CITY OF APPLE VALLEY
PLANNING COMMISSION MINUTES
FEBRUARY 21, 2018

1. CALL TO ORDER

The City of Apple Valley Planning Commission meeting was called to order by Chair Melander at 7:00 p.m.

Members Present: Tom Melander, Ken Alwin, Paul Scanlan and David Schindler.

Members Absent: Tim Burke, Keith Diekmann and Jodi Kurtz.

Staff Present: City Attorney Sharon Hills, City Engineer Brandon Anderson, Community Development Director Bruce Nordquist, City Planner Tom Lovelace, Planner Kathy Bodmer and Department Assistant Joan Murphy.

2. APPROVAL OF AGENDA

Chair Melander asked if there were any changes to the agenda.

MOTION: Commissioner Alwin moved, seconded by Commissioner Scanlan, approving moving item 5A – Quarry Ponds Fifth and Sixth Additions rezoning and subdivision to the consent agenda. Ayes - 4 - Nays - 0.

MOTION: Commissioner Scanlan moved, seconded by Commissioner Schindler, approving the agenda as amended. Ayes - 4 - Nays - 0.

3. CONSENT ITEMS

MOTION: Commissioner Scanlan moved, seconded by Commissioner Schindler, approving the minutes of the meeting of February 7, 2018. Ayes - 4 - Nays - 0.

MOTION: Commissioner Scanlan moved, seconded by Commissioner Schindler, recommending approval of a variance reducing the house-side setback from 10' to 5' (5' variance) for 466 sq. ft. workshop addition and a variance reducing the front yard setback from 30' to 20' (10' variance) for existing home placement for Christian Workshop Addition at 13415 Gunflint Ct. with conditions. Ayes - 4 - Nays - 0.

MOTION: Commissioner Scanlan moved, seconded by Commissioner Schindler, recommending approval of Quarry Ponds Fifth and Sixth Additions rezoning from "SG" (Sand and Gravel) to "PD-975/zone 1" Planned Development and subdivision of 15.22 acres into 42 single-family residential lots in. Ayes - 4 - Nays - 0.

4. PUBLIC HEARINGS

A. Springs at Cobblestone Lake – PC18-01-PZB

Chair Melander opened the public hearing at 7:02 p.m.

City Planner Tom Lovelace stated Continental 432 Fund, LLC is requesting approval of the following:

1. Rezoning of Outlot M, Cobblestone Lake Commercial 3rd Addition from Planned Development No. 703/zone 8 to Planned Development No.703/zone 6.
2. Rezoning of Outlot L, Cobblestone Lake Commercial 3rd Addition from Planned Development No. 703/zone 7 to Planned Development No.703/zone 6.
3. Amendments to Planned Development No. 703 to allow apartments as a permitted use in zone 6 and establish area requirements and design standards in zone 6.
4. Preliminary plat that will combine Outlots L and M, Cobblestone Lake Commercial 3rd Addition into one lot.
5. Site plan/building permit authorization to allow for thirteen apartment buildings, one clubhouse, and eleven detached garage buildings.

The site is one of the last parcels to be developed in Cobblestone Lake, a 320-acre mixed-use development. The site is adjacent to the 193-unit Orchard Path continuum of care facility, Cobblestone Manor (a 60-unit Dakota County Community Development Agency senior apartment building), Cobblestone Lake Medical Center, and a leg of the North Creek Greenway to the north; single family residential to the east, the Spirit of Brandtjen Farms mixed-use development to the south, and an Apple Valley water reservoir to the west.

The applicant is proposing to construct 13 two-story apartment buildings, 11 detached garage buildings, and a 4,400-sq. ft. clubhouse facility. Ten buildings will have 16 units per building and the remaining three will have 12 units per building.

The site is currently platted as two outlots, (Outlots L and M, Cobblestone Lake Commercial 3rd Addition). They are currently guided "HD" (High Density Residentia1/6-12 units per acre). The proposed project is generally consistent with the Comprehensive Plan designation.

The proposed multi-family development will provide 196 market-rate apartments. This development proposal will address the City's Livable Communities Act (LCA) principles of adding a housing product that helps provide a balanced supply and variety of housing types for people of all income levels and lifecycle stages.

It was initially thought to incorporate the subject property into zone 6, which currently allows for a variety of commercial/office/retail uses, as well as senior apartments and continuum of care facilities. Staff believes that creating a new zone that would list apartments as a permitted use would be better. Staff is recommending that the property be rezoned to zone 5, and permitted, conditional and accessory uses be established, as well as area requirements and special performance standards consistent with high-density residential development.

In an effort to meet the minimum parking requirement, the applicant has identified 34 on-street parking spaces along Cobblestone Lake Parkway and Elmhurst Lane into their parking equation. Parking on a public street cannot be used to meet the minimum parking requirements.

Access to the development will be via one driveway located along the west side of Elmhurst Lane, and a second along Cobblestone Lake Parkway. The site will be completely fenced and the access drives will be secured. Residents will only have access to the Elmhurst Lane gate, with the other driveway accessible by emergency personnel only. He said staff has concern with development having only one access to and from the site for the general public and residents. The proposed development will generate approximately 1,300 vehicle trips per day. A traffic study showing trip distribution to and from the site and potential impacts to the surrounding intersections may be required.

He reviewed the building setbacks, the fencing around the perimeter of the site and the retaining wall, grading and landscaping plans, pedestrian access and building exterior materials. He said the applicant is proposing to add signage to the existing monument sign located at the corner of 160th Street West and Pilot Knob Road. The signage will spell out Apple Valley and will act as a gateway feature into the city.

Chair Melander asked how short they are on parking spaces.

Mr. Lovelace replied about 50 spaces.

Commissioner Scanlan asked if there could be a lighting plan presented in addition to the plan of access for emergency vehicles. He expressed concern for the basins right along Cobblestone Lake Pkwy and asked how those were going to be blended in with the landscape and the existing area that is already established. He wondered if underground would be a better solution.

Mr. Lovelace said they could take a look at that.

Commissioner Scanlan continued that there could be a maintenance component to retain that look and feel. He had concerns for the building lines and construction and that the continuous ridgelines have no breaks and thought it could fit into the neighborhood better if there were breaks.

Commissioner Alwin said he would like to see how the retaining wall fits into that southwest corner of the site.

Chair Melander commented there are a large number of issues with this development.

Gwyn Wheeler, Continental Properties, provided an overview of the proposed development. She agreed that this is a tight site and they will try to maintain as much green space on the site as possible. To address the parking concerns, they plan to ask for a reduction from the City code for parking ratio.

Vernon Swing, President and CEO of Swing Traffic Solutions (STS) from Plymouth, Minnesota, provided statistics on parking ratios and the demand on parking per units over the years. He added that there are other modes of transportation such as Uber, Lyft and bus service that some people depend on.

Commissioner Alwin asked if there would be a pedestrian gate on the north as an access point for other modes of transportation.

Ms. Wheeler answered that there would be pedestrian gates provided for access.

Commissioner Scanlan commented that there are a large number of people leaving Apple Valley to drive to work every day. He said he still sees the need for a 2 car family and had concern for reducing the parking ratio.

Ms. Wheeler answered there is 2.09 cars per unit and that can be accommodated on site. That includes the club house parking.

Chair Melander commented that it has been his experience that when the parking is tight it is a challenge.

Commissioner Scanlan said there is a space concern and there can be additional challenges during the winter months.

Ms. Wheeler continued they would be proposing green chain link fencing, a greenway and elevations with masonry. Signage is important for visibility and they would be asking for signage on Pilot Knob Road. They have been working with staff. She referenced the gateway feature or public art feature and said they are open to suggestions. She said there would be screening along the greenway.

Commissioner Alwin asked if they could provide renderings with the landscaping along the greenway.

Commissioner Scanlan asked what kind of sustainability this project offers.

Ms. Wheeler answered that they are trying to keep impervious surface to a minimum to be able to accommodate storm water management. They use high quality and sustainable materials on their buildings in order to have low maintenance and a long life. They use energy efficient appliances in their units. They are using all granite countertops that should have a longer life replacement. They use durable finishes on the interior that hold up and that can reduce their repair costs.

Commissioner Scanlan commented that as far as the signage goes the City has been pretty consistent that there be a single sign and it should be adhered to. He said the chain link is not a permitted material on residential side.

Commissioner Schindler said he prefers all one type of fencing on the north side which is the greenway. He would like to see the nice fencing along the greenway but would be comfortable with chain link on the west and south sides.

Commissioner Scanlan asked if they had a color palette that they are looking at for the community.

Ms. Wheeler answered that they would be using stronger earth tone color such as browns, grays and oranges. They did hear from the neighbors that they wanted a little bit more vibrant colors with the mixes of the reds, yellows and blues. She added that they are trying to be sensitive to that. They would do stone contrary to the brick that was added to the previous project. They feel stone works better in the Cobblestone area.

Commissioner Scanlan commented that should be a question for Tradition and that he had always understood that the greys and the beiges were not preferred and the whole direction in Cobblestone has always been the vibrant color palette.

Ms. Wheeler stated that Traditional has approved the elevations at this point.

Commissioner Scanlan said he still has a question on that.

Chair Melander was troubled with the variance and that this is the first thing you see coming into Apple Valley. He commented Cobblestone is an upscale development and this has to be a statement in keeping with the rest of Cobblestone.

Chair Melander closed the public hearing at 8:14 p.m.

5. LAND USE/ACTION ITEMS

- NONE -

6. OTHER BUSINESS

A. Ryan Real Estate Redevelopment Sketch Plan

Community Development Director Bruce Nordquist said no official action is required. The owner wishes to introduce the project and receive feedback from the Planning Commission prior to submitting a formal land use application. It is recommended that the Planning Commission not state specifically whether or not they would approve or deny the request, but rather, identify the specific zoning questions or issues they might have with the proposed project.

Launch Properties and Ryan Real Estate request consideration of two sketch plans for the redevelopment of the Ryan Real Estate building at 14750 Cedar Ave (Lot 1, Block 2 Apple Valley Commercial Addition). The proposed development would involve the demolition of the existing multiple-tenant office building and construction of the following:

Concept 1 - One 11,000 sf building. The proposed multiple tenant retail building would be comprised of a 4,000 sf restaurant, 4,900 sf retail, and 2,100 sf shop coffee with drive-thru lane. The building is proposed to be situated in a north-south alignment parallel with Cedar Ave. The existing driveway at 147th Street W. would be closed and a right-in access and full access would be available on the east side of the site from Glazier Ave. The parking appears to comply with the Zone Code requirements, but would need to be verified at the time of building permit once the number of seats is known. Amendments to PD-290 include allowing a Class III restaurant, allowing a drive-thru lane in connection with a Class III restaurant as a CUP, allowing reduced parking setbacks and allowing retail uses.

The front of the building is proposed to face east which means the back of the building will be visible from Cedar Avenue. The architecture of the building will be of concern to ensure 4-sided architecture is provided and to ensure that the Cedar Ave elevation does not appear to be a "back-of-building." The drive-thru lane extends from the north end of the building along the west side of the building between the building and Cedar Avenue. While the lane provides adequate stacking space for queuing vehicles, it appears to be a single lane with no escape or pass-by lane. It also appears that all deliveries would have to be done from the front of the building.

Concept 2 - Two buildings totaling 9,000 sf. A 4,800 sf free-standing restaurant and 4,200 sf free-standing restaurant are proposed. Both restaurants would be served by a drive-thru lane. The direct drive access at 147th Street would be closed and a right-in only access and full-access would be available on the east side of the site from Glazier Ave. Amendments to PD-290 include allowing drive-thru in connection with a Class I or Class III restaurant facility as CUP and allowing reduced parking setbacks.

The proposed site plan shows the buildings set back on the site with parking and the drive-thru lanes between the buildings and Cedar Ave. The City has been encouraging developers to place the buildings as close to Cedar Ave as possible to ensure easy pedestrian access.

The two-building layout allows for more flexibility in building orientation and placement. Subdivision of the property would be needed for the two buildings.

He stated the site is part of Planned Development No. 290 (PD-290) which provides for an integrated mix of limited business and certain retail uses that support limited business. The property is zoned PD -290, Zone 1 which allows limited business uses including professional offices, banks, hospital and nursing homes. Class I restaurants, either Class I Traditional or Class I Casual, are permitted in the zoning district.

The petitioners state that they are interested in a restaurant concept that includes a Class I Casual type of restaurant that also has a drive-thru lane. “Fast casual" restaurants with freshly prepared food that also include drive-thru service is very popular right now. The difficulty will be distinguishing "fast casual" restaurants from the more typical "fast food" restaurants. The restaurant industry continues to evolve and current trends and definitions that distinguish full service, casual, fast-food and fast casual restaurant concepts will need to be reviewed and discussed in more detail.

Dan Regan, Launch Properties, introduced his team and provided addition information related to the 2 concepts. He said time is becoming very valuable and eating habits are changing today because people are busier. People are looking for something more convenient and a different offering than what is given at a class I restaurant.

Commissioner Alwin said conceptually the 2 building concept was more aesthetically pleasing because the 2 buildings reduces the scale.

Commissioner Scanlan agreed that the 2 building design is more appealing rather than a multi-tenant building that has a strip mall appeal to it. He added site has challenges that include traffic flow.

Commissioner Schindler commented he is comfortable with the types of uses no matter what goes in that corner. He also agreed that traffic flow is a concern. He said adding more traffic does not excite him. He said that it is hard to foresee what the demand will be for a drive-thru in 15 years. He sees the big box areas and there are so many extra parking spaces outside of the Christmas rush. He feels we have become over parked and in the areas where the activity is we are under parked.

Commissioner Alwin added he knows the Ryan building was there first. He said this is a tough corner and the area was built up around the Ryan building.

Chair Melander commented this is an undeveloped location and the site was a real wrestling match with the Portillo's proposal. He understands the increasing demand to get something from your car. He said there is a difference in traffic volumes with restaurants and does not think this is a good site for a McDonalds or Portillo's kind of traffic to make it work. He thanked Mr. Regan for coming in and said the City wants to work with him and added the City does not want to be obstructionists. He said we need to look at the whole picture and look at precedence.

B. 2040 Comprehensive Plan Update: Planning for an Equitable City, Review of Draft Surface Water and Parks Planning

Community Development Director Bruce Nordquist launched the discussion about planning for an equitable city.

Casey Silver, the Food Access & Equity Manager for The Open Door, provided a history of The Open Door. She presented opportunities to promote healthy eating and food equity within the comprehensive plan, using the Minnesota Food Charter and Food Access Planning Guide as resources.

Natural Resources Coordinator Jessica Schaum, introduced the Surface Water Management Plan, and presenters Greg Williams and Karen Chandler, Barr Engineering, gave an overview of the Plan.

Terry Minarik, Principal Landscape Architect, and Emily Neuenschwander, both from Confluence, introduced the Parks and Recreation Master Plan for the 2040 Comprehensive Plan for discussion.

C. Review of upcoming schedule and other updates.

Community Development Director Bruce Nordquist stated that the next regular Planning Commission meeting would take place Wednesday, March 7, 2018, at 7:00 p.m.

7. ADJOURNMENT

Hearing no further comments from the Planning Staff or Planning Commission, Chair Melander asked for a motion to adjourn.

MOTION: Commissioner Alwin moved, seconded by Commissioner Scanlan to adjourn the meeting at 10:05 p.m. Ayes - 4 - Nays - 0.

Respectfully Submitted,

/s/ Joan Murphy
Joan Murphy, Planning Department Assistant

Approved by the Apple Valley Planning Commission
on _____.

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Tom Melander, Chair