

PLANNING COMMISSION MEETING

July 1, 2008

PLANNING COMMISSION PRESENT: Asia Bednar, Joe Paiement, Chris White, Diane Wirth, Kevin Witt

CITY COUNCIL PRESENT: Bob Livingston, Brian Zeller

STAFF PRESENT: Beth Bartz (SRF), Chris Wallberg, Lark Weller (SRF)

OTHERS PRESENT: Al Bergevin, David Erickson, Sharon Lee

1. **CALL TO ORDER** by Chair Paiement at 7:02 p.m.
2. **PLEDGE OF ALLEGIENCE** was said.
3. **MEETING MINUTES – M/S/P (Wirth/Bednar) to approve the June 3, 2008 PC meeting minutes. Motion passed.**
4. **REVIEW OF LAKELAND PLAZA SHOPPING CENTER PUD GENERAL DEVELOPMENT PLANS**

Lark Weller, City Staff Planner from SRF. Presented information about Plaza PUD/platting; will be looking at project background, give brief summary of proposal, look at existing site conditions, and provide background on some of the community procedural findings they have been looking in ordinances that have helped to inform their review; they will then break down the current proposal into more detail and different actions being requested; one is a more administrative action for some immediate work that is proposed in the Plaza area of the proposed area; second is PUD approval request; administrative actions do not require any PC action, but PUD request approval will require PC action; they will move into presenting the Staff recommendations for overall characteristics they would see appropriate for PUD, and then move into Staff recommendations for action on the part of PC; [referred to proposed site plan – on file at City Hall].

PUD Proposal - CSAH 18 runs along the east side of the project; school across the highway to east; proposal for PUD looks at overall area that encompasses the whole area; administrative action under consideration for parcels b and c - an area of the Plaza itself and the area surrounding it; part of the proposal recognizes plans for future roundabout on CSAH 18 and realignment of 5th Street South so they can see how those are both incorporated into the proposal.

Existing Site Conditions - Going over the property boundaries are 3rd Street to the north, CSAH 18 on east, going up to residential area behind Plaza on west, and southern boundary is south of 5th Street south; property currently consists of two parcels - the Plaza area - the office buildings that are or were there, and then the area south of 5th Street contained the auto repair shop and currently used as a vacant vegetative lot; proposal is to plat the area 7 parcels under one owner under the PUD; total of just under 13 acres; existing zoning is RB-Retail Business District intended to be focusing areas with higher possibility for retail demand and better ability to handle the needs of those higher intensities; as the surrounding land uses, they always look at if there is additional retail business to the north of this site; city of Lakeland Shores is across CSAH 18 to the east, and then there are residential uses both R1 and R3 to the south and west of the site; proposal appears to conform to Comp Plan guidance for the area; intent of PUD ordinance is to provide flexibility on certain conditions for land uses, subdivision, and development requirements; it is not intended to provide flexibility on parking or screening nor intended to increase overall density in an area; procedure as outlined in Sections 507-04 and 05 indicate that proposals are to receive preliminary PC approval, and that is what they are here for tonight; after preliminary approval, there's a public hearing requirement and the application can go on for final PUD approval recommendation by the CC and then action by CC; again, they are there tonight under the preliminary PUD approval stage; mentioned at the beginning that the applicant is also requesting a couple administrative approvals; do not require PC approval or action, but good for them to know because parcels b and c are the subject of that review and part of the overall PUD; façade renovations are being proposed for the Plaza building itself, and then some parking lot resurfacing and reconfiguration for the Plaza area and the office building to the east; some storm water pond construction as well; these are reviews that go to the City Engineer and City Clerk; they anticipate grading and filing permits, building permit, and because part of the property is within County right of way along the highway, that will require some County approval as well; PUD guidelines are also going to apply to the Plaza; current proposal for the PUD request they are requesting action on tonight, the PUD is siting the overall layout in configuration of the property area; can look at uses for the area, design elements, landscaping, buffering; sort of a comprehensive look at the property and how the property should be defined; again the applicant proposes that all 7 parcels be held under common ownership; there would be a shared septic system and a septic system as an existing system on the southwest end of the property, south of 5th Street; uses and tenants that would be in parcels a, d, e, f, and g are unknown, so the only known tenants at this time is the Plaza and the office building; again preliminary approval would be required from the PC in order for the proposal to proceed; Staff would focus on the point that a full site plan review would be required prior to any work and the remaining parcels a, d, e, f, and g if uses are intended; if more substantial changes were proposed for the PUD, a PUD amendment can also be submitted if that becomes needed in the future; Staff looked at the PUD overall and suggested that the overall PUD meet certain functional characteristics; the way they approach this is understanding the site's usability within the community and its importance as a commercial center, traffic issues, visibility issues, commercial economic issues.

Staff recommendations – for the PC, recommendations start on page 5 of the Staff report; Staff would like to see all the uses conformed to the overall PUD plan; the office/retail/care/professional uses that are currently on the site and are potentially proposed for future uses are considered the appropriate uses in the area; uses that would be devoted to automobile use that might contribute to congestion in the area, that might have heavy outdoor storage, those are uses that would typically raise concern; with that said, all future uses are to be reviewed when there is an actual proposal in front of the City; they have outlined some general and more specific uses they consider appropriate and less appropriate in the report, but all uses will have to be reviewed at the time there is an actual proposal; again a PUD amendment can be requested for other uses; second condition Staff would like the PUD to meet is for all parcels to meet the City's floor area ratio for the retail business district, and that requirement is 40%; the parcels b and c currently meet that requirement, so actual proposals in front of them actually meet that requirement; also suggest that all parcels meet the impervious surface requirements for the district which are an 80% maximum; since the report, page 6 of report indicated that additional breakdown was needed from the applicant regarding landscape versus parking and impervious areas; has since received that additional detail; parcel b is just shy of meeting that threshold, parcel c meets it, and the average of the two is well within that maximum; Staff feels that is an appropriate percentage at this point; would like to see appropriate pedestrian vehicular connections are provided both throughout the PUD from all uses within the PUD and outside the PUD; that is something that, given the fact that all of the uses south of what would be the realigned 5th Street are unknown at this time, is short of something they can provide general direction on but something that needs additional attention paid to once there is some proposal for that area south of 5th Street; parking is to be coordinated throughout the PUD; this is back to the idea of considering this as one cohesive unit functioning well and flowing well within the uses of the PUD, so if parking can be shared between uses, that helps to maintain flow and mobility within the PUD; they would like to see a utilities plan including phasing information; as the report indicates, there is a utilities plan that was submitted with the materials but they would just like to see some intention to make sure that subsequent utility installation doesn't require disruption of something existing or some initial work; Staff would like to see adequate buffering between the PUD and adjacent uses especially when they start to look at residential areas behind the Plaza to the west side of Plaza; this is something that is still under discussion with the applicant team; there is existing fencing between the residential area and the Plaza, and Staff had originally proposed that fencing be consistent solid cedar fencing rather than a mix of cedar and chain link fencing and maybe include more mature trees; after some discussion with applicant team, it seems as though the residents might not have a problem with the conditions as they are, so they suggest a neighborhood meeting be held so residents can review the proposal themselves and provide feedback as to how they would like to see buffering between the uses; they would like discussion on issue, but they also suggested they have input from residents in the area; would like to see overall design of the PUD contribute to a high quality visual identity for the area; this would pertain to signs, buildings, landscaping; opportunity for an identity to be established for Lakeland, so they would like to see some attention to making sure all the uses within the PUD are consistent and have a common theme or standard applied throughout the PUD; City ordinance does provide some direction in some of the sections on what materials are considered appropriate; should point out the sign along CSAH 18 for the Plaza is proposed as a monument sign that currently exceeds the City ordinance; in this case where there will be two faces to the sign, one for northbound traffic, one for southbound traffic, they count both of those areas to fit within the sign size requirement; proposal is currently over the maximum allowed sign size, so Staff is suggesting that variance be permitted as long as the sign lighting and design meet some quality standards; those are general overall characteristics that Staff recommend be applied to the overall PUD; recommended action for PC is that Staff would recommend preliminary PC approval of the PUD subject to a number of conditions that all get back to insuring that those overall characteristics are met; proposal as submitted currently would require a setback variance for the parking area along parcel c which is the office building area; variance is continuation of existing need; currently '0' foot setback so just continuing the existing conditions, but that variance would be required; same issue for rear yard setback behind Plaza, behind parcel c, it is an existing non conforming setback, so requires a setback; minimum lot depth variance are required for parcels a, b, and d; variance would be required to the monument sign size requirement for the Plaza monument sign, and that they recommend be granted providing the sign lighting conditions are met; with the monument sign height, that would also require variance; same issue, they would recommend approval as long as the sign lighting conditions are met; parking is another issue that requires some deliberation; the PUD requirements are not intended to provide flexibility on parking requirements, and the City's parking requirements are typically based on square footage and land use; office uses require one parking space to each 200 sq. ft.; Plaza issued a CUP from the City in 2006 that outlined a base condition of 105 parking spaces for the Plaza area; Staff is operating under the assumption that CUP is base for this and not a variance but building on existing conditions; proposed 107 spaces for the Plaza area is appropriate; would like to see a utility phasing plan and have that reviewed and approved by the City Engineer; a couple of issues might require additional discussion, and they would like some feedback on design requirements, landscape and buffering requirements they mentioned is also something they hope to have input from residents on; applicant has agreed to hold a neighborhood meeting, so they would like to see that take place; review and approval of all necessary elements by other Staff and agencies – will require review by City Engineer, inspector, watershed management organization, and

Washington County most of whom, if not all, have provided preliminary review but they would like to insure that happens through final stage; site plan review is required for all subsequent work and proposal in parcels a and d-g.

Next steps if preliminary approval granted by PC – applicant would be required to make the revisions to the PUD proposal that are set forth by the PC and to resubmit those full plans to the City Clerk; applicant will hold a neighborhood meeting to collect feedback on the proposal especially regarding the buffering and landscaping issue; would suggest the PC schedule a public hearing for August 12, 2008 and that would also serve as the meeting on the final PUD review; if PC were to grant final PUD approval at the August 12, 2008 meeting, the proposal could move forward to the CC for their action; they would suggest at the August 19, 2008 CC meeting, action be taken on the final PUD and that authority would be granted to the City Clerk to make final approval on the final plat; dates are dependant on Staff receiving a complete resubmitted proposal. Weller suggested proposal discussion with David Erickson to get a sense of what elements they are willing to provide flexibility on, and what elements they might be looking for some enhancements through; would like to entertain any other discussion and questions. Paiement doesn't think the PC, at least recently, has reviewed a PUD application; might be helpful to know scope of what they are looking at; what triggered the need for a PUD in this particular case; assumes if Erickson decided they just wanted to remodel the Plaza, they wouldn't be there tonight, but this is something more than that and thinks it would help to get their hands around what is properly in front of them and what isn't. Weller said the PUD ordinance is intended to look at areas that contain more than one use; in this case the applicant appears to hope to have some care facilities in the future or might be looking for some kind of use like that in the future; that introduces the second use in addition to the retail and office uses that are currently in the area; thinks one of the other rationale pieces behind looking for PUD approval is to have the entire area under common ownership so that it can all be served by the septic system on the property. Erickson confirmed that is also his understanding.

Beth Bartz, City Staff Planner from SRF. Added another element to that is without a PUD, each of the 7 individual parcels would need to meet other requirements that Weller has gone through; each of the parcels would have to have its own parking requirement, its own impervious surface maximum, its own variances, and when taken as a group looking at the whole instead some of its parts gives them more flexibility; thinks that is what the applicant is in general looking for in terms of the setbacks, impervious surface requirements, how the parking is arranged, etc; just gives them more flexibility that can benefit both the City and applicant of development. Asia Bednar said one of her questions was with all the variances they were requesting, hardship was not stated for any of them; when her husband and she had to go through this whole process, their application was returned to them and they had to fill out a hardship and send it back; technically, application was incomplete; isn't trying to raise a real stink here, but wants to be consistent for everyone who goes through the process. Weller returned back to variances outlined that would be required; the setback variance, both for the parking area and rear yard setback, are continuation of existing conditions; variance because work is being proposed in area but continuation of an existing condition; minimum lot depth variances can be considered more of a function of this being an overall project area that has been split functionally into a number of areas; unusual site given the realignment of 5th Street and given some of the existing site conditions; monument size is also continuation of an existing sign size.

David Erickson, Plaza Team. Thinks existing sign is probably no larger than the proposed sign, but the sign ordinance has changed since the original sign; unsure of some interpretation on exactly what was counted into the square footage of the sign; if they count just the absolute square footage of the sign, it is probably okay; if they count the structure around it and the base, it exceeds. Weller thinks the sign facing south is actually above the square footage allowance; issue becomes when they are measuring both the front and back because they are counting basically two sides of the sign; that is where the maximum goes over. Bartz added on to that intent of PUD is to provide flexibility in some of those issues that would otherwise require a hardship in order to grant a variance. Staff added in those situations had there been PUD at work, the outcome would likely have been different than they were, given the person was just asking for the variance; they wrap around each other in that way; when you do a PUD, it is handled and you are expected to consider it a little differently than just a variance; other business that had sign issue, had they had a PUD on this building and certainly could have chosen to do that, the process would have been different because it is a PUD. Weller said that is a good point also because one of the things they have asked them to consider is just what elements and factors they are willing as a PC to provide flexibility on; some of their recommendations are based on suggesting that sign size be allowed; if the sign lighting and design be held to a higher standard than is allowed by the code. Bartz said that is inherently the tradeoff; by granting that flexibility to the applicant, they can also in return ask for some higher standards regarding the building design, the sign design; that is part of the tradeoff. Bednar said as Paiement noted earlier, this is one of the first PUDs reviewed by this community that she has seen in her short term being there. Staff said this is the second PUD they have done in 17 years; the only other one was a PUD for a residential development that wasn't retail.

Brian Zeller, CC. Asked if actual variances, or in the PUD process are they deviating from their current ordinance. Weller believes it is the latter; actually the City Attorney who could not attend tonight would be in a better position to actually make that technical definition. Zeller thinks if they can get away from the word variance, it might be beneficial to all of them; was his understanding that was part of why they were going through the PUD process. Paiement thinks that very issue came up on the only other PUD they considered, and that was the interpretation they received from the City Attorney; thinks that is right and you aren't suppose to consider those as distinct variances. Kevin Witt said the only part

he struggles when reading through this, to be perfectly frank, it looks great; part he is struggling with is if they recommend this going forward which he is sure they will, when you look at the drawing it looks great and he thinks it is going to be a great thing for the City; who truly decides whether it is the sign or the fascia used for sure; his concern is what they have there right now is nothing in his opinion an asset to the City - where this to him looks like a major asset to the City; question or concern is how do they get their arms around the scope to put pencil to paper that the fascia will look like this or the sign will look as depicted; for example one last point, he has no problem with signage; if they go to any other community whether going to Chanhassen or others, there are signs like this everywhere and they look great if done properly. Weller thinks that is part of what they are hoping to discuss tonight; PUD process is typically used to help outline performance measures or standards in terms of design; if it is design characteristics he is concerned with, the ordinance outlines basic architectural materials that are to be used; if there are conditions above that they would like to see met, that's part of what they are able to do through the PUD process; conversation between the PC and Staff as to what actual on the ground conditions they would like to see the overall development meet. Brian Zeller, CC, said as a recommendation since this is preliminary, if they had target points they wanted to raise tonight and then in answer to Bob Livingston, CC, Staff could work with Mr. Erickson and his group to work out the details of that before they consider it for final approval. Staff said as it would stand now, if they wanted to change a sign, Mr. Erickson would bring it to her; she would be sure it meets all the standards in the ordinance itself and would give him approval to go ahead with his sign; how that fits in is what Weller said, and that is over and above what is in the sign ordinance and over and above their discussion about whether there can be some increased size and height as part of the variation process; sign itself, when there is a specific sign, comes in and that is handled administratively; their part of it then is to say over and above what is in the sign ordinances, these may be the things they would like to have as additional standards for this particular sign. Weller has indicated in their conversations with Staff and with applicant team as well that she thinks the interest in following the administrative request line for the Plaza improvements is a matter of timing, and they wish to make those improvements sooner rather than later; understanding is that because this is part of the overall PUD proposal that if the PC decides on standards that the improvements no longer meet, then it is their obligation to get the Plaza facade or whatever is no longer meeting the PUD requirements, it is the applicant's responsibility to get that in to conform into the overall PUD design requirements. To Witt, referring to Livingston's comments, this will be an asset to the community; if they have the right, they can ask what materials are being used and so on, but asked if that even the scope of their review. Weller said within a PUD, thinks it would be difficult to hold up a picture and say the development must be built to look like this in the end; they certainly can distinguish by types of materials; they can talk about the buildings having a well articulated entrance, they can talk about windows, how the signage should be...the characteristics of the design; likely because of how these projects typically go is that the illustration may go through a couple stages of refinement before the City actually sees a plan set for approval; as long as the PC and CC through the PUD have provided Staff some guidance with the minimum standards and things not appropriate for PUD, then the City has guidelines to go by; it's good to have that as part of the PUD because what happens if, for example, one of these parcels isn't built out for another 5-10 years and whether this owner or a future owner comes in and says costs have gone up and they want to do something different than what the rest of it is; some of the standards can just state that all seven parcels have to be built with some degree of uniformity of materials and design; if this particular brick isn't available five years from now, at least they have to do something that is proximate and with the same level of quality to it. Witt said in reality Mr. Erickson is in business to make money; obviously he loves the community and will do what's best for the community; the way to attract tenants is to have a building that attracts tenants; curious what their scope was and what Paiement was asking earlier what they should be recommending. Erickson said first of all Witt can't hurt his feelings by telling him what the building looks like; he goes by at least twice a day so can't wait until the appearance improves; architect has shared some of the materials and he can't quote the materials, but they will remodel it in a fashion that benefits the community; can certainly work on standards with the Staff, but he won't be able to answer those questions until bids received, etc. Paiement asked Weller if fair to say for purposes of this meeting that what they need to decide is to preliminarily make sense to have one owner for these seven parcels and a PUD that provides for multiple use; very basic form if what they are talking about, not that far down the line to talk about materials or specific designs, but rather this makes sense in that basic way; if it does, then there is preliminary approval to move it to the next step; process is to refine this as it goes down the line. Weller thinks is appropriate though to start weighing in on some of the more specific design considerations they would like to see met in the development, thinks it appropriate to start outlining those here as well. White suggested they go through the plans and determine if they are comfortable with these pieces - preliminary they agree with plans and they are good to go on so they can have the meeting. Bednar said based on what she is saying, if they show on the drawing beautiful brick and then they don't really put brick there and they put vinyl siding, that is what they are trying to narrow it down saying what they want to see. Staff clarified that part of what they do as Staff as well is the ordinance has pretty clear, if not very restrictive, standard for exterior materials to be used; as Staff, when they are seeing this evolve into what it is going to be, they will take the ordinance and follow that; unless there is something that is not in the ordinance that hasn't been spelled out as part of the PUD situation, they will go with what the ordinance says; their opportunity to look at that and see if there is anything there they feel should or should not be included in this, that is the direction they are leading for; what might

vary from what's already in the ordinance; otherwise they will be using those guidelines as their standard. Weller went through ordinance and what Staff talking about; what it says in terms of commercial buildings requires a minimum of 50% of the front elevation of the building must be brick, stone, glass, copper panels, or other comparable or superior materials; remainder of the front not to exceed 50% and remaining exterior can be specialty concrete blocks such as texture rock, architecturally precast textured concrete panels, masonry stucco, efface, opaque non metal panels, wood, or other comparable or superior material. Wirth said regarding the vehicular and pedestrian access points for this, she understands there is going to be a bike path that is in front also and there would be access points at that point and access point parcel b at this point. Weller said the bike landing she is talking about is proposed along CSAH 18; understands there is an existing trail it would be connecting to ultimately; trail is worked by other people and not part of PUD proposal and part of what Mr. Erickson is proposing for his development; thinks he is recognizing it is intended to come in the future, so that is part of what they are talking about - trying to make sure that appropriate connections for uses of that trail getting into the PUD development exists. Weller noted what they believe is important though is that part of this development has pedestrian access in a sense of crossing realigned 5th Street to get from one side of the development to the other; if that is made appropriate for bikes and pedestrians, pedestrians in particular, not only if it were convenient if they were stopping at the current Plaza and the newest development that would be just south of 5th Street, you can park once and then if you can easily cross the street and make use of pedestrian paths, not only that pedestrian path but other paths through the development, that saves on congestion within the site because they don't have cars moving from site to site through the development; also saves some need for parking. Zeller noted parcel c also is labeled pond 4; is that parking as part of the plan. Weller said it was proposed initially as retention pond; there are 38 potential parking spaces in that pond area, so if the need for additional parking is to come up in the future, the applicant is proposing that as an area where additional parking can be met. Erickson thought it was a pond required based on storm water drainage, and if they need to convert to parking, it is very expensive but they will have to do that and then they put in a parking lot that has a pond underneath it. Weller said that is something they discussed with the City Engineer as well, and he indicated some concern there is some existing flooding and storm water management area in the vicinity of this area; his preliminary review is that these ponds are appropriate. Discussion included holding ponds and who will maintain, driveway behind the Plaza [curb and gutter because part of code]. Discussion about bank building per White's comments; Erickson said the bank building will also come down; have tenant in there now, and if that tenant is not there when they commence work, it will probably come down at that time; if they are still there, then it will not come down; plan is not to salvage that building; building has been there a long time, roof is disaster and it was built with a flat roof; may not come down as part of the Plaza, but will certainly not be remodeled. Weller stated Staff felt that the parking allotment suggested there is appropriate; thinks also the areas between the building and parking area are not included in the applicant's landscaping plan as having ornamental plantings or anything like that but appears it is just to be grassy area. In answer to White's point as to deliveries to Plaza, Staff said the ordinances have constructional work hour provisions. Bednar's final question would be regarding future buildings they have planned there; have they contacted anyone about those; are there perimeters they can put on these such as a senior care facility would be fine but no rental apartments. Erickson contacted many people and he wishes he knew when the economy was going to be better; thinks that by getting the Plaza renovations started, it will create some interest. Paiement thinks it is hard not to get excited about this; just going to be a wonderful asset to Lakeland; recommendation from Staff is preliminary approval of the PUD subsequent to variances and additional reviews and approvals; hearing there is a consensus to do just that; Mayor Zeller's suggestion in coming up with some talking points on design standards and whatever other things they think should be brought up before the next meeting makes sense to him; asked if they had time to do that between now and the next regularly scheduled meeting so they could bring those to the CC. Staff asked for City Attorney's help with a suggested motion they would make for their consideration. Weller said not knowing technical vocabulary or verbiage to use, could they go to what Zeller referred to the word variance and variations. Zeller said they will verify that with Staff and with City Attorney and review at next PC.

M/S/P (White/Wirth) to accept the preliminary review and approve the overall design of the General Development Plans for the Lakeland Plaza Shopping Center Planned Unit Development, and to set a public hearing on the matter for August 12, 2008 at 7:00 p.m. Motion passed. Staff said on August 12, 2008, they will conduct a public hearing but their regularly scheduled meeting for August 5, 2008 will still take place; CC will consider adopting the recommendations the PC just now made. White questioned park dedication fee applicability. Staff said she would say they would do just like they did with the subdivision; park equipment going into to Humphries July 7.

5. MEMBER REPORTS - none

6. **ADJOURN – M/S/P (White/Witt) to adjourn at 8:29 p.m. Motion passed.**

Joe Paiement, Chair

Kate Piscitello, Recording Secretary