

Adopted Minutes Regular City Council Meeting April 14, 2015

Deputy Mayor Johnson called a Regular Meeting of the Plymouth City Council to order at 7:00 p.m. in the Council Chambers of City Hall, 3400 Plymouth Boulevard, on April 14, 2015.

COUNCIL PRESENT: Deputy Mayor Johnson, Councilmembers Willis, Carroll, Wosje, Beard, Prom.

ABSENT: Mayor Slavik.

STAFF PRESENT: City Manager Callister, Administrative Services Director Fischer, Community Development Director Juetten, Public Works Director Cote, Volunteer Coordinator Maas, Deputy Director of Parks and Recreation Northway, Fire Captain Dreelan, Senior Planner Drill, Police Chief Goldstein, City Attorney Knutson, and City Clerk Engdahl.

Plymouth Forum

There was no one present to address the Council.

Presentations and Public Information Announcements

(4.01) Announcement of April 12-18 as “National Volunteer Week”

Volunteer Coordinator Maas announced April 12-18 as “National Volunteer Week,” and she provided an annual report on the City’s volunteer program.

(4.02) Announcement of Retirement of Parks and Forestry Manager Lowell Luebeck

The Council recognized Parks and Forestry Manager Luebeck for his years of service to the City and wished him well on his retirement.

Approval of Agenda

Motion was made by Councilmember Willis, and seconded by Councilmember Prom, to approve the agenda. With all members voting in favor, the motion carried.

Consent Agenda

Item No.'s. 6.03 and 6.07 were removed from the Consent Agenda and placed under General Business as No.'s 8.04 and 8.05 respectively.

Motion was made by Councilmember Willis, and seconded by Councilmember Carroll, to adopt the amended Consent Agenda that included the following items:

- (6.01) Special and Regular Council Meeting minutes from March 24, 2015.
- (6.02) Resolution Approving Disbursements ending April 4, 2015 (Res2015-095).
- (6.03) (This item was removed from the Consent Agenda and placed under General Business as item No. 8.04).
- (6.04) Resolution Awarding the Contract and Approving an Agreement with Xcel Energy for the Vicksburg Lane Reconstruction and Expansion Project (15001 - Res2015-096).
- (6.05) Resolution Awarding the Contract for the 2015 Sanitary Sewer Lining Project (15018 - Res2015-097).
- (6.06) Resolution Approving Feasibility Study, Plans and Specifications and Order Advertisement for Bids Elm Creek Stream Restoration Project (14006 - Res2015-098) and Resolution Approving the Professional Services Agreement with Hennepin County Department of Environment and Energy Elm Creek Stream Restoration Project (14006 – Res2015-099).
- (6.07) (This item was removed from the Consent Agenda and placed under General Business as item No. 8.05).
- (6.08) Resolution Approving an Amendment to the Joint Powers Agreement with the Shingle Creek Watershed Management Organization (Res2015-100).
- (6.09) Resolution Accepting Utilities for Continual Maintenance for Elm Creek Highlands East 2nd (2010048 - Res2015-101).
- (6.10) Resolution Approving the Application and Allocation of Fiscal Year 2015 Community Development Block Grant Funds (Res2015-102).
- (6.11) Resolution Approving Change Order and Final Payment for the Plymouth Ice Center Dryland Training Facility Project (40021 – Res2015-103).

With all members voting in favor, the motion carried.

Public Hearings

There were no public hearings.

General Business

(8.01) Variance for the Height of the Field House/Concessions Building at Providence Academy located at 15100 Schmidt Lake Road (2015023)

Senior Planner Drill reported on the variance that would allow construction of a field house/concessions building that would be located south of the football field. It would be 40 feet high, with a tower in the center of the building that would be 57 feet high. It would contain three levels at 10,400 square feet and a 1,100 square foot deck on top of the building behind the tower. The north side of the tower would include a spiritual image. A variance allowed the existing school on the site to be 43.5 feet high and a conditional use permit allowed the cupola to be 21 feet above the roofline of the school. Another variance allows a 66 ft. ceiling to be installed over the football field during the winter. The Planning Commission voted 4-1 to recommend denial of the proposed variance based on their finding that the proposed height is not the minimum needed to address the practical difficulties. Area residents also opposed the height.

Councilmember Carroll received clarification that the spiritual image would be facing the football field and not be visible from Schmidt Lake Road.

Councilmember Prom asked if the field house was at the same level as the school building. Senior Planner Drill replied the front of the school building is approximately the same level. The football field is substantially lower.

Councilmember Wosje asked how the maximum height allowed for an accessory structure is calculated. Senior Planner Drill replied it's measured to be the lowest ground elevation around the building to the mid-point of a pitched roof or the top of a flat roof section.

By request of Councilmember Beard, Senior Planner Drill clarified the tallest building would still be the existing school.

Councilmember Carroll requested the definition of an accessory structure. Senior Planner Drill replied an accessory structure is a subordinate structure that is there because of the principle use. The principle use of this site is the school itself. There wouldn't be a concession site if there weren't a school.

Councilmember Wosje asked if the applicant constructed a hallway to the performing arts center, would it still be considered an accessory structure. Senior Planner Drill replied yes.

Deputy Mayor Johnson commented that when Wayzata Schools requested to construct their stadium, they also needed variance for that accessory structure.

Councilmember Willis commented that he looked at the campus and the application for the variance seems to be reasonable and doesn't seem to be offensive in terms of special use.

Councilmember Beard asked about the use of the new building. Senior Planner Drill replied it would be used year round. On the lower level, there will be rooms for coaches, restrooms, concessions, and office spaces.

Todd Flanders, Headmaster from Providence Academy, stated they're seeking the height variance for the design and symmetry of the school. The height proposed on the field house will help obscure the visual of the dome from Schmidt Lake Road. If this proposed variance is approved, it would be the fifth highest building on the campus. They would utilize this structure year round.

Motion was made by Councilmember Wosje, and seconded by Councilmember Willis, to adopt a Resolution Approving a Height Variance for the Field House/Concessions Building at Providence Academy, 15100 Schmidt Lake Road (2015023 - Res2015-104).

An amendment to the main motion was made by Deputy Mayor Johnson, and seconded by Councilmember Prom, to reword condition No. 3 of the Resolution to state, "Any image on the north side of the tower shall not be lighted, except during scheduled events at the football field/track." With all the members voting in favor, the motion carried.

The Council voted on the amended main motion and with all members voting in favor, the motion carried.

(8.02) Preliminary Plan, Final Plat, Site Plan Amendment, and Conditional Use Permit Amendment for the expansion of the Wayzata Senior High School, 4955 Peony Lane (2015006)

Senior Planner Drill reported on the applications for expansion of Wayzata Senior High School. The requested site changes include additional athletic fields with parking lots, construction of six additions onto the existing building totaling approximately 170,000 square feet. Related improvements to: 1) increase parking and bus staging for the expansion, 2) address water quality, and 3) incorporate additional field lighting and lighting of new parking areas. He stated anticipated completion date is the end of 2016. The zoning ordinance contains specific standards for approval of site plan amendments and conditional use permit amendments in the P-1 Zoning District. The building additions would be the same height as or lower than, the height of the existing building. The requested conditional use permit amendment would allow portions of two additions (academic tower and auditorium) to continue to exceed 45 feet in height. The ordinance allows the increased height by conditional use permit amendment, provided that setbacks are increased accordingly. The existing building and all proposed additions would comply with the increased setback that is required for approval of the increased building height. The school district intends to keep the former golf course club house building but there is no current plan for the building. The school district is requesting an easement to allow a portion of that driveway to cross over the southeast portion of the Elm Creek playfield. Trees removed from the easement would be required to be replaced. To help contain stray balls, the school district would install 20 foot high netting in areas between the driveway and the ball fields. The Planning Commission voted unanimously to recommend approval of the site plan, plat, and conditional use permit.

Deputy Mayor Johnson noted the correspondence that was provided to Councilmembers this evening from Mn/DOT for access to Highway 55.

Councilmember Willis stated he's not supportive of access to Highway 55 and anticipates that access will need to be closed in the future because of traffic burdens on Highway 55. He would have preferred to see other options.

Councilmember Wosje asked for staff comments on item 8 in the letter from Mn/DOT. Public Works Director Cote stated that a traffic study was completed to address the current operation problems and whether the proposed access onto Highway 55 will make it worse or better. There were some changes that could be made with the traffic signal, some lane configuration work that could be done on Schmidt Lake Road, and some other work on the east side of the school.

Councilmember Wosje asked about item 9 in the letter regarding traffic management by Plymouth police during large events at the high school. Police Chief Goldstein stated this would be provided if the secondary access were passed. It's staffed on a contractual overtime basis.

Councilmember Beard clarified the Highway 55 access would be westbound only. Public Works Director Cote stated there would be access from the east going into and coming out of the school and going west.

Councilmember Beard asked if there would be an acceleration lane for people coming out of the school. Public Works Director Cote replied there wouldn't be an acceleration lane and there wouldn't be enough room to construct one.

Councilmember Willis commented the safety hazard will be there as motorists try to make a U-turn.

Councilmember Carroll clarified the concern is people leaving and trying to go east. Public Works Director Cote stated if people leave the east access to the school, they would still be able to go east on any of the roads they can currently go east on. People may choose to take new access out that only sends them west because of less traffic.

Councilmember Carroll stated there would need to be a lot of education to inform people that in order to go east, you shouldn't go west and then turn around. Public Works Director Cote stated items 10 and 11 in the letter address this. The school district would try to control who parks closest to that access so it would be students that live west of the site. Through drivers education and announcements, they would provide ongoing training on who should be using that access.

Councilmember Willis mentioned a locked gate to restrict access. Public Works Director Cote stated that was one of the suggestions, but isn't currently being considered. It's Mn/DOT's opinion that they can close that access point at any time.

Police Chief Goldstein stated the proposed concept is not ideal, but from a public safety perspective, there has to be that access point to the campus. He mentioned that a frontage road

might need to be considered in the future. He noted the gated option would be good in order to have access in emergency or for large events, but the school district would prefer to have the access always open.

Deputy Mayor Johnson asked about including language to request some sort of barrier at that access. Councilmember Wosje noted the Mn/DOT letter states if that access becomes a problem, it can be eliminated.

Scott McQueen, Wold Architects and Engineers, commented that the school district is in support of safety. He stated that not all of the students leave the school at the same time and it's not during rush hour.

Councilmember Wosje agreed there needs to be another access. He asked what the percentage of students would be using this access. Public Works Director Cote replied he doesn't have the exact number, but it wasn't a large percentage of the student population.

Councilmember Wosje requested what the Council's authority is and what Mn/DOT allows on this issue. Public Works Director Cote replied Mn/DOT controls Highway 55, grants and takes away access, and would dictate what happens with that access and the 11 conditions in their letter.

Deputy Mayor Johnson commented if this is approved, she hopes that traffic would be directed to the east entrance.

Councilmember Beard asked with multiple new parking lots, will there be less parking on the streets and with more cars on the campus, what is the anticipated volume of cars trying to exit to the east. Senior Planner Drill replied there were more than sufficient spaces provided for what the school would need. Mr. McQueen added the Zoning Ordinance requires 1,950 parking spots and the total lot count is 1,974, plus 118 on each side of the driveway.

Councilmember Willis asked if the students pay a parking fee, noting the school may have the parking spaces but students may still want to park in the free neighborhood parking spaces. Scott Genglan, from the school district, replied the school district plans to move the increased enrollment to the new parking lots. They hope to use permits and expanded parking lots to manage the flow in and out of the parking lots.

Deputy Mayor Johnson noted there is going to be an ongoing dialog to keeping everyone safe.

Councilmember Willis asked what the new parking lot is going to take the place of. Mr. Genglan replied it's used for physical education, and the new turf fields will be used for physical education.

Councilmember Willis asked if their physical education classes would use City fields as part of its program. Mr. Genglan replied they would prefer to use the turf fields. The four foot fence would prevent balls or other objects from going into the parking lot.

Councilmember Willis asked about the field's light impact to the homes in the area. Senior Planner Drill stated the lighting would be 80 feet high and a conditional use permit is being requested for it. It would meet all the City's requirements.

Motion was made by Councilmember Willis, and seconded by Councilmember Carroll, to adopt a Resolution Approving a Preliminary Plat and Final Plat for Wold Architects and Engineers for the Wayzata Senior High School site located at 4955 Peony Lane (2015006 – Res2015-105), and Resolution Approving a Site Plan Amendment and Conditional Use Permit Amendment for Wold Architects and Engineers for the expansion of the Wayzata Senior High School located at 4955 Peony Lane (2015006 - Res2015-106). With all members voting in favor, the motion carried.

(8.03) Notice of Vacancy on the Housing and Redevelopment Authority

The suggestion was made by Councilmember Beard to interview applicants for the vacant position on the Housing and Redevelopment Authority.

Motion was made by Councilmember Beard, and seconded by Councilmember Carroll, to interview applicants on May 5th at 5:30 p.m. With all members voting in favor, the motion carried.

(8.04) Development Agreement for Tax Increment Finance Redevelopment District 7-8 and grant documents with Metropolitan Council 169/55 LLC – Plymouth City Flats at Southwest Quadrant of Highways 169 and 55 (Previously item No. 6.03)

By request of Councilmember Beard, Community Development Director Juetten summarized the staff report regarding previous approvals for the 157-unit multifamily apartment building on this site. Final approval is needed for the TIF agreement and Metropolitan Council loan documents.

Nick Anhut, with Ehlers and Associates, explained the \$2.5 million TIF note would be held by the developer and payable from tax increments as the value on the property increases. It would only be paid if the City received TIF receipts from Hennepin County based on its annual collections derived from the property. That tax increment district was already established and certified in place in 2011, and it's scheduled to collect its first increment this year. TIF districts established under a redevelopment authority can only last for 26 years of collections. Based on projections, it is anticipated that the \$2.5 million would be paid off after 13 years. He noted that the developer did propose \$6 million in extraordinary redevelopment costs and site preparation with this acquisition, and \$2.5 million of that would be acquisition cost and demolition, soil preparation, utility relocation, and other expenses.

Councilmember Beard stated the staff report outlined all of her questions and she would like to see something developed on that site. However, when someone originally acquired this property, they paid too much for it and now there are extraordinary redevelopment costs associated with it. She asked if the City is really benefitting the person who actually sold the property ahead of the current property owner because they got a good deal, noting the current owner didn't factor in the extraordinary redevelopment costs, so the taxpayers are being asked to do that.

Jim Waters, Quest Development, explained in response to Councilmember Beard's comments, that this property was acquired in 2000 by LGA Investment Group Bank originally for the construction of condominiums. In 2005, there was a downturn in the real estate market, financing was not available, and the multifamily market demand was not yet in the suburbs. The land is being sold to the developer for exactly what they were purchasing it for from LGA Investment Group, which is \$200,000 to \$300,000 less than any appraisals they have received. He stated the difficulties of the site include removal of existing structures and utilities, rebuilding of utilities, and the requirement for piling because the soil is soft and part of the redevelopment cost is tearing out the old site structures.

Deputy Mayor Johnson stated there is an earnest desire to develop this property but she is disappointed that affordability didn't come through. She agreed that any project on this site will need TIF.

Councilmember Willis stated the request for the financial assistance was misplaced because the land is overvalued based on the cost to redevelop. The original owner had an asset that has an economic value that can't support the cost of development.

Councilmember Wosje requested clarification on why Quest Development recognized \$3.1 million in typical land costs and Ehlers estimated \$1.2 million of typical land costs. Mr. Anhut explained that Ehlers based their numbers on comparable acquisition sites throughout the metro area.

Councilmember Wosje commented he has struggled with providing assistance to develop this property. However, if TIF financing isn't provided or in the foreseeable future, there will be nothing on this site.

Councilmember Prom asked if the entire building would be on pilings. Mr. Waters replied yes.

Councilmember Beard stated she can't support the \$2.5 in TIF, but could support negotiation of infrastructure.

Councilmembers Carroll and Wosje stated they support this project.

Mr. Anhut stated because the TIF district was established in 2011, there is a five-year window for costs to occur in order to keep the TIF district alive. By approving this development agreement and the TIF note of \$2.5 million, it will satisfy this five-year requirement.

Councilmember Willis asked if a TIF note was approved when the TIF plan was approved. Mr. Anhut replied that with the approval of the TIF plan, a term sheet was prepared, but in not meeting the development timetable, the requirements expired.

Motion was made by Councilmember Carroll, and seconded by Councilmember Wosje, to adopt a Resolution Approving Documents and Authorizing Execution of Documents Related to 169/55, LLC Housing Project (Res2015-107).

Todd Urness, applicant, stated that 64 households would have been a challenge on that site.

Deputy Mayor Johnson asked if the upgrades are still going to take place on the building. Mr. Urness replied there will be significant upgrades with 25% of the exterior covered in brick and the main statement piece will include metal upgrades.

The Council voted on the motion, and with Councilmembers Wosje, Willis, Carroll and Johnson voting yes, and Councilmembers Beard and Prom voting no, the motion carried.

(8.05) Consider Creation of an Economic Development Manager Position (*Previously item No. 6.07*)

By request of Councilmember Prom, City Manager Callister explained this position was developed to serve the needs of the community and will work with real estate brokers, putting on forums to talk about schools, community and developments, and answer questions. It's a proactive position focused on economic development.

Councilmember Beard asked if there would be a fair assessment after the individual has been in the position one year, to determine if the position paid for itself by the increased business that was brought to the City. City Manager Callister stated that is a fair question and that could be difficult to determine. He noted businesses relocating or expanding in Plymouth have come easily because it is such a great community, but what other opportunities did the City miss. It will be good to have a person who can be proactive in this role to find those opportunities.

Deputy Mayor Johnson commented this person can get to know the business community and put a plan in place to retain businesses that are thinking of moving elsewhere. She views it as adding tax capacity, helping businesses expand, helping attract businesses, helping save and retain businesses, and better marketing of the city throughout the area.

Councilmember Wosje supports this motion as having a person to look at potential properties and opportunities will be very helpful. In addition, it will help privately held business in the community to have a person to call and guide them through regulations that they don't understand.

Motion was made by Councilmember Prom, and seconded by Councilmember Wosje, to adopt a Resolution Approving the Creation of An Economic Development Manager Position (Res2015-108). With all members voting in favor, the motion carried.

Reports and Staff Recommendations

(9.01) Legislative Update

City Manager Callister provided a brief legislative update.

Councilmember Wosje provided an update on the Suburban Transit Association's lobbying efforts.

Adjournment

Deputy Mayor Johnson adjourned the regular meeting at 10:53 p.m.



Sandra R. Engdahl, City Clerk