

MINUTES

1. CONVENE CITY COUNCIL WORK SESSION MEETING

Mayor Labadie called the meeting to order at 6:00 P.M.

A. Roll Call

Present. Mayor Labadie; Councilmembers Johnson, Labadie, Siakel, Gorham, and Callies; City Attorney Keane; City Administrator Lerud; Planning Director Darling; Director of Public Works Brown, and City Engineer Budde.

Absent: None

B. Review Agenda

Siakel moved, Gorham seconded, approving the agenda as presented. Motion passed 5/0.

2. SMITHTOWN ROAD DEVELOPMENT PROPOSAL

Location: 24560 Smithtown Road

Planning Director Darling explained that the City had received a Development Proposal for 24560 Smithtown Road which is a vacant parcel near City Hall.

Mark Kaltsas, 6015 Cathcart Drive and Adam Schultz, 26030 Valleywood Lane, property owners of 24560 Smithtown Road, presented their development proposal for this property. Mr. Kaltsas stated that both he and Ms. Schultz live in Shorewood and have a side hobby company for development and re-development with all their current development properties located in St. Paul. He stated both of their in-laws were looking for a retirement type product in the area that was obtainable for "normal" people. Once they considered the zoning, which is Commercial, look at the Comprehensive Plan and the Smithtown Road corridor plan they felt that this property would be a good transition zone between a commercial corner and low density residential. He stated that they are not big national developers and would like to do something that makes sense for them as well as the City. He stated that they are looking to get feedback from the Council on their ideas before it moves too far forward with this property and the City-owned property in the area. He stated that their proposal is just an idea at this point. He stated they would like to create a product that looks and feels like a single-family but is a bit higher density as it is guided by the Comprehensive Plan. He stated that the proposal is for a detached eight-unit project with carriage homes and shared some of the design details that they hoped to include. He stated that they would like to have a dialogue with the Council to see if their idea is anything that even interests the City before they proceed.

Councilmember Callies stated that she feels the City has been in conflict around these parcels because right now it is guided towards Medium Density residential and is zoned Commercial and those two things should be consistent. She stated that it is not clear to her which direction the City would like to go with these parcels and suggested that it may call for more study as to what

CITY OF SHOREWOOD WORK SESSION COUNCIL MEETING MINUTES

JULY 12, 2021

Page 2 of 4

the City would like. She stated that that it is possible that either Commercial zoning or Medium Density is not appropriate for this location.

Councilmember Callies stated that she likes the idea of obtainable housing, but right now, it is not zoned for that purpose.

Councilmember Siakel stated that she also contacted Planning Director Darling with the same question. She stated that she does not have an objection to developing the property because they have that right. She stated that when Smithtown Crossing was looked at, there was kind of direction to not develop it in a piecemeal fashion, however that is sort of what is happening. She stated that Mr. Kaltsas and Mr. Schultz are coming in and asking for just this one piece but that is problematic because there is so much more around it. She stated that she has always viewed this as coming together for one project. She stated that while she feels they have the right to develop the property, she does have an issue with the density and feels it is too much. She made a suggestion to City Administrator Lerud that it may be a good idea for Mr. Kaltsas and Mr. Schultz to meet with people in the area to get an idea of what has transpired in the past so they have a feel for the situation. She stated that she is not ready to say that she supports one thing or the other tonight.

Mr. Kaltsas stated that they looked at the guidance plan for the Smithtown Road corridor.

Councilmember Gorham stated that the hope is for this to be a cohesive unit. He asked about the discussions with the business owners around the corner. Mr. Kaltsas stated that they are not large-scale developers and noted that they had a conversation with the Legion and believes that their long-term plan is to exit or re-develop in some manner. He stated that he thinks there is a commercial corner and then a transition so the commercial doesn't come all the way into the residential neighborhood. He stated that he thinks there can be a vision, but still complete the project in phases and still arrive at a cohesive development.

Councilmember Callies stated that she really does not see where the Council is going with all of this from a City standpoint. She asked if the Council should consider a development moratorium to look more closely at this situation for the Zoning and the Comprehensive Plan to match more closely.

Planning Director Darling stated that the Comprehensive Plan is being amended and should be ready for review at the next Planning Commission meeting but noted that nothing with this property is different than was originally approved.

Councilmember Siakel asked if the Council could allow the public to speak.

Mayor Labadie asked if there was anyone from the public who would like to speak to this proposal.

Therese Ciaccio, 5655 Christopher Road, stated that she has lived on Christopher Road for almost twenty years. She stated that she thinks it is essential that there be some thought put into how they want things as a community, because once something is built it cannot be changed. She stated that one of the things she likes about Shorewood is the proximity to downtown Minneapolis and Excelsior, but yet the area makes it feel like they are on vacation. She stated that when her family comes to visit, they cannot believe the beauty of the area, with larger lots and wildlife. She stated there is a wonderful senior living facility that has been built at the old Hill Top area. She stated that she would like to see the space the way it is but would like to know,

CITY OF SHOREWOOD WORK SESSION COUNCIL MEETING MINUTES

JULY 12, 2021

Page 3 of 4

since it is zoned Commercial, what types of interest there is from commercial developers. She questioned whether there was something that would fit in and be something where neighbors could walk to and get a bite to eat. She asked if the City was being specifically asked to have higher density housing and whether they would be fined if they did not do it.

Planning Director Darling explained that the Metropolitan Council reviews the City's Comprehensive Plan and they do require that there are a certain number of acres set aside for higher density homes. She stated that they assigned the City forty-eight units of affordable housing to be developed between now and 2040.

Ms. Ciaccio asked if the City built high density housing if the City would benefit financially and if not would they be penalized. Planning Director Darling stated that there would be penalties.

Councilmember Siakel stated that the Council has had quite a few projects come before the City but it has been before the property was purchased, which is why this one is different. She stated that, in her opinion, there is nothing that says that the City has to allow more density or that this site has to allow for more density.

Ms. Ciaccio stated that she does not want to see anything high density in this area and mentioned the wetlands in the area and how that could adversely impact the wildlife. She stated that she hopes that all sides can come together and develop this in a way that will benefit everybody.

Scott Zerby, 5680 Christopher Road, stated that the study referenced earlier was about ten years ago and he does not recall there being resident involvement with the study. He suggested that the study be refreshed and that a citizens committee or some type of joint committee with the Planning Commission be formed to get more citizen involvement, especially from residents in the area. He stated that a lot has changed since when the study was originally completed and gave the example of the golf course, Tonka Bay apartments and the Smithtown sidewalks.

Councilmember Callies stated that she feels that the Council needs to take some steps to provide some closure on this item. She stated that she agrees that it needs more study and reiterated her suggestion for a development moratorium on this property. Councilmember Siakel stated that she feels there needs to be a lot more dialogue between the property owners about their proposal and the surrounding communities. She stated that she is unsure about a moratorium.

Councilmember Callies noted that this property is guided for Medium Density residential and from what some residents have shared, they think that is too much. She stated that perhaps something needed to be done similar to what was done with the Country Club. Councilmember Johnson agreed but noted that he did not think it would need to be that extensive and suggested something that could be done at half that scale.

Mayor Labadie stated that she feels the best way to do this is to continue a dialogue and bring it forward another time. She stated that she thinks that the discussion tonight was a great step forward and also believes the best way to do it is in some sort of public forum so everyone feels their voices are being heard. She suggested that perhaps there be an Open House type format for the next step.

Councilmember Siakel asked if there needs to be a moratorium on building as suggested by Councilmember Callies. She stated that she feels like something is missing in this process even though she thinks the community meeting is a good idea. Councilmember Callies stated that they

CITY OF SHOREWOOD WORK SESSION COUNCIL MEETING MINUTES

JULY 12, 2021

Page 4 of 4

would want to hold the neighborhood meetings as part of the study prior to adopting the Comprehensive Plan. She suggested that the Planning Commission may want to hold off discussing the updated Comprehensive Plan until this issue is taken care of.

Planning Director Darling noted that she would speak to the consultants and perhaps this area can be identified as a study area moving forward. She suggested that the area from the corner all the way back to the properties that abut Christopher Lane be included in the study area. Mayor Labadie gave an overview of how this issue can be addressed without delaying everything in the City or the whole Comprehensive Plan. She stated that there will be an Open House scheduled at some time in the future which will be posted on the City website and assumes notice would be sent to residents within a certain perimeter as well.

3. COVINGTON WATERMAIN

Public Works Director Brown stated that on June 22, 2021, staff commenced a repair for a leaking watermain near the eastern entrance of Vine Ridge Road and Covington Road. He stated that when they dug down, they determined that the watermain was in a very fragile condition. He stated that they were able to get the leak down to basically a pinhole size but were not able to stop it entirely. He stated that they were aware that this area has been known to have hot or acidic soils so they have taken extra steps when they have worked in the area to put in cathodic protection to protect the hardware. He stated that there are at least eight hundred and fifty feet that will need to be replaced. Staff has looked at the various alternative methods for this replacement and is recommending that it be replaced by using a technique called "pipe bursting". He stated that even though this is an unplanned repair, it does need to happen this fall so it does not create a larger problem next winter.

Councilmember Callies asked why this was not on the agenda to take action, since it sounds like it is necessary. Public Works Director Brown explained that staff wanted to make Council aware of it and not assume that they would support it. He stated that Bolton and Menk still needs to put together a design for this project which will then be brought back to the Council for action.

Councilmember Gorham asked how much time the City bought with the temporary fix down to a pinhole leak. Public Works Director Brown stated that he would say once this is awarded, the contractor should be able to do the work within about a week or so. City Engineer Budde stated that he thinks the biggest challenge will be lead material on pipes.

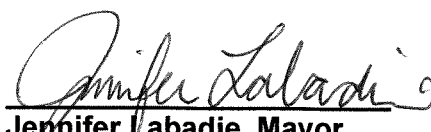
4. ADJOURN

Johnson moved, Siakel seconded, Adjourning the City Council Work Session Meeting of July 12, 2021, at 6:57 P.M. Motion passed 5/0.

ATTEST:



Sandie Thone, City Clerk


Jennifer Labadie, Mayor