

MINUTES

CALL TO ORDER

Vice-Chair Riedel called the meeting to order at 7:00 P.M.

ROLL CALL

Present: Vice-Chair Riedel; Commissioners Eggenberger, Huskins and Holker; and Planning Director Darling;

Absent: Chair Maddy, Councilmember Siakel

1. APPROVAL OF AGENDA

Eggenberger moved, Huskins seconded, approving the agenda for May 3, 2022, as presented. Motion passed 4/0.

2. APPROVAL OF MINUTES

- **April 5, 2022**

Huskins moved, Holker seconded, approving the Planning Commission Meeting Minutes of April 5, 2022, as presented. Motion passed 4/0.

3. MATTERS FROM THE FLOOR - NONE

4. PUBLIC HEARINGS

Vice-Chair Riedel explained the Planning Commission is comprised of residents of the City of Shorewood who are serving as volunteers on the Commission. The Commissioners are appointed by the City Council. The Commission's role is to help the City Council in determining zoning and planning issues. One of the Commission's responsibilities is to hold public hearings and to help develop the factual record for an application and to make a non-binding recommendation to the City Council. The recommendation is advisory only.

A. PUBLIC HEARING – CITY CODE AMENDMENTS FOR CAMPAIGN AND NON-COMMERCIAL SPEECH SIGNS

Applicant: City of Shorewood

Location: City-wide

Planning Director Darling explained that this is a proposal from the City for small, targeted amendments to clarify one type of signage that is allowed under the current ordinance. She reviewed the purposes these amendments are hoped to achieve but noted that staff has determined that a full review of the City's sign regulations will need to be conducted sooner than anticipated. She stated that staff has received letters on this topic from: Alan Yelsey, 26335 Peach Circle; Craig Parson, 26540 West 62nd Street; Ashley Benites, 25000 Yellowstone Lane; Carl Wilhelm, 26755 Noble Road; and John and Patricia Arnst, 5480 Teal Circle, which are now part of the public record. She noted that the primary concerns raised in the letters were that

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 2 of 10

people should have the right to put a sign in their yard with non-commercial messages. She stated that staff feels this right will be more clearly permitted with the proposed amendments. She explained that another concern was how this ordinance would be enforced and noted that with each election season sign complaints are common and staff subsequently investigates the complaint and explained the two courses of action available to staff. She noted that if these amendments are approved, the City will send out information to each candidate that files for election so they are clear about the sign rules in the City and stated that there would also be an article in the Shore Report.

Vice-Chair Riedel expressed his appreciation to the residents who took the time to submit their concerns to the City and noted that the Planning Commission had read all of the letters.

Vice-Chair Riedel opened the Public Hearing at 7:08 P.M. noting the procedures used in a Public Hearing.

Pat Arnst, 5480 Teal Circle, asked if there is a distinction between how signs are treated on a City street versus a County or State roadway and asked if that would be accommodated in the ordinance.

Planning Director Darling stated that in general, it would not be accommodated and explained that the right-of-way is just listed as the right-of-way. She stated that the City has relations with both MnDOT and the County, so when there are rule infractions, they usually talk to those jurisdictions about gaining compliance. She stated that this is handled on a case by case basis and explained that there are two different kinds of properties that the City has jurisdiction over; City rights-of-way and public properties, and noted that they are different.

Ms. Arnst, referenced the red-lined Section II. under Integral Signs and explained that there was language that states that non-commercial speech signs shall not be located in violation of 1201.03, Subd. 2H, or closer than five feet from the street. She stated that she finds this language confusing because it could be one or the other. She asked if the Commission understood what the traffic visibility is and what that means.

Planning Director Darling stated that those are separate regulations in the Zoning Ordinance for traffic violations.

Ms. Arnst asked for clarification on the traffic visibility and expressed concern about the signs that pop up at stop signs where it can already be difficult to see.

Vice-Chair Riedel stated that regarding her concern about the 'or' in the clause, his understanding is that the language is meant to say that they are not allowed to violate either condition and impair traffic visibility or be located five feet or closer to the street.

Ms. Arnst stated that makes more sense to her and explained that her last question is under General Provisions, Section C. She stated that this section says that no signs other than public signs and non-commercial speech signs shall be erected or temporarily placed within any street right-of-way or on public lands or easements. She stated that she sees signs such as 'Drive Like You Live Here' or the plastic outlines of the little boys out in the street. She noted that she felt this language would refer to those types of signs and asked for clarification on this point.

Planning Director Darling explained that the reason that the term 'governmental signs' is coming out is because it is not defined in the ordinance. She noted that 'public signs' is the defined term so she was just cleaning up that reference.

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 3 of 10

Ms. Arnst asked if a sign like 'Black Lives Matter' would fall into the political type of signage.

Planning Director Darling stated that those signs would be included in the definition of non-commercial speech signs.

Ms. Arnst asked if a campaign sign would be designated as someone who has formally applied for office.

Planning Director Darling confirmed that would be considered a campaign sign and explained that was why they were proposing to remove that from the ordinance because the State statute does not so limit those signs and calls them non-commercial speech signs.

Commissioner Huskins asked if he was understanding correctly that a sign like 'Black Lives Matter' during an election period would fall under the ability to be posted no closer than five feet from the right-of-way and then following the election, the sign would still be permitted to be displayed, but would then need to be moved back onto private property.

Planning Director Darling confirmed that this was the correct understanding.

Vice-Chair Riedel noted that there are still restrictions for signs on private property and those would still apply and gave a brief overview of the substitution clause.

There being no additional public comment, Vice-Chair Riedel closed the Public Hearing at 7:17 P.M.

Commissioner Huskins stated that the two issues that came to him based on the letters from the residents had to do with the five feet and an acknowledgement that there are homeowners who have properties that do not permit them to be able to display a sign closer than five feet because of hedges or trees. He asked if there was any remedy for those concerns for a resident who has a home with that configuration that would preclude them from displaying a sign. He stated that in his opinion, if they wanted to display a sign, they could make a choice to remove the obstacles but understands that may not be popular. He asked if there was any other solution that had occurred to staff in this situation.

Planning Director Darling stated that she thinks residents who would not be able to display an election sign are a pretty small minority of the residents. She explained that most would have a driveway entrance where the sign could be displayed and reiterated that there are very few instances where they would have absolutely no space to display a sign. She stated that these residents may have made a choice to maximize their privacy on their property which would take away some of their options for displaying signs.

Vice-Chair Riedel noted that the proposed changes are actually more lenient and not more strict.

Commissioner Huskins stated that the other theme that came through the letters was with regard to enforcement. He stated that his understanding is that enforcement happens via response to a resident complaint.

Planning Director Darling explained that Shorewood is a complaint based City which means they do not have permanent, dedicated staff that can go throughout the community looking for Code violations. She stated that the cost to change to this sort of permanent position is fairly steep and noted that if there is a health and safety issue, staff is able to do something about the situation if

they see something, but in general, it is complaint based. She noted that since the City has moved towards communicating directly with the candidates, staff have noticed fewer violations.

Eggenberger moved, Holker seconded, recommending approval of the Proposed Text Amendments for Campaign Signs and Non-Commercial, as discussed at the April 5, 2022 Planning Commission meeting and the three changes since the last meeting as outlined in the staff report. Motion passed 4/0.

Planning Director Darling noted that this item will come before the City Council on May 9, 2022.

5. NEW BUSINESS

A. Pre-Application Sketch Review

Applicant: Lifestyle Communities

Location: 24250 Smithtown Road

Planning Director Darling explained that this item is for informal comments on a pre-application sketch review of a 56-unit senior cooperative project on two parcels that straddle the City boundary between Tonka Bay and Shorewood. She noted that the applicant has provided some information on the housing concepts as well as some sketch level plans for Commission review. She summarized a few of the discretionary issues staff has noted as well as things that may need more in depth discussion including things like; whether this meets a community need and if the location is a good fit; the need for a Comprehensive Plan amendment; and the likely need for a Planned Unit Development.

Vice-Chair Riedel asked how this would fit in with the discussion had in the last year regarding Met Council's goals for density in the City.

Planning Director Darling stated that this is a development that would be providing substantially more than the five units per acre the Met Council is asking for and also asked for a portion of the new units to be provided in a density of eight units or greater which would also be provided because they are looking at about twenty units to the acre, so it would satisfy some of the things the Met Council has asked.

Commissioner Holker stated that she had not seen anything regarding cost and asked if there was a ballpark figure on how much it would cost for someone to live in these units.

Commissioner Eggenberger asked if both cities would have to approve this plan for it to be able to move forward.

Planning Director Darling stated that she believes that if one city turned it down it would negate the project because it would dramatically shrink the size of the developing parcel. She explained that the two cities would need to work together on how this moves forward.

Ben Landhauser, Lifestyle Communities, gave a brief presentation about the proposed project and explained that this would be owner occupied housing that has shareholders in a cooperative corporation. He stated that it may be easiest to think of it as an age qualified condominium building that has more amenities so the emphasis ends up as more on the community as a whole. He gave an overview of the various projects that Lifestyle Communities has worked on within the metro area. He noted that this location is attractive to them because they want to be in a somewhat walkable location as well as the availability of some of the things that are located nearby.

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 5 of 10

Vice-Chair Riedel asked how taxation would work since this is a corporation.

Mr. Landhauser explained that there are statute guidelines for how taxation works and noted that it feels like a hybrid between commercial and a rental model.

Commissioner Holker asked if Lifestyle Communities had already spoken with the two property owners for these parcels.

Mr. Landhauser stated that both properties are under a purchase agreement with them and gave a little history of the parcels and how they came to be on the market. He stated that if both communities feel that this would be a reasonable consideration, they would plan to do a PUD with a zero lot line at the shared boundary with Tonka Bay. He stated that from a building code perspective, they would essentially be building two structures independent to one another at the property line which means there would be details such as fire walls, which will also make it easier from a taxation standpoint to delineate which units were in which city.

Vice-Chair Riedel noted that appears commendable but asked if it would necessary if the cities cooperated on building codes and on taxation.

Planning Director Darling stated that she would recommend that the two cities could work together and then decide which city it would be in and come to agreements on revenues and cost sharing but clarified that she could not speak for either City Council.

Commissioner Huskins stated that he would try to figure out a way to secure both properties and go through the action of figuring out which City those properties will be in and then move forward with the project as opposed to doing the project and having the layers of complications that Mr. Landhauser had described between the two cities.

Mr. Landhauser stated that internally they have had these same kinds of discussions and explained that they have had the properties under contract for about five months. He stated that they have met with staff members from both cities and decided that their best foot forward would be to at least align at concept, but agreed that it would be much more simple for them if they didn't have to deal with property lines and could treat it as one building. He stated that even if they end up moving forward with the plans he had described with two buildings and zero lot lines, he suspects that most people would not even realize that they would be two separate buildings.

Commissioner Huskins asked if there was a contingency agreement with both parcels that the purchase will go forward only if this project moves forward.

Mr. Landhauser stated that was correct and noted that he felt that they have put together the best option for these parcels, but noted that even if it is not approved, he would anticipate that some other multi-family developer would come along with a proposal. He stated that he feels that is very likely but reiterated that he felt that their product was the best one for the City because it is age qualified and owner occupied and noted that he believed that use would not create traffic concerns.

Vice-Chair Riedel noted that he appreciated that it was an age qualified project and that this may mean less traffic concerns, however they are proposing 56 units. He noted that staff had recommended a traffic study and asked if Mr. Landhauser could talk about traffic directly and asked for his thoughts on visibility and the access points.

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 6 of 10

Mr. Landhauser stated that when they talk about daily trips, he asked the Commission to keep in mind that this counts both leaving and coming back. He stated that their product is 182 trips which is just over 3 trips per day/unit as the average. He noted that as a comparison, villa or townhomes would be an average 4-8 trips per day/unit and for a single family household would be somewhere around 8-12 trips per day/unit. He explained that their proposal is to move the owners access point to the shared driveway that goes to the public safety complex because it is further away from the intersection and has better visibility.

Vice-Chair Riedel stated that there is currently no stop sign at that intersection for Smithtown Road. He stated that for people making 182 trips a day that are waiting to make a left turn, could cause traffic concerns. He explained that traffic is a perennial concern for residents and is an issue on the arterial roads, which upsets people.

Mr. Landhauser noted that this has been clear with the joint meetings they have held with staff from both cities and is clear that a full traffic study would vet out more of the anticipated turning movements and where the trips would really come and go.

Commissioner Huskins shared examples from the past clean-up events in the City where that intersection had gotten backed up.

Commissioner Holker stated that she foresees another possible traffic point being down at Cub Foods.

Mr. Landhauser explained that when they had their traffic study completed they have also given the corollary for anticipating current traffic patterns and include what it would be at the current guidance for medium density.

Commissioner Holker stated that she would also want to make sure that they are looking at how things will look when the apartment building is full and not right now when there is only 25-30% occupancy.

Mr. Landhauser stated that because they are working with the two cities, they will be able to get some of the anticipated traffic data because he knows that was a huge project before the apartment building moved forward with construction.

Vice-Chair Riedel noted that another thing to consider if this goes through is that it will be a major construction project that will take months and perhaps years to complete, so residents may be concerned about the staging of the construction and the impact it will have on traffic.

Mr. Landhauser stated that what they have done in the past for tight sites such as this one, they usually work with an existing property owner on where construction traffic ends up going that is in general proximity to the site. He stated that they are expecting a 13-14 month build for this project and explained that they will have it pretty well figured out as to how and where they will get materials on the site.

Commissioner Holker reiterated her question about the approximate pricing for the units.

Mr. Landhauser noted that in this concept they have everything from about 1,200 square feet, which is a 1 bedroom/den unit up to the equivalent of a 3 bedroom that they market as a 2 bedroom/den unit that is around 1,600 square feet. He stated that the minimum share payment will be around \$150,000 up to about \$300,000 in equity payment. He stated that they are a limited equity co-op so there are different tiers so people can participate at the minimum which is right

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 7 of 10

around 35% all the way up to 95%. He stated that there is one mortgage for the entire property which is why it is different than a condominium, so the shareholders have a proportionate share of the one mortgage. He stated that the homes will be anywhere from the mid \$300,000 range to \$600,000 based on size. He gave examples of how this works with their Golden Valley property.

Commissioner Huskins asked why they were planning 4 stories with one portion at 3 stories.

Mr. Landhauser answered that they had thought about how they could best approach this which was to try to find a reasonable critical mass and because it is one master mortgage, it is a different model than dealing with other types of traditional real estate. He stated that they are also balancing things like overhead and ongoing costs to the owner to pay for the elevator, building manager, and the part time maintenance person. He noted that they are proposing a stepped back fourth floor so it felt more in context than just a true four story building. He stated if they had just done 3 stories that would have meant the removal of more trees. He stated that they would welcome any comments the Commission may have on their proposed scale and mass.

Vice-Chair Riedel stated that neighbors in single family homes do generally feel threatened by a big building going up, however, in this case, there are nice buffers around and asked about the closet single family neighborhood.

Mr. Landhauser noted that the closest single family homes are at the old golf course location.

Vice-Chair Riedel asked about the height of the building.

Mr. Landhauser stated that they have 12 foot floors so they will be looking at right around 45 feet for the 4-story portion and 35 feet high for the 3-story portion of the building.

Vice-Chair Riedel noted that it looks like a very attractive building, but there is a lot of asphalt in front and not much landscaping.

Mr. Landhauser stated that the renderings may show more than the reality will end up being in terms of how visible that is and explained that the objective is to retain as much as possible of the existing buffer with the retaining wall. He stated that the parking lot will end up kind of sitting into the hillside and the stormwater management will take place underneath the parking structure with an island in the middle asphalt, so it should not feel like a sea of asphalt shoved to the forefront and should instead be more the idea of embedding this building into a wooded lot. He stated that the intent will be to make it feel private and secluded for the owners, but still very attractive when the trees they plant have not yet reached full maturity.

Commissioner Holker asked about the total elevation as compared to the apartment building so she can get a visual idea of what they expect it to look like.

Mr. Landhauser stated that they had actually ran a drone through the area and can include greater detail if this moves further along in the process. He stated that they will try to work in the drone data as to how this building would relate and explained that the heights of the tallest point of the apartment building are very comparable to the top floor of this building.

Commissioner Holker asked about the view from County Road 19 as compared to how far away the apartment building is from the roadway. She explained that she was trying to get a sense for how far back on the lot the mass of the building will sit.

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 8 of 10

Mr. Landhauser stated that they are about 28 feet from the closest edge to the right-of-way at Smithtown. He noted that they are trying to retain some of the very mature trees at the top of the retaining wall to help create the buffer so there is not a hard edge with units being close to the roadway. He stated that being close to the roadway is useful in a rental market, but with owners, they like the convenience of being off of Smithtown Road, but are probably not as keen on staring out their living room window at the roadway.

Vice-Chair Riedel asked about whether there were any green or environmental targets that they had in mind for this project.

Mr. Landhauser stated that although they do not go through lead certification, they do go with principals that align with that lead certification standard as a baseline. He stated that means they are sourcing things within 500 feet of the site and use as many locally sourced materials and general subcontractors from the area as they can. He explained that they also do electrical vehicle charging and explained that they do a flex stall so even if you don't move in having an electric vehicle or a hybrid, you will have access if you end up changing vehicles in the future. He stated that they are working through the details if someone wants it right off of their individual parking stall. He stated that they also typically make the building 'solar ready' and shared the example of what has happened at their St. Anthony building. He stated that related to the finishing products, they go through and try to have environmentally sensitive products.

Commissioner Holker asked about the Met Council goals for affordable housing and noted that this development will obviously not meet those goals.

Planning Director Darling stated that it will not but noted that the City is not required to actually provide affordable housing, but they want the City to at least allow densities that would help.

Commissioner Holker asked if there had been a discussion about trying to figure out, more actively, how the City can meet that goal, or if it had pinpointed particular areas where that might make sense.

Planning Director Darling stated that the City recently went back through and found a number of sites that had high density established with the new Comprehensive Plan. She reviewed the four primary areas where they have looked more closely for higher density housing.

Commissioner Huskins asked if Public Works or Public Safety had weighed in on these proposed plans.

Planning Director Darling stated that it is a bit early to bring the Fire Department into this conversation. She stated that she has not released it to Public Safety, but has released it to Public Works but has not gotten any specific comments at this point, other than concern about the shared use of the drive

Commissioner Holker asked if Mr. Landhauser had already had preliminary conversations with Tonka Bay.

Mr. Landhauser stated that they have not yet and explained that they are on the Tonka Bay City Council agenda for next week.

Tim Nichols, CEO, Lifestyle Communities, stated that one thing he wanted to touch on was how impactful cooperative housing is to both the people who move in but also to the people who sell homes in the communities that do not want to leave the area. He stated that virtually 100% of the

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 9 of 10

people that come into their buildings are people that didn't want to leave the area and this product gives them the opportunity to stay and to downsize. He stated that they think they offer a valuable piece of the pie for housing choices available in the City.

Vice-Chair Riedel opened this item up for public testimony at 8:18 P.M. There being no public testimony, Vice-Chair Riedel closed that portion of the meeting. He asked the Commission to give their thoughts and opinions on this proposed project.

Commissioner Eggenberger stated that at this point he did not see anything that would keep the Commission from recommending it to move forward. He stated that he feels this type of housing is needed and is a great location for it.

Commissioner Holker stated that as Planning Director Darling laid out there is a need for this type of housing and noted that she agreed with Commissioner Eggenberger that the location feels like a good idea, but she is sensitive to the potential traffic issue that it may bring. She stated that her one concern is for the large commercial building feel, but otherwise cannot think of any real objections, subject to the details that still needs to come forward.

Commissioner Huskins stated that he is also not seeing anything that would make him want to immediately say that he would not support it. He stated that he does have concern about Public Safety and Public Works and the roadway as well as the potential traffic at this intersection. He stated that he does keep coming back to there being shared cities as part of the project because it will require a lot of work.

Vice-Chair Riedel stated that he feels that staff is so professional in both of the cities and so proactive, which means it may be less of an issue than it appears, if both cities agree, in principle. He stated that this will put a large building in place where there was not one before. He explained that he is not necessarily opposed to that, but it is a choice that the City will get to make just once. He stated that he keeps looking for red flags that there have been with other proposals, but he is not seeing any that say this will be hugely problematic other than the possible issue with traffic. He encouraged the developer to put the traffic study front and center and get it out because having answers to those questions, including access will expedite the process with the Commission, the Council, and the residents.

Planning Director Darling reminded the Commission that they can give informal feedback or craft a motion with more specific recommendations for the Council.

Vice-Chair Riedel stated that he would also like to comment on the appearance that this large, imposing building will make.

Commissioner Huskins noted that the comments and questions will be noted in the minutes and made available to the City Council. He stated that he questioned whether, at this stage, that would be sufficient feedback for the Council.

Planning Commissioner Darling stated that would satisfy the expectation of the Council to review the proposal and start flushing out any issues. She stated that this item is planned to be on the agenda for the May 23, 2022 City Council meeting.

The Commission identified a list of the potential issues that have been identified which would include: traffic; size or scale of the building in view of the neighborhood; shared drive access on the Public Works/Fire Station road; and the two city aspect of the project. They also noted that if approved, it will require a Comprehensive Plan amendment; a possible boundary adjustment

CITY OF SHOREWOOD PLANNING COMMISSION MEETING

MAY 3, 2022

Page 10 of 10

between the two cities; rezoning to a PUD to allow multiple family dwelling; PUD application with potential flexibility for lot areas, height, materials; and a surface water plan.

Mr. Nichols stated that he was very grateful that the Commission was being so deliberate about their feedback, because it can be a difficult process. He stated that this approach gives them a lot of good feedback from the City and noted that a motion with this information would be well received by their organization.

Eggenberger moved, Holker seconded, to recommend to the City Council that the City continue discussion of the Lifestyle Communities proposal at 24250 Smithtown Road in Shorewood and 24320 Smithtown Road in Tonka Bay with the exploration of: traffic; size or scale of the building in view of the neighborhood; shared drive access on the Public Works/Fire Station road; and the two city aspect of the project, as well as the future steps outlined in the staff report.

Eggenberger amended the motion, second amended by Holker, to recommend to the City Council that the City continue discussion of the Lifestyle Communities proposal at 24250 Smithtown Road in Shorewood and 24320 Smithtown Road in Tonka Bay and make note that the Commission eagerly awaits further exploration of various aspects of the project, including: traffic; size or scale of the building in view of the neighborhood; shared drive access on the Public Works/Fire Station road; and the two city aspect of the project, as well as the future steps outlined in the staff report. Motion carried 4/0.

6. OLD BUSINESS – NONE

7. REPORTS

A. Council Meeting Report

Planning Director Darling gave a brief overview of the discussion and actions taken at the last City Council meeting.

B. Draft Next Meeting Agenda

Planning Director Darling stated that there may be a variance application on the next agenda.

C. ADJOURNMENT

Huskins moved, Holker seconded, adjourning the Planning Commission Meeting of May 3, 2022, at 8:40 P.M. Motion passed 4/0.