Minutes  
Minnetonka City Council  
Monday, July 27, 2015

1. Call to Order

Schneider called the meeting to order at 6:30 p.m.

2. Pledge of Allegiance

All joined in the Pledge of Allegiance.

3. Roll Call

Council Members Bob Ellingson, Dick Allendorf, Patty Acomb, Brad Wiersum, Tim Bergstedt, and Mayor Terry Schneider were present. Tony Wagner was excused.

4. Approval of Agenda

Wiersum moved, Acomb seconded a motion to accept the agenda with addenda to items 10A and 13G. All voted “yes.” Motion carried.

5. Approval of Minutes: None

6. Special Matters: None

7. Reports from City Manager & Council Members

City Manager Geralyn Barone reported on the schedule for upcoming events and council meetings.

Schneider reported he was granted a scholarship to attend a national housing conference in Minneapolis. He said it was a very informative two day program.

8. Citizens Wishing to Discuss Matters not on the Agenda

Tim Litfin from Minnetonka Community Education gave a presentation on the upcoming Tour De Tonka event.

9. Bids and Purchases: None

10. Consent Agenda – Items Requiring a Majority Vote:

A. Resolution approving a conditional use permit for Redstone American Grill at 12401 Wayzata Boulevard
Allendorf moved, Bergstedt seconded a motion to adopt Res. 2015-057. All voted "yes." Motion carried.

B. Items concerning 500 Milbert Road:
   1) Amendment for a maximum floor area ratio condition; and
   2) Conditional use permit for an accessory apartment

Wiersum asked for the item to be pulled from the consent agenda. He said as he looked at the issue, the McMansion policy comes into effect because of the variance. He understood staff’s perspective regarding the creep in the floor area ratio (FAR) in the area. Staff termed the application of the McMansion policy as somewhat problematic. As he looked at the issue he was not concerned about the size of the lots. There were a lot of lots of varying size in the area. He was concerned about the character of the neighborhood issue. The staff recommendation was to not apply the McMansion policy and to go beyond what the McMansion policy would allow. Rather than a .24 FAR, the applicant was seeking a .26 FAR. He said while there had been upward creep due to people adding to their houses, the question he had was what the FAR would be for comparably sized lots. He suspected the FAR had gone up because people on smaller lots had improved their homes adding to the square footage. The .26 FAR caused him some concern and sticking with the McMansion policy and in this case, a .24 FAR would have been a better recommendation if the character of the neighborhood was to be maintained.

Allendorf said he agreed with Wiersum. The neighborhood was eclectic but he didn’t see any houses that were as big as he thought this one might be. He noted at the last council meeting staff had stated some concerns about the council not sticking with size restrictions that had been reviewed and codified into policy. He agreed there was not a big difference between an FAR of .24 and .26. He said there was a big difference between having a policy and waiving the policy when an applicant comes in who doesn’t happen to meet the policy. He would support going with the .24 FAR rather than waiving the ratio.

Schneider said he agreed with the principle standpoint when a number is established, the council should try to abide by that as much as possible. He said he looked at the McMansion policy as giving the council a tool for something way out of line that stood out like a sore thumb. The idea of changing the character of the neighborhood was in the eye of the beholder. All neighborhoods evolve over time. He thought the McMansion policy was adopted to give the council regulatory tools when it thought a house did not fit in the neighborhood. He said in this case he could not say the house did not fit in the neighborhood other than fact that there was a
four car garage rather than a two or three car garage. The house was fairly standard sized and he didn't consider it a McMansion. He didn't think it was an unreasonable request and he didn't think the policy was established to set a hard line. Looking at the drawings he thought it was a very nice home that would probably improve the quality of the neighborhood.

Acomb said she looked at the policy as she looked at the city's liquor license policy. It didn't set a hard and fast rule but rather was a guideline that would give her a better understanding and give boundaries to evaluating a proposal. She didn't have a strong feeling one way or the other about this proposal but she would lean more toward following the policy.

Wiersum said good arguments were made both ways. He agreed with Allendorf that the guidelines were established in an effort to manage the evolution of neighborhoods. When the McMansion policy was established the average FAR in this area was .17. No one was arguing that over time the average FAR in a neighborhood was not going to creep up because very few houses get smaller. He did think the opportunity to keep character of neighborhood and to keep change manageable was important to maintain consistency. The challenge he had with making exceptions to a legitimate policy was it made it harder to take a firm stand on a rule that made sense and existed for a good reason. He said following the policy and going with a .24 FAR was a reasonable and legitimate solution that would not dramatically affect the house.

Bergstedt agreed there were good arguments on both sides but he looked at guidelines as guidelines. He said he was more aligned with Schneider's comments and when he looked at the neighborhood he saw the slow change taking place. He thought the house was well designed and would not stand out in the neighborhood. He said staff and the planning commission looked at the proposal seriously and he could support the recommendation.

Ellingson said the reason the applicant was building such a large house was they had several children and the grandparents were going to be living in the house as well. He didn't think the council should be telling people that they couldn't build a large house to accommodate their family but rather should be encouraging people to include their parents. He noted the lot was about 22,000 square feet and the proposal was short by about 32 square feet. He said when a large apartment building is looked at the city wasn't too concerned about setbacks but when it comes to homeowners he thought the city was real fussy and didn't need to be.
Dan Maki, 500 Milbert Road, said the reason the house wasn't fitting under the guidelines was most of the square footage that would have been in the basement was above the garage. He said some of his kids have allergies and other health issues and that was the reason he wanted more above ground square footage. The proposal was a quarter inch on the property line from complying.

Acomb said as she indicated earlier she was on the fence about how she was going to vote. She said when it was a quarter inch within complying with the guideline it felt a little strict to stick with the guideline.

Allendorf said the reason for his comments was there were guidelines and the council seemed to always go over them and he didn't think that was right. His comments had nothing to do with the size of the Maki's family or that the grandparents were living in the house. His comments were about the city having the policy.

Wiersum said as he read the staff report and he looked at the issue of the size of the lot, he wasn't concerned about the size of the lot because the neighborhood had a lot of different sized lots. He said he did overlook what the applicant pointed out about being 30 feet short, which triggered the variance. Without the variance the McMansion policy would not have come into play. He thought that point had merit.

Bergstedt moved, Acomb seconded a motion to adopt Res. 2015-058 reestablishing maximum floor area ratio of .26 on the property at 500 Milbert Road.

Wiersum asked for a separate vote on the two items.

Ellingson, Acomb, Bergstedt, and Schneider voted "yes." Allendorf and Wiersum voted "no." Motion carried.

Bergstedt moved, Acomb seconded a motion to adopt Res. 2015-059 approving a conditional use permit for an accessory apartment at 500 Wilbert Road. All voted "yes." Motion carried.

11. Consent Agenda – Items requiring Five Votes: None

12. Introduction of Ordinances: None

13. Public Hearings:

A. Resolution authorizing use of the Community Investment Fund to finance renovation of Ice Arena A
Barone gave the staff report.

Schneider closed the public hearing at 7:08 p.m.

Bergstedt moved, Wiersum seconded a motion to adopt the resolution authorizing the use of Community Investment Fund to finance renovation of Ice Arena A. All voted “yes.” Motion carried.

B. On-sale liquor license for Kona Sushi, Inc. (Kona Grill), 12401 Wayzata Boulevard

Barone gave the staff report.

Wiersum moved, Allendorf seconded a motion to continue the public hearing to August 17, 2015. All voted “yes.” Motion carried.

C. On-sale wine and on-sale 3.2 percent malt beverage liquor license for Yum! Kitchen and Bakery, two LLC, 6001 Shady Oak Road

Barone gave the staff report.

Patti Soskin, owner of Yum! Kitchen and Bakery, said after 10 years of business in St. Louis Park she was ready and excited to expand. The outpouring from the community had been fantastic.

Schneider said he was glad to see the building put back in use.

Bergstedt asked when the restaurant would open. Soskin said the hope is to open right after Labor Day.

Schneider closed the public hearing at 7:12 p.m.

Wiersum moved, Allendorf seconded a motion to grant the licenses. All voted “yes.” Motion carried.

D. Temporary on-sale liquor license for The Rotary Club of Minnetonka Foundation, 14350 County Road 62

Barone gave the staff report.

Chris Rosenlund, president of the Minnetonka Rotary Foundation, said this year’s event was called “Links and Libation.” The money raised would be used to fund the foundation with the proceeds used to support the mission of building responsible youth.
Schneider closed the public hearing at 7:14 p.m.

Acomb moved, Wiersum seconded a motion to grant the licenses. All voted “yes.” Motion carried.

E. On-sale liquor license for Three Amigos Minnetonka, LLC (Salsa A La Salsa)

Barone gave the staff report.

Wiersum asked the anticipated opening of the restaurant. Wischnack said she thought it would be open in around three months.

Schneider opened the public hearing at 7:17 p.m.

Dave Sincebaugh, Kaskaid Hospitality, said it would be a fun exciting atmosphere with great Mexican food.

Bergstedt moved, Acomb seconded a motion to continue the public hearing to August 31, 2015. All voted “yes.” Motion carried.

F. On-sale liquor license for Nordstrom, Inc. (Nordstrom Ruscello)

Barone gave the staff report.

Schneider opened the public hearing at 7:19 p.m. No one spoke.

Wiersum moved, Acomb seconded a motion to continue the public hearing to August 31, 2015. All voted “yes.” Motion carried.

G. Off-sale liquor license for Target Corporation, 4848 County Road 101

Item continued to August 17, 2015 at the request of the applicant.

14. Other Business:

A. Ordinance amending liquor license regulations

Barone gave the staff report.

Acomb moved, Allendorf seconded a motion to adopt Ordinance 2015-13. All voted “yes.” Motion carried.
B. Concept plan review for Williston Woods West at 5431 and 5439 Williston Road

Thomas provided the staff presentation.

Allendorf asked for more information about how the site plan would work topographically. Thomas said there was a significant drop along Williston Road going to the south. She said staff had not seen any topography or grading plans at this point. Allendorf said he wondered conceptually how the driveway would work because of the topography change.

Wiersum agreed with Allendorf’s comments about the topography. Generally he liked the plan given the Kraemer’s building would remain commercial, and the buffer would not be too dense. The most challenging issue would be the topography change and the design of the access road to the units. It may be better to have just one access point.

Bergstedt said that not only was there a steep decline on Williston Road, but also there was a severe slope on the site where the units were being proposed. If the Kraemer’s building was going to be redeveloped, he liked the detached villa idea. He thought that would function as a nice transition from commercial to mostly single family homes up and down Williston. As he walked the site he was amazed the developer thought they could get six homes on the property. He wasn’t sure six was the right number. With any private drive the city was always concerned about off street parking, snow storage, etc. He said as far as being developed under a planned unit development, the city would have to look at what the public benefit was. One argument being made as a public benefit was tree preservation and preserving the berm in the back. He viewed it more that if the berm wasn’t there the view would be of the back of the post office parking lot. No matter what, the berm was going to stay or even be enhanced. He didn’t necessarily see this as a public benefit but more a benefit to the developer and homeowners. He acknowledged because of the size of the lots, it would likely need to be a planned unit development.

Acomb asked since this was a private drive, if it could be developed as an R1-A property. Thomas said the planning commission asked the same question. The lots, as proposed, are under 15,000 square feet and therefore would be under the R1-A minimum. Acomb asked if it could be developed as an R1-A if there were fewer lots. Thomas said staff would have to look at the surrounding neighborhood but potentially R1-A could be considered if there were fewer lots. Acomb said even though it was acting as a transition from commercial to residential she would be more in favor of it being R1-A zoning rather than a planned unit development. She said there were at least one too many villas on the property given the
small setbacks. She was concerned about parking with some of the homes looking like they might not have enough room for two cars. She would prefer to see fewer units.

Wiersum said the detached townhome concept was one Lake West brought before the council on Minnetonka Boulevard and it was approved. Subsequently the plan did not move forward, but another plan came forward with the number of detached townhomes reduced by one. This development was under construction. He said a comparison between what was approved for that development and this plan was relevant to give a sense of scale.

Ellingson said Allendorf raised a good point about the grade changes. He thought this layout was very impractical given the grade changes. He agreed with Acomb that there were too many units.

Schneider said given the fairly heavy commercial and multi-family housing adjacent to the south and the east he thought the density and type of homes would be a great transition if it were on a relatively flat site. The challenge how to accommodate the number of units and type of design and make the transition. He didn’t think there were too many units but it would be difficult to get that many units on a site with that much grade change.

Wiersum said this plan was reminiscent of the Sanctuary, a development that was ultimately built. He has heard from constituents that parking has been and remains a big problem. The city had to be mindful that parking and access were big issues particularly in transition areas.

Allendorf said he wasn’t sure there were too many units but it depended on the size of the units and the topography. If the units were more modest and the topography taken into account, it might work. He agreed with Wiersum’s comments about parking at the Sanctuary. He thought the concept would be a great transition.

Reid Schulz, Landform Professional Services, 105 S 5th Avenue, Minneapolis, said a lot of things had developed during the time with what was happening with Kraemer’s and this site. He said some of the council’s feedback was the same as the comments from the neighborhood meeting. The topography has been looked at to determine the layout. Generally the site was going off on three different drainage directions. Lots one and two provide a nice walkout layout and the drainage heads northeast. Walking around to lots three and four is where the high point of the topography is on the site. Units four, five, and six drain off to the southwest. He said the road was placed based on the topography of the site. Williston Road going
to the north goes up hill. The northern entrance actually sits at the high point on the site. The exit point is where the current driveway is located. The access points are mimicking the two driveway points on the site. The neighbors had concerns about traffic and congestion and that was why there were two access points to give people a variety of ways to enter and exit on to the site. The idea for a planned unit development was based on preservation of trees and natural resources. A recent tree study showed a lot of the trees on the southeast part of the lot were high priority or large significant trees as well as some of the trees along Williston Road. The plan tries to preserve as many of those trees as possible.

Schulz said other uses have been looked at including three twin homes. This would require another access point on to Williston and potentially other tree impacts. R1 and R1-A zoning also were looked at. What drove them to this plan was a couple of potential builders indicating they liked the high quality villas that sell well and would be a great transition. A single builder could come in build all the units at all at once and minimize construction time. He said not only would the development be a transitional use from the residential to the north to the commercial to the south, it would also be a transitional type of use with the single family detached. Off street parking was a concern the neighbors, staff and the planning commission raised. The plan included six off street parking spots. Each unit would have at least a double garage with at least two spaces on the driveways.

Allendorf asked for information about the redevelopment of the Kraemer's building. Jon Fletcher, Lake West Development, 14525 Highway 7, said a conditional use permit application had been submitted the previous Friday for a licensed child care facility, Prestige Preschools, for the site. A complete renovation of the hardware store would be done. He said Lake West was excited about the potential for the Williston Woods West development. It would provide a great transition on a lot of levels including from a density standpoint as well as a lifestyle standpoint. The topography would bring some variety to the site. He said the same concerns the council had were the concerns of Lake West primarily from a market driven standpoint.

C. Sign plan amendment for Ridgedale Center

Thomas gave the staff report.

Acomb said she supported increasing the height to 42 inches and agreed with the staff that the second sign was not appropriate. She thought expectations were important so having the sign on the tenant space was important. It might look nicer in the drawings to have the signs be in a
different place but this was because the tenants wanted something different. Drawings could have been submitted showing the signs looking good within the tenant space as well.

Wiersum said when Macys requested a larger sign it was approved by the council in large part because it was aesthetically appropriate given the size of the building. He thought changing the size for Kona Grill and Redstone was very appropriate. He was hesitant to change the sign ordinance without an extremely strong reason to do so. He supported the staff recommendation requiring the sign to be on the tenant’s space for the reasons given. One of the reasons signs were allowed was for wayfinding. Being attached to the tenant’s space was appropriate. He said the bigger issue was to deviate from this, the unintended consequences elsewhere start to eviscerate the sign ordinance that was developed with considerable care.

Allendorf said the staff report included a provision stating, “The sign must be located within the tenant’s leased space, unless an alternative location is approved by the planning commission or city council, based on the unique characteristics of the tenant space or building design.” He said this was similar to the liquor license policy where there was a distinct policy unless the council did not think it needed the policy and wanted to do something else. The provision provided flexibility for individual signage outside of the policy if the council decided it was unique. Thomas said the provision was the planning commission’s recommendation. Allendorf said when he read the provision he thought it followed other policies that provide flexibility and tried not to limit the council’s decisions. He said this created a problem for the applicant and at times, the council. The provision did provide the council the flexibility that would allow them to consider that Kona Grill or Redstone had an alternative exterior to their space. This may make a lot of sense for wayfinding as well as advertising. He thought the provision was something he could support.

Schneider said he thought back to when Macys came forward with their new logo and sign. At that time it was quite a bit different from what had historically been done in the city in terms of height, size, and location. When Macys presented the images from an architectural perspective the council agreed it looked much better. He said he looked at this item similarly, more for Redstone than for Kona Grill. Looking at the renderings in the council packet he thought Redstone had gone above and beyond for a nice looking entry. To try to stick a sign within the design would be a disservice. It wasn’t just for wayfinding but it was for advertising and helping them stay in business. He agreed with the planning commission that the sign was not overwhelming anything but fit well. He said it was a
matter of how dictatorial the council wanted to be on location versus architectural design.

Acomb said she didn't disagree that there needed to be an increase in the size. That was a valid concern with the Macys sign. The Macys signage however was always going to be on the Macys tenant space. She thought this made the two applications different. She said there were examples shown at the planning commission hearing of signs at other malls that were located way up high and no longer attached to the tenant's space. They appeared pretty disjointed and she didn't want that to happen at Ridgedale, with businesses trying to get their signs higher and higher to get the best viewpoint.

Allendorf said he read the planning commission's recommended provision as allowing the council to look at the individual signs and if they got higher and higher, and the council didn't think fit in, they would not have to approve it. Thomas said the provision stated that if the sign was within the tenant's space, staff could administratively approve it. If someone chose to request something outside the tenant space, it would require council approval.

Wiersum said the planning commission's recommended provision would in reality operate things in the way things currently operate. Using Macys as an example, they applied for a sign. If it complied with the sign ordinance it would have been approved. They wanted a bigger sign and came before the council for approval.

Wiersum moved, Allendorf seconded a motion to adopt Resolution 2015-061 incorporating provisions "3a" "3b" and "3c" in the staff report. Ellingson, Allendorf, Wiersum, Bergstedt, and Schneider voted "yes." Acomb voted "no." Motion carried.

15. Appointments and Reappointments: None

16. Adjournment

Wiersum moved, Acomb seconded a motion to adjourn the meeting at 8:06 p.m. All voted "yes." Motion carried.

Respectfully submitted,

David E. Maeda
City Clerk