Minutes
Minnetonka City Council
Monday, August 22, 2016

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

4. Approval of Agenda

Bergstedt moved, Allendorf seconded a motion to accept the agenda as presented with amendments to resolutions listed in the addendum dated August 22, 2016. All voted “yes.” Motion carried.

5. Approval of Minutes: None

6. Special Matters: None

7. Reports from City Manager & Councilmembers

Barone reported on upcoming meetings.

8. Citizens Wishing to Discuss Matters not on the Agenda

Bill Webster, 3209 Larchmore Avenue, stated that he has to drive over a curb to access a tarred area. He has contracted someone to rip out and tar an area so it would look good. He was supposed to get 30 feet of curb, but there is only 27 feet of curb. He is asking for a way to access the parking spots that he has been using for 27 years in order for him to go to work in the morning without driving over the curb. He was also concerned that a 6-inch high curve would prevent runoff from dumping out and could cause the neighbor’s basement to flood.

Schneider noted that there is a maximum-driveway-width standard. Staff is following the city standards while providing some leeway. The standard applies to every property. Schneider visited the site. There are ways to get a truck out of the 30-foot driveway without going over a curve. Some of the storage areas are
located in the street right of way. Staff has done a good job accommodating the needs of the site while maintaining the standards as much as possible.

9. **Bids and Purchases: None**

10. **Consent Agenda – Items Requiring a Majority Vote:**

    A. **Resolutions pertaining to levying the 2016 special assessments.**

    Allendorf moved, Acomb seconded a motion to adopt resolution 2016-066 declaring costs for Project No. 4894 (1-year) nuisance abatement projects, ordering the preparation of special assessment rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

    Allendorf moved, Acomb seconded a motion to adopt resolution 2016-067 declaring costs for Project No. 4894 (3-year) nuisance abatement projects, ordering the preparation of special assessment rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

    Allendorf moved, Acomb seconded a motion to adopt resolution 2016-068 declaring costs for Project No. 4894 (5-year) nuisance abatement projects, ordering the preparation of special assessment rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

    Allendorf moved, Acomb seconded a motion to adopt resolution 2016-069 declaring costs for Project No. 4894 (10-year) nuisance abatement projects, ordering the preparation of special assessment rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

    Allendorf moved, Acomb seconded a motion to adopt resolution 2016-070 declaring costs for diseased tree removal - Project No. 4902 (1-year) nuisance abatement projects, ordering the preparation of special assessment rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

    Allendorf moved, Acomb seconded a motion to adopt resolution 2016-071 as amended of special assessment declaring costs for diseased tree removal - Project No. 4902 (3-year) nuisance abatement projects, ordering the preparation rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

    Allendorf moved, Acomb seconded a motion to adopt resolution 2016-072 as amended declaring costs for diseased tree removal - Project No. 4902 (5-year) nuisance abatement projects, ordering the preparation of special
assessment rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

Allendorf moved, Acomb seconded a motion to adopt resolution 2016-073 declaring costs for city court fines, Project No. 1020 (1-year), ordering the preparation of special assessment rolls, and scheduling a public hearing. All voted “yes.” Motion carried.

Allendorf moved, Acomb seconded a motion to adopt resolution 2016-074 declaring costs for the trip generation fee for the property at 10401 Bren Road East, ordering the preparation of special assessment rolls. All voted “yes.” Motion carried.

B. Resolution approving a conditional use permit, with building plans, for a licensed daycare facility at 6030 Clearwater Drive.

Allendorf moved, Acomb seconded a motion to adopt resolution 2016-075 approving a conditional use permit, with building plans, for a licensed daycare facility at 6030 Clearwater Drive. All voted “yes.” Motion carried.

C. Twelve-month extension of the Saville West final plat at 5290 and 5300 Spring Lane, 5325 County Road 101, 5301 and 5311 Tracy Lynn Terrace, and unassigned addresses.

Allendorf moved, Acomb seconded a motion to adopt resolution 2016-076 approving the 12-month time extension of the Saville West final plat at 5290 and 5300 Spring Lane, 5325 County Road 101, 5301 and 5311 Tracy Lynn Terrace, and unassigned addresses. All voted “yes.” Motion carried.

D. Twelve-month extension of the Oakhaven Acres 2nd Addition preliminary plat at 13929 Spring Lake Road.

Allendorf moved, Acomb seconded a motion to adopt resolution 2016-077 approving the 12-month time extension of the Oakhaven Acres 2nd Addition preliminary plat at 13929 Spring Lake Road. All voted “yes.” Motion carried.

E. Resolution requesting MnDOT variance for Ridgehaven Lane/Ridgedale Drive.

Allendorf moved, Acomb seconded a motion to adopt resolution 2016-078 approving the resolution requesting MnDOT variance for Ridgehaven Lane/Ridgedale Drive. All voted “yes.” Motion carried.
11. Consent Agenda – Items requiring Five Votes: None

12. Introduction of Ordinances: None

13. Public Hearings:

A. Resolution vacating public right-of-way, drainage, and utility easements at 11571 Robinwood Circle.

Manchester provided the staff report.

The public hearing was opened.

No one spoke.

The public hearing was closed.

Acomb moved, Wagner seconded a motion to adopt resolution 2016-079 vacating the right-of-way, drainage, and utility easements. All voted “yes.” Motion carried.

B. Items concerning Station Pizzeria LLC, 13008 Minnetonka Blvd:

1) Conditional use permit and site and building plan review.
2) On-sale wine and on-sale 3.2% malt beverage licenses.

City Planner Loren Gordon and Community Development Director Julie Wischnack provided the staff report.

In response to Wagner’s question, Gordon stated that the city has not received a petition yet to post “no parking” signs on Burwell Drive. The residents on that street decided to wait for a while and see what would happen before submitting a petition.

Schneider noted that the city could install a “no commercial parking” sign if parking became a problem.

Acomb asked when the Applewood project would be completed to free up the city parking lot. Wischnack estimated sometime this winter.

In response to Allendorf’s question, Gordon reviewed the parking options considered.
Ryan Burnet, applicant, stated that the plans have changed. He wants to be a good neighbor. The amount of outdoor seating has been drastically scaled back. Beer and wine would be the only alcohol sold. The number of indoor seats has been decreased from 80 to 71 seats. It would be a family-style-pizza restaurant.

The public hearing was opened.

Daniel Ogden, 11571 Robinwood Circle, stated that the restaurant would be awesome. It would be great.

Stacy Avery, 12824 Burwell Drive, stated that she has been representing the neighborhood. The residents are planning to submit a petition sometime in the future to request that Burwell Drive be signed “no parking” or “permit parking only.”

Claudia Gundlach, 12901 Burwell Drive, stated that:

- She was surprised to see the changes in the new plan.
- She was concerned with heavy traffic around 5 p.m.
- She questioned how traffic would flow to and from the restaurant.
- There should be no parking allowed on Bridge Street. Parking on Bridge Street would make it look like a parking lot.
- The creek is protected land.
- An increase in traffic would change the character of the neighborhood.

Tim Demars, 12925 Burwell Drive, stated that:

- He commended the applicant for making the changes.
- Traffic is always an issue, but everyone realizes that.
- The changes are progress and he is looking forward to having a pizza place close by.
- He is still concerned with light shining in his back yard.

Beverly Baker, 12900 Saint David’s Road, stated that the proposal should close before 1 a.m. since it would be located in a residential neighborhood and would be a family restaurant. The surrounding restaurants close at 9 p.m.

The public hearing was closed.

Wagner thought many reasonable concerns had been addressed. He recognized the need to consider more public parking options for the Mills
area. He directed staff to partner with the watershed district and consider what could be done to improve the stormwater treatment for the area and promote pervious surfaces. He supports the use and commends the applicant for the changes to the proposal in response to neighbors’ comments. It will be a great addition.

Allendorf asked how vehicles would enter and exit the site. Gordon explained that the traffic study found that Bennis Feed and Fuel averaged 340 trips a day. The proposal would produce an estimated 966 trips during summer and 362 trips in the winter. Traffic would travel counter clockwise through the site to get drivers back to the intersection at Bridge Street and Minnetonka Boulevard where there would be more control. The level of service on Bridge Street is currently a “D” in the afternoon due to construction going on in the west metro including Interstate 494, Shady Oak Road, and County Road 101. The level of service would stay the same as what it was like before the road construction projects began.

Allendorf confirmed with Gordon that the building permit would require a lighting plan and light would not be allowed to extend into a neighboring property. Wischnack added that staff would visit the site now to be able to compare the light when the project would be completed.

Acomb commended the applicant for listening to the neighbors and scaling back the project. It will be a welcome addition to the business district. She agreed with finding ways to increase the public parking for all of the businesses in the area. She supported improving the stormwater management practices. She thought the traffic on Bridge Street has improved since the changes were done to St. David’s parking lot access. She looked forward to the restaurant opening soon.

Bergstedt thanked the applicant for making the changes. He was comfortable with the proposed use since the beginning. The reduction in the amount of seating, increase of on-site parking, and change of the liquor license to serve only beer and wine would be more appropriate for the site. He thanked planning commissioners, neighbors, and other businesses in the area for reviewing the issues at a long meeting. He thanked staff for getting all of the parties together last week. The proposal would provide vitality to the Minnetonka Mills area.

Schneider thanked the applicant for taking a challenging project and making it easy to support. He supported future uses using the creek as an asset. The city should consider adding public parking spaces south of the creek. It would provide a long-term public benefit and provide vitality to the area.
Wagner suggested that staff look at what stormwater management practices may be implemented while developing long-term parking plans for the Mills area with Minnehaha Creek Watershed District personnel and estimate costs for the improvements to be included in the CIP.

Wagner moved, Acomb seconded a motion to adopt resolution 2016-080 approving a conditional use permit for a restaurant and outdoor eating area, with variances, at 13008 Minnetonka Boulevard and adopt resolution 2016-081 approving final site and building plans, with variances, for site and building changes at 13008 Minnetonka Boulevard. All voted “yes.” Motion carried.

Wagner moved, Acomb seconded a motion to grant the on-sale wine and on-sale 3.2% malt beverage liquor licenses for Minnetonka Pizza, LLC (Station Pizzeria), at 13008 Minnetonka Boulevard. All voted “yes.” Motion carried.

14. Other Business:

A. Items concerning construction of that portion of the Southwest Light Rail Transit line located in the City of Minnetonka:

1) Wetland rezoning;
2) Wetland and floodplain alteration permit;
3) Wetland replacement plan;
4) Wetland, wetland buffer, and floodplain variances;
5) Conditional use permit for impervious trails within wetland buffers; and
6) Approval of construction on a steep slope development and tree removal.

Gordon gave the staff report.

Schneider invited anyone present to comment. No one responded.

Wagner moved, Bergstedt seconded a motion to introduce the ordinance removing area from the wetland overlay zoning district; adopt resolution 2016-082 approving a wetland and floodplain alteration permit; adopt resolution 2016-083 approving a wetland replacement plan as regulated by the Wetland Conservation Act for the SWLRT line; adopt resolution 2016-084 approving wetland, wetland buffer, and floodplain variance; adopt resolution 2016-085 approving a conditional use permit for impervious trails within wetland buffers; and adopt resolution 2016-086
approving construction on a steep slope development and tree removal. All voted “yes.” Motion carried.

B. Ordinance regarding Temporary Family Healthcare Dwellings.

Gordon provided the staff report.

Cathy Matrejek, resident of 15300 Crown Drive and co-owner of Changing Lifestyle Solutions, stated that she supports tiny houses and favored Minnetonka not opting out of the state regulation. There is no option similar to this for 24-hour care in Minnetonka. The only option in Minnetonka is residential-care housing that costs $8,500 per month. A temporary dwelling unit would cost between $48,000 and $53,000 to purchase. It could be paid off in 6 months. She encouraged not opting out of the state regulation.

Barb DeMeuse, 1509 Archwood Road, provided that a homeowner in her neighborhood has units in her house where she cares for people who are recuperating from surgery. She charges for the length of time the person needs care.

Schneider noted that state law allows group homes of up to six residents.

Wischnack explained that ordinances provide for the community development director to exempt a resident with a temporary disability or circumstance from certain requirements and that the city has utilized that before. Accessory dwelling units are utilized from time to time inside single-family homes with a conditional use permit. The property owner is required to reside on the property in one of the units. If a need is identified, then the city council would review the issue again at that time.

Schneider stated that the city already has tools in place to come up with a solution for this type of situation. He agreed with monitoring cities who opted in to determine the pros and cons of the statute. He supported staff’s recommendation to opt out with the understanding that the city has a solution to this type of situation and that the city is agreeing to tuque that to make it a little more usable.

Allendorf moved, Acomb seconded a motion to adopt ordinance 2016-09 opting out of the state regulation. All voted “yes.” Motion carried.
C. Concept plan for Crest Ridge Senior Living at 10955 Wayzata Boulevard.

Gordon provided the staff report.

Marty McCarthy, of Opus Development Company at 10350 Bren Road West, representing the applicant, introduced himself and Matt Rauenhorst. McCarthy stated that the property was purchased 10 years ago. He introduced Susan Farr, vice president of business development at Ebenezer, who is part of the management team. McCarthy stated that:

- The proposed building would be four stories with 145 market-rate senior housing units made up of 75 independent-care units, 50 assisted-living units, and 20 memory-care units. The breakdown of the type of units was determined by a market study. Senior housing is important to the community.
- An application will be submitted in the next couple months. Construction would begin in the spring of 2017 and be completed in approximately 14 months.
- The community has been very supportive of the project. He thanked the residents for providing their support and comments.

Eric Reiners, the applicant's architect, stated that:

- The site is great for senior housing. There is a need in the area for senior housing and the proposal would fit well. There would be relatively little impact. Trees to the north and east would remain. Additional plantings would be added with landscaping.
- Gardens and patios would be provided for residents and connect to the public paths.
- The project would be a good transition from commercial to low density uses.
- The building design and site was carefully planned with a wide range of amenities for the residents. There would be shared areas, coffee shops, a theater, and a library.
- Ebenezer would be the operator and does an amazing job with providing services and activities for senior housing.
- The structure would be four stories. There would be independent senior living to secure memory care units.
- The building would extend 45 feet above grade.

In response to Wagner's question, Reiners stated that it would be possible to reconfigure the building in the future. Wagner noted that there would be bus service one block from the site. He encouraged adding a variety of
screening on the east boundary and reusing stormwater from the pond for irrigation. The proposal is complementary. The site has not been used for 10 years.

Allendorf asked if making the building’s appearance similar to Syngenta’s building had been considered. Reiners said that the design process has not gotten that far yet. He understood what Allendorf was saying. Reiners thought a middle ground between residential and office could be considered.

Acomb appreciated the attention to the outdoor space shown on the site plan with lots of opportunities to get outside and walk. There are amenities nearby to purchase groceries and ride the bus which makes it a great location for senior housing. She recommended including affordable units.

Ellingson recalled that there was a three-story limit on office buildings in the area. He did not want that to be a problem. Rauenhorst explained that an office floor is significantly higher than a residential floor. He noted that Syngenta is a four-story building with a walkout. The proposal would be four stories with a partially exposed underground garage. Since the floor height would be shorter, the proposed building would be very close to the building height of Syngenta. Wischnack clarified that there is no ordinance restriction. If councilmembers are comfortable with the proposal, then the master development plan would be amended.

Bergstedt supports the project. The site has sat empty for a long time. The proposal has green space, proximity to transit, and a respected developer and operator. It could work very well at this location. Issues like height would be worked out as the application progresses.

Schneider liked the site plan. It would eliminate a three-story parking structure. Supplemental landscaping would be appropriate, but the proposal is already an improvement. Corporate office buildings are not doing high-profile sites anymore. The proposed general use and aesthetics would be compatible, especially with the pond. The general footprint would be responsible. He would not like the building to match Syngenta’s building. He would like the proposal to look like a nice residence with a pitched roof. The proposal looks good. He suggested considering a roof-top garden. The location would be good for this type of use. He supports the applicant moving forward with a more-detailed plan.

Allendorf suggested a color palate to blend into the area for the exterior of the proposed building.
Farr explained that Ebenezer operates 64 properties in Minnesota. It is important to seniors to stay in Minnetonka. There is a huge need for senior housing that will last for at least 40 years.

Schneider invited those present to speak.

Bergit Carlson, 1412 Archwood Road, stated that she supports the proposal. It is more in scale with the residential neighborhood. She is quite pleased and hopes it will happen. She is excited that there will be gardens and walking paths. She suggested a decorative fence to identify the boundary and contain grandchildren. She requested that the garden and parking area lights be aimed downward.

Barb DeMeuse, 1509 Archwood Road, stated that she agreed with Carlson. She would rather see the site as a residential use than office building. There would be less traffic. There were individual houses on the site nine years ago. She requested trees be planted on the south side of the site similar to the trees planted on the south side of Syngenta. The Syngenta building has five stories exposed on the side.

Ken DeMeuse, 1509 Archwood Road, applauded Opus for doing a tremendous job on the Syngenta building. He supports the proposal. He had concerns with determining the height of the top of the building. He was concerned with noise being caused by a generator. He prefers a high-density residential use to an office building. Screening is important. He is confident that Opus would do that. He prefers high-end senior living. Senior living would be a good choice for the site.

Schneider suggested that the applicant provide a rendering of the proposed building and Syngenta building to allow a comparison of the heights. Rauenhurst provided an illustration of the buildings from a ground-level vantage point. The model will be updated and more views will be added as the project progresses.

Schneider suggested ignoring the guidelines for an office building from 10 years ago and consider an appropriate multi-family housing project for the site.

Wagner said that the use would be great for the site. There still may be a discussion on the height at the next review. Wischnack stated that she will provide the height that was previously discussed for an office building and examples of buildings similar in size to the proposal at the next review.
D. Appeal of planning commission denial of variances for a blade sign at 1700 Plymouth Road.

Gordon provided the staff report.

Paul Guidera, director of real estate for Caribou Coffee, introduced himself and Ann Hurlbert, a planner with Landform Professional Services. Hurlbert stated that:

- One reason for a variance is due to the location of the sign being outside of the lease space. The configuration of the site required two drive-thrus to be located on the west side.
- She provided examples of the same sign at a similar location in Edina.
- The sign would rotate very slowly and subtly.
- The proposed sign would allow Caribou Coffee and Einstein Bagels to advertise on the same sign.
- It would meet many of the dynamic-sign requirements, but the ordinance does not address this type of sign. It is more like a barber pole than dynamic sign.
- The planning commission did not provide findings for denial.
- The store would not be visible. It would be the only retail space in the office building.
- It would be compatible with other signs in Minnetonka in commercial areas including the Dunn Brother's location which has a blade sign.
- The location of the sign is important because it is the only representation of the coffee and bagel sign that would be visible to motorists.
- The proposed sign meets variance criteria. It is consistent with the comprehensive guide plan. The site has practical difficulties because of the visibility.
- She and Guidera were available for questions.

Guidera explained the history of the site and timeline. The old location will close this fall and the new location will not be open until this spring. The proposed sign is an important piece to identify the new location. The coffee and bagels concept is a single operation at a single location. The proposed sign is part of the key branding and 35th store. This sign would fit with the comprehensive guide plan and with how the Plymouth Road corridor will evolve and change.

Schneider invited those present to speak on the item.
Annette Bertelsen, 13513 Larkin Drive, stated that:

- She was speaking on behalf of residents in the Essex Hills neighborhood.
- The planning commission found that the site did not meet the practical difficulty requirement for a variance. She agreed.
- There will be monument signs and directional signs located by stop lights on Plymouth Road.
- It is a quantity and quality issue that impacts the welcoming aspect of the area.
- She is concerned with the precedent that would be set.
- The sign pollution will multiply. There is a threshold where there would be too many signs.
- The proposed sign would not be design cohesive or consistent.
- She requested the planning commission’s denial be affirmed.

Schneider agreed with staff. He has seen the same signs downtown and they are tastefully done. They create a more urban, walkable feel than a typical strip-mall flat sign. He concurred with staff that locating a retail destination on the back corner of a building needs something unique and reasonable. The rotating portion would be reasonable and address a practical difficulty.

Bergstedt said that a similar blade sign was approved for Dunn Brothers on the back of a building. It was done very tactfully and for the right reasons. Boulevard restaurant has a blade sign. The sign rotating every 30 seconds is not tacky or a distraction to drivers compared to dynamic billboards or cell phones. It softens the area and creates a more pedestrian feel. It is quaint, nice, and unobtrusive. He agreed with staff’s recommendation.

Wagner agreed with Schneider and Bergstedt. The sign would be tactful and a drive thru needs a directional sign.

In response to Acomb’s question, Guidera explained that he was told that the tenant expected to occupy the space where the sign would be located is agreeable to the proposed blade sign’s location.

Allendorf noted that the Boulevard blade sign looks good. The proposal would be appropriate.

Ellingson found that the sign would be very well done. There is a practical difficulty which is not the fault of Caribou Coffee. The sign would be fine.
Acomb thought the sign would be fine. The blade sign offers diversity. She had more of an issue with it being outside of the leased space. If that is not a concern to the applicant or tenant, then she could support the proposal. The variation adds charm.

Allendorf moved, Bergstedt seconded a motion to adopt resolution 2016-087 overturning the planning commission decision. All voted “yes.” Motion carried.

15. Appointments and Reappointments: None

16. Adjournment

Wagner moved, Bergstedt seconded a motion to adjourn the meeting at 9:27 p.m. All voted “yes.” Motion carried.

Respectfully submitted,

Lois T. Mason
Deputy City Clerk