

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
March 5, 2012**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on March 5, 2012.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Quigley, Wickstrom and Withhart.

Councilmember Huffman was absent.

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to approve the March 5, 2012 agenda as submitted.

VOTE: Ayes - 4 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

There were none.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Mayor Martin:

The Shoreview Human Rights Commission will jointly hold a community dialogue with the Roseville Human Rights Commission on Elder Abuse. The dates are March 19 and April 23, from 3:00 to 5:00 p.m. More detailed information is on the City website. Please make reservations to attend, as attendance is expected to be high.

The annual German Dinner sponsored by the Sister City Organization will be held at the Gasthaus Bavarian Inn in Stillwater on April 14, 2012. Councilmember Quigley noted that the keynote speaker is the German Consul located in Minneapolis who will speak on the European economic situation.

The Mounds View Superintendent of Schools has requested to attend a Council workshop and update the Council on the school district. It was the consensus of the Council to invite him to attend an upcoming workshop.

Councilmember Wickstrom:

The Environmental Quality Committee speaker series will continue this month on March 21, 2012, at 7:00 p.m. Dr. Larry Baker from the University of Minnesota will speak on "The Twin Cities Ecosystem Project." The program is in the Council Chambers.

Beyond the Yellow Ribbon for Suburban Ramsey County is close to being recognized as an official Yellow Ribbon organization. Recognition will be given at a Saints game in May.

Councilmember Withhart:

The Elder Abuse program will consist of two presentations: "How Not to Get Swindled" and "How to Shut the Door on Scammers". He commended the Human Rights Commission for their work on issues across all age spectrums.

He noted that Public Works Director Mark Maloney is on a Mn/DOT committee to work on a pass lane on I-35W. If that happens, he requested that a lane be added for that convenience and not subtract a lane from regular traffic.

An update report from the Ramsey County Sheriff's Department on criminal behavior shows that there were only a handful of reports in Shoreview compared to neighboring cities. A cat caught in an animal trap in Shoreview is a wonderful contrast to what is reported in other cities.

CONSENT AGENDA

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to approve the Consent Agenda for March 5, 2012, and all relevant resolutions for all item Nos. 1 through 6:

Discussion:

Councilmember Wickstrom corrected the listing of her phone number on page 3 of the February 21, 2012 City Council Meeting Minutes. It should read 780-5245.

1. February 13, 2012 City Council Workshop Meeting Minutes
2. February 21, 2012 City Council Meeting Minutes, as corrected
3. Receipt of Committee/Commission Minutes
- Planning Commission, January 24, 2012
4. Verified Claims in the Amount of \$575,246.69
5. Purchases
6. License Applications

VOTE: Ayes - 4 Nays - 0

PUBLIC HEARINGS

There were none.

GENERAL BUSINESS

PLANNED UNIT DEVELOPMENT CONCEPT STAGE - LAKEVIEW TERRACE/TYCON COMPANIES, MIDLAND PLAZA, 3588 OWASSO STREET

Presentation by City Planner Kathleen Nordine

A Planned Unit Development Concept Stage application has been submitted by Tycon Companies for redevelopment of Midland Plaza. The project proposes a high density apartment complex of 120 units. The project includes a public road improvement with the realignment of Owasso Street with the west leg of County Road E. Public utilities will be relocated, the sidewalk will be replaced, and a new trail will be built. The final design has not been completed, which may impact the layout of the plan.

The main building would consist of 120 apartment units (1-3 bedrooms); a surface parking lot and underground parking garage. The applicant is seeking flexibility from building height, setback regulations and parking design standards. The exterior is brick with a mansard seam roof. Staff finds that the proposal satisfies criteria for a PUD relating to architectural and site design, sustainability and redevelopment. It also complies with the Development Code, land use and housing policies.

The Planning Commission held a review on this project and does support the overall project. The Commission was particularly impressed with the high quality of the building and the developer's willingness to use a sustainable design. Commissioners' concerns were expressed about the height of the building and the need for six stories. There is also concern about the impact of the building with its proximity to Victoria Street and whether parking is adequate. Commissioners suggested the setback from Victoria be increased by shifting the building further east. There are 237 parking stalls proposed, which is 1.97 stalls per unit. Overflow parking could be at Midland Terrace, if needed. Other comments were in regard to the traffic generated by adjoining land uses--two schools--as well as the possibility of integrating a commercial element on the first floor of the building.

The R-3 Multi-Family Residential District allows a maximum height of 35 feet and 80 feet is proposed. Additional height can be considered if it does not exceed firefighting capabilities. The Lake Johanna Fire Department has indicated there are no concerns with this proposal. The Code requires that for every foot of additional height, an additional foot of setback would be provided. Staff believes the visual impact from the adjoining single-family neighborhood to the south is mitigated somewhat by the structure design and 580-foot distance to the nearest single family property across the lake. Staff does not believe that a reduction in height would have a significant effect because of the distance between the two land uses. Traffic is expected to be slightly higher than Midland Terrace, but the distribution pattern will be different. The apartment complex will be a destination point for residents only as opposed to Midland Plaza being a destination point for the neighborhood. The new intersection design takes school traffic into consideration.

The Owasso Street realignment includes storm water improvements to the wetland pond area. The developer is exploring storm water improvements throughout the Midland Terrace complex.

Notices were sent to property owners within 350 feet of the project. There is support for the road realignment. Opposition focuses on the density, height, visual impact, neighborhood compatibility, wetland water quality and traffic.

Mr. Noah Bly, Urban Works Architecture, 901 N. 3rd Street, Minneapolis, introduced Max Segler and Alan Menning, Midland Companies; and Dan Tilson who is the civil engineer on the project. The road turned out to be a little wider, which means the building will need to shift somewhat from the concept plan shown. The building has 120 units. The size of the units is unique. The one-bedroom is 950 square feet. It is upscale units not found elsewhere in Shoreview. The developer is making a significant investment with a high quality building. There is a concrete deck buffer between the parking area and building to make the ground-floor units more desirable. Rain gardens and infiltration will be on the east and west ends of the building. The LEED process will be used for sustainability features, such as possible geothermal heat and storm water improvements to improve the water quality of the pond.

The timeline for development approvals is based on the road reconstruction plans. The developer plans to return to the Council this spring for the Development Stage Review.

Councilmember Withhart stated that he believes the building setback from Victoria is difficult with a building this size. **Mr. Bly** stated that there is not much room to shift the building to the east, but it can be moved slightly.

Councilmember Wickstrom asked for further clarification about the concrete deck with grass growing on top. **Mr. Bly** stated that it is essentially a green roof. The soil depth will be approximately 18 inches with the concrete underneath. Underground parking will be under the concrete deck.

Councilmember Withhart expressed some concern that grass will not grow on that north side of the building. Native plants may need to be used.

Planning Commissioner Brian McCool stated that there is a lot of excitement about the quality of this project and a new housing option in the City. The main focus of question for the Planning Commission was the height of the proposed building.

Mayor Martin stated that the original apartments were built in the early 1970s, which have been well maintained, but the Council is pleased to see this upgrade to make sure the units do not deteriorate. The strip mall is no longer viable. There are traffic issues on County Road E that will be improved with the road realignment. The developer is eager to reinvest in the complex. This type of housing is needed in today's market.

Mayor Martin opened the discussion to public comment.

Mr. Gene Purcell stated that he and his wife live at 675 Harriet Avenue. He spoke at the Planning Commission meeting. After that meeting, he reviewed comments from neighbors and found that in most instances other comments correlated with his own. The biggest complaint is the height. The information submitted by the Hoff family, who live on Victoria and will be the most impacted, covers the issue well. He can understand the gains for the City, but a lot of development is being given up for those gains. Almost every building code is being violated. It is a question as to whether the building fits the land mass, or the land mass is being changed to fit the building. Another issue is the future. Once this building is completed, the developer will begin to redevelop existing units. Neighbors are concerned that additional buildings of this size will be proposed. The height nonconformity to building codes are the main problems. He asked if the Housing Action Plan takes precedence over Building Code regulations, and if so, will there be other such instances where the Building Code is set aside? The long-term vision for the complex is not described, and neighbors are worried that it means more six-story buildings.

Mr. Greg Berl, 625 Harriet Avenue, thanked City Planner Nordine for her excellent responses to communication. His concern, too, is the height of the building. He asked if it is shorter than the water tower and taller than the new billboard on I-694. It is hard to envision how tall it is in that small area. It is a beautiful building, but it is too much in too small a space. Increased traffic in an area where traffic is already a problem is also a concern.

Mayor Martin explained that Building Codes must be met, but development regulations are handled differently with a Planned Unit Development (PUD) zoning request. Ms. Nordine added that the PUD process has flexibility from the development regulation process. In exchange, the City looks at what benefits will be received from the development. The benefits gained from this project are architectural and site design, sustainability, and expanding housing choice and life-cycle housing in the community. If the Council determines that this development will benefit the community, then flexibility

can be granted through the PUD process. The Development Code regulates how land can be developed. The Housing Action Plan is an implementation plan which guides meeting housing goals, policies and participation in the Metropolitan Council Livable Communities Program. This project is one that enables the City to meet those goals.

Mayor Martin further stated that especially with infill and redevelopment, the PUD process is used because there are extenuating circumstances when development has already occurred. The issue is to look at what requirements can be made flexible for a greater good. As for future redevelopment, the City would look very differently on a similar sized building to be redeveloped adjacent to single-family homes. Part of the reason this building is proposed in the current location is its distance from the residential neighborhood.

Mr. Bly stated that the developer's focus is on this project at this time. There is interest in improvements to the entire site, but there are no overall plans for review.

Councilmember Withhart stated that the strip mall and intersection were not viable. The City's Economic Development Authority has been working on this project for a number of years to bring improvement to this area rather than see it become blighted. He understands the concerns about height, but he believes the 580-foot distance between the building and neighbors will make a difference. This project will retain housing values and keep Shoreview fresh and new. The pond is actually Lake Shoreview, and the project includes improvements to water quality. There is an economic stake in making that happen.

To put the height in perspective, City Manager Schwerm stated that the water tower is double the height of the proposed building. The new billboard is 75 feet in height. Also the cell tower in Sitzer Park is 75 feet tall.

Councilmember Wickstrom stated that she would like to see quality trees, not necessarily the fastest growing trees, which will provide additional buffer. She understands the reasons for the height of the building, and the trees will soften the view. She would not support this size building on the south side of the site. She asked for more details about storm water runoff improvements.

Mayor Martin responded that there will be an inlet at the intersection of County Road E, which will be a great improvement, as runoff now flows directly into the lake. It is not known at this time what additional measures will be included. City Manager Schwerm stated that improving water quality is a concern of the developer. He expects to see more detail on water quality as the proposal moves forward. He added that another issue that was raised was traffic. The majority of traffic from this apartment complex will use County Road E/Owasso Street/Victoria intersection. With the road improvements planned, he believes traffic and pedestrian safety will be better.

Councilmember Wickstrom noted that one concern raised in a written statement is the high vacancy rate of apartments. Staff has checked this information and found that occupancy in the area are in the 90% range.

Mayor Martin stated that although the building is large, it will break up the unattractive view of the empty strip mall and water tower. She is not sure much is gained by lowering the building one level because some architectural amenities would be lost, and there is not much difference in the view from 580 feet away. She asked the developer to describe the benefits being received for the height required.

Mr. Bly stated that with the proposed scale of the building, the developer has more opportunity to provide attractive features and amenities. With this height, the full height of the building will be brick. A wood building would be limited to three stories because the brick can only be 35 feet. A smaller wood frame building might appear to be the same height as what is proposed because the space in between the doors would be as much as two feet. The concrete building has 8 inches between units. Largely, it is the tradeoff in quality and durability. The setbacks are to create buffers, but this site is unique in that it is adjacent to a road, a railroad, a lake, and a water tower. The location is suitable for this building. Sometimes the impact of what is seen is greater than building height. What will be seen is a quality, attractive building.

In regard to setbacks, Mayor Martin asked if there would be any consideration given to replacing the building to the east and have two buildings that would comply with the setback requirement, or move the proposed building further to the east to increase the proposed setback. **Mr. Bly** stated that replacing a second building would make the project much bigger and more complicated. The building to the east is occupied. Some changes will be possible.

It was the consensus of the Council that it would be preferable to increase the setback from Victoria, even if it means moving the proposed new building closer to the building to the east.

Mayor Martin expressed the Council's appreciation for the discussion and input.

APPOINTMENT TO PARKS AND RECREATION COMMISSION AND PUBLIC SAFETY COMMITTEE

City Manager Schwerm stated that there is one vacancy on the Parks and Recreation Commission. One application was received and reviewed, and it is recommended that Desaree Crane be appointed.

City Manager Schwerm reported receipt of three applications for the two vacancies on the Public Safety Committee. All are well qualified. It was recommended that Mary Ann Johnson and Gil Schroefer be appointed.

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to appoint Desaree Crane to the Park and Recreation Commission for a term ending January 31, 2013.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Martin
Nays: None

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to appoint Mary Ann Johnson to the Public Safety Committee, for a term ending January 31, 2014, and to appoint Gil Schroepfer to the Public Safety Committee for a term ending January 31, 2015.

ROLL CALL: Ayes: Wickstrom, Withhart, Quigley, Martin
Nays: None

APPOINTMENTS TO GRASS LAKE WATER MANAGEMENT ORGANIZATION

City Manager Schwerm reported that GLWMO has been in place since 1983. The Council recently took action for GLWMO to be dissolved. However, there is still some business that GLWMO needs to attend to. With only three current members, it is difficult to reach a quorum. Staff is recommending that two Councilmembers be appointed so that GLWMO can move forward with business that needs to be done before GLWMO can dissolve. A meeting is scheduled for March 22, 2012.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to appoint Councilmembers Huffman and Withhart to the Grass Lake Water Management Organization Board for terms expiring with the dissolution of the organization consistent with Shoreview City Council Resolution No.12-11.

Discussion:

Councilmember Withhart stated that he would recuse himself from voting. Further, this is a rare opportunity to dissolve a unit of government.

VOTE: Ayes - 3 Nays - 0 Abstain - 1 (Withhart)

ADJOURNMENT

MOTION: by Councilmember Withhart, seconded by Councilmember Quigley to adjourn the meeting at 8:30 p.m.

VOTE: Ayes - 4 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 19th DAY OF MARCH 2012.

Terry C. Schwerm
City Manager