESENT:

Craig Larsen and Jackie Hoogenakker

I. APPROVAL OF THE MINUTES:

The minutes of the February 26, 2003, meeting were filed as submitted.

II. NEW BUSINESS:

Z-03-7

**Preliminary Rezoning
M & I Bank (MadisonMarquette)
3100 West 66th Street**

Mr. Larsen informed the Commission MadisonMarquette owns the Southdale Square shopping center and has a purchase agreement to acquire the former M&I Bank. It is their intent to request vacation of the street that separates the two sites (Xerxes Avenue) so that the Edina site is integrated with the existing center. Approval of the rezoning, and vacation would allow for the construction of a new 21,750 square foot general retail building that would share parking with the existing center. If approved a 10-foot setback variance is required and a variance for parking is also required.

Concluding, Mr. Larsen said staff supports the proposed rezoning. We also think that parking should be reviewed under the parking center standards. However, even under those requirements the building is too large. Staff could support a building that needed a somewhat smaller variance. Any approval

should be conditioned on: Final Rezoning, street vacation, Richfield approval, watershed district permits, and Hennepin County curb cut permits.

Mr. Lee Hoffman of MadisonMarquette and Mr. Ted Davis proponents were present.

Mr. Hoffman told the Commission the plan of the development team is to unify the site, which entails coordinating three different jurisdictions, Richfield, Edina and Hennepin County. Continuing, Mr. Hoffman explained Southdale Square is in need of upgrading and a complete facelift and the center believes working together with the three groups will create a user-friendly asset to both Richfield and Edina.

Commissioner Lonsbury asked Mr. Hoffman if a trip generation analysis was conducted for this project. Mr. Hoffman said one is being done but isn't complete yet.

Commissioner Lonsbury said he sees the logic in combining the Richfield and Edina sites but questioned why the proposed building is positioned along York Avenue and not 66th Street. Mr. Davis explained a West 66th location was studied but if the site were developed like that the building would be smaller and the parking ratio would change. Mr. Davis said aligning the proposed new building along West 66th Street had some pluses but it was felt the proposed location better suits the site. Commissioner Workinger said in his opinion as the building moves closer to York Avenue it becomes more imposing and vehicles traveling on York will view the back of a building which isn't very inviting, adding confusion on where to enter the site.

Mr. Hoffman explained the internal traffic circulation is a problem to deal with and the access points work better with this scenario. With graphics Mr. Hoffman explained the proposed circulation and reasoning behind the building placement noting the rear elevation of the building facing York Avenue would be landscaped.

Chairman Johnson said he has a concern with regard to variances. He pointed out this is new construction and in his opinion it can be re-designed without requiring variances. Chairman Johnson suggested that the proposed new building be constructed at a smaller scale reducing building area that would possibly eliminate or greatly reduce the need for variance.

Mr. Hoffman explained the proposed building size is critical because of economics. A building of at minimum 20,000 square feet is required to make the project economically feasible and to provide adequate tenant space.

Chairman Johnson asked what the site would look like if he viewed it from the Titus Building across the street.

Mr. Davis explained he is proposing a stepped building, which should reduce the mass adding visual relief. He added at this time the final exterior building materials have not been decided on, but landscaping would also be implemented along the building wall abutting York Avenue. Commissioner Workinger commented in his opinion the back of this building should look “as good” as the front. He pointed out York Avenue is a heavily traveled street and the proposed building will have impact on the streetscape, reiterating the York Avenue side should look as good as the front of the building.

Commissioner Skallerud asked for clarification - when discussing the proposed building size what we are talking about is eliminating 2,000 square feet (give or take a few feet) to bring the building into compliance with our ordinance, and the reason for the building being designed over code is economics. Mr. Hoffman responded that is correct. It is felt a building smaller than 20,000 square feet will be too small to accommodate the desired tenants. Continuing, Mr. Hoffman explained this property is a borderline property for both Richfield and Edina and he believes a unified parcel benefits both cities.

Commissioner Skallerud asked if the Commission is also voting on the variances needed for redevelopment of this site. Mr. Larsen explained this request is for a preliminary rezoning. Preliminary rezoning requests a change in land use. This plan does require variances but in reality at the preliminary stages the Commission is being asked if they believe the proposed change in land use is of benefit to the City. Mr. Larsen added at this stage the plans are conceptual and changes do occur between preliminary and final so it is possible between preliminary and final the need for variances can change. The Commission and Council will hear this item again for final rezoning.

Chairman Johnson asked Mr. Larsen when the City of Richfield would vote on this. Mr. Larsen said he believes the City of Richfield will review this after we have heard it.

A discussion ensued with Commission Members expressing their concern that the plans presented this evening are not as “firm” as they would like to see.

Commissioner McClelland commented in her opinion the plans are not firm enough. She added the parking variance does not bother her as much as the whole concept. Commissioner McClelland asked if the City really needs another strip mall and questioned if there are other possibilities for this site. Continuing, Commissioner McClelland said she would like to hear from the proponent more about traffic counts and would like them to further address the changes that may occur with the closing of Xerxes Avenue at this point. Commissioner McClelland said the exterior building materials are important to

her and she is hesitant in supporting such a large presence on York Avenue without knowing materials. She added she agrees with Commission Members that maybe the building should be redesigned along West 66th Street. Commissioner McClelland noted it is not our job to consider economics when reviewing a proposal. Concluding, Commissioner McClelland said she would like firmer plans. She is concerned with building materials, building placement, landscaping, and supplying the new building. She observed she is unsure if a loading dock is planned for the new building.

Mr. Davis responded with regard to a loading dock that the stores will be "front loaded" and there will be an enclosed loading area at the north end of the building.

Commissioner Lonsbury said he agrees with the comments from Commission Members thus far and said he understands this is a land use question, but he would feel more comfortable if he had something more concrete to view.

Commissioner Lonsbury moved to table Z-03-7 to an undetermined time. Commissioner McClelland seconded the motion.

Mr. Hoffman interjected and asked the Commission if they would consider voting on this because they are working against a time frame and are dealing with two cities plus Hennepin County for the street vacation. Mr. Larsen interjected and told the Commission he has no problem with tabling the request but would like it tabled to a definite date. Chairman Johnson asked Commissioners Lonsbury and McClelland if they would accept the date of March 26. Both agreed to table this until the March 26, 2003, meeting.

Commissioner Byron said he has been listening to the conversation thus far and he is concerned with this proposal. In his opinion Commissioner Byron explained, there are too many open ends. He added he doesn't intend to put a strip mall in a negative light but believes the configuration of the new building and the interior roadway configurations are not adequate. Commissioner Byron suggested that the proponents pay more attention to the trash enclosure areas and more attention to how the tenants of the building will be supplied. Commissioner Byron said he is concerned about the front-loading scenario previously mentioned. He said in his opinion that is un-safe. Commissioner Byron said at this time he cannot vote on the rezoning. He believes not enough information has been given to the Commission to make a decision. He pointed out they really don't know how the building will look when completed. They do not know the materials that will be used and they don't know the exact setback from York Avenue. Continuing Commissioner Byron said traffic counts are needed and he believes that Xerxes Avenue as it exists today has a calming effect on that area. He said Xerxes Avenue provides a safe access onto West 66th Street and he believes that should be considered. He pointed out one can

easily exit the strip mall and use that stub of Xerxes Avenue to exit West 66th Street and proceed west. Concluding, Commissioner Byron said he believes what needs to be further addressed are ingress and egress, re-look at the northern end of the site, internal parking flow, parking variance, building materials and size and placement of proposed new building.

Commissioner McClelland added she is also not happy with the basic building and her concern is more centered on the issue if we need another strip mall so close to Southdale, Galleria, Yorktown, etc.

Chairman Johnson said tabling this issue will give the proponents another chance to come back before this body with a more favorable concept.

Commissioner Skallerud asked the proponents if the recommended 30-day layover is within a time frame they could work with. Mr. Hoffman said tabling this issue for 30 days will not be an issue and they will work hard to revise the plan from the suggestions made this evening by the Commission.

Chairman Johnson called for the vote. All voted aye, to table Z-03-8 until the Planning Commission meeting of March 26, 2003.

P-03-1 **Final Development Plan**
 Edina A&P LLC
 4000 Hazelton Road

Mr. Larsen informed the Commission the subject property is a multi unit apartment building located west of France Avenue and south of West 70th Street. The proponents are proposing to convert an unused party room on the ground floor into a 2-bedroom unit.

Mr. Larsen explained normally staff would not recommend approval of the request, primarily due to the parking situation. However, the owner's offer of making one unit affordable is attractive. The opportunities to add affordable housing in Edina are rare. Mr. Larsen said the proponents have offered to keep one unit available to a tenant at 50 percent of the areas median income for seven years. Mr. Larsen concluded staff believes the offer deserves serious consideration and if approved would recommend approval of the request if the time period were increased to ten years.

The proponents, Mr. and Mrs. Pagh and Julie Appert were present.

Commissioner Lonsbury stated for the record he is recusing himself from the discussion and vote because he is a friend of the proponents.

Chairman Johnson asked Mr. Larsen what the parking requirements were in 1962, when this building was constructed. Mr. Larsen said at that time the City didn't have any requirements with regard to parking.

Chairman Johnson observed a few of the companies in the immediate vicinity (Room & Board and Waterston Funeral Home) share parking if problems arise. Chairman Johnson pointed out "shared parking" could also work in this situation. He explained the apartment owner(s) might be able to work out an agreement with either Room & Board or the funeral home that would permit tenants to park overnight in their lot(s) if the need were to arise. Mr. Larsen agreed that is an option worth noting.

Mr. Mike Pagh, 7708 Stonewood Court, told the Commission the proposed conversion of a party room into a two-bedroom unit provided us with the unusual opportunity to offer an affordable housing unit in the City of Edina. Mr. Pagh said he believes the working class in Edina need a place to live that is close to places of work and public transportation. Continuing, Mr. Pagh said to date parking has not been an issue at this site. He explained the existing building is a 15 unit building but 16 garage spaces were constructed for the building. The conversion of the party room creates a 16 unit building accommodated by 16 garage stalls. Mr. Pagh told the Commission they have a very good relationship with the owners of the funeral home and they have already approached the owners with regard to parking but at this time nothing has been finalized. Concluding, Mr. Pagh said he is willing to enter into an agreement with the City with regard to the amount of time the unit is to be offered as "affordable" (7 years) and will speak with owners of the funeral home with regard to providing the opportunity for overnight parking by residents of the apartment building if the need arises.

A brief discussion ensued regarding locating additional parking areas on the subject site and the Commission felt retaining the green space of the lot is important.

Commissioners asked Mr. Pagh the reason for the seven-year stipulation. Mr. Pagh explained his view is that after 7 years an apartment unit needs to be painted and upgraded, so in his opinion 7 years made sense. Mr. Pagh added he is amenable to working with the City if the City believes 7 years is not adequate.

Commissioner Skallerud asked Mr. Larsen if this request came before the City without the option of renting the unit as affordable would the City be as agreeable in allowing an additional unit.

Mr. Larsen responded the short answer is “no”. Continuing, Mr. Larsen explained that unfortunately to date no other private property owners have approached the City expressing willingness in providing a unit(s) that would be considered “affordable”. Mr. Larsen said the City believes if this is considered “precedent setting” it is a positive precedent. Mr. Larsen reminded the Commission the City is in full partnership with other municipalities in doing all it can in providing affordable housing to the general public.

Commissioner Skallerud said he understands the position of the City and agrees with the goal of the City to provide affordable housing and asked why the City doesn’t stipulate a longer time frame, like 99 years for instance. Mr. Larsen responded that is a good question and explained to the Commission all agreements with regard to “affordable housing” are time-limited. Continuing, Mr. Larsen informed the Commission the City just renegotiated an agreement with a property owner to continue providing affordable housing units in western Edina. The time limit had expired on the units “affordability status” so the City worked with the property owner to extend the time frame retaining the affordable units.

Commissioner McClelland commented the City doesn’t really have a rehab code with regard to rental units and pointed out when constructed the building probably was going to be 16 units but a decision was made for 15, plus party room. She said it is positive that the site provides 16 garage stalls, one stall per unit. Continuing, Commissioner McClelland pointed out the location is excellent for affordable housing. It is near a large commercial district and ½ block away from public transportation. Commissioner McClelland said in this instance a density credit should be permitted. Concluding, Commissioner McClelland stated she supports the proposal as submitted but would like it conditioned on an 8-year cycle.

Commissioner Byron moved to recommend Final Development Plan approval, accepting the parking variance, and subject to the unit remaining “affordable” for 10 years as stipulated by staff. Commissioner Skallerud seconded the motion. Commissioner Byron further commented he believes parking will not be a problem noting the comments this evening from the property owner with regard to the possibility of parking across the street at the funeral home. Commissioner McClelland asked if anyone agrees that this is a “grandfather” situation because at the time of construction parking requirements were different from today. Commissioner Byron agreed parking requirements were different in 1962 but from the conversation this evening he believes the property owners have a handle on parking. Commissioner Workinger commented he finds this proposal very acceptable and would invite other property owners to consider this as an example of an opportunity to provide affordable housing.

Chairman Johnson called the vote; all voted aye, motion carried.

Commissioner Skallerud asked Mr. Pagh if the 10-year stipulation is agreeable. Mr. Pagh responded he has no problem with that stipulation.

III. OTHER BUSINESS:

Chairman Johnson asked Commissioner McClelland to inform the Commission of the date for the meeting of cities in Richfield that she has been attending.

Commissioner McClelland said the next meeting of Cities is on March 6, 2003, 4:30 p.m. at Richfield City Hall.

Chairman Johnson suggested that if at all possible a member of the Commission and city planning staff should try to attend the meeting.

Mr. Larsen said he would check his calendar and consider if this is a membership opportunity. Mr. Larsen explained the City and staff are members of a number of groups. He explained he serves on the 494 Commission and a number of other groups stipulated by the City Manager and Council. He pointed out there are very few cities in our position.

IV. ADJOURNMENT:

The meeting was adjourned at 9:00 pm.

Jackie Hoogenakker