

B. Preliminary Rezoning and Comprehensive Plan Amendment, 6444, 6500, 6525, 6550 Xerxes Avenue and 3250 66th Street West. DLC Residential, LLC.

Staff Presentation

Director Teague presented a request from DLC Residential, LLC for a Comprehensive Guide Plan Amendment and Preliminary Rezoning and Preliminary Development Plan to redevelop the 5.6-acre office building sites with a two phase development.

Teague noted Phase I (3250 West 66th Street) is to be developed with a 6-7 story, 227-unit apartment building with two levels of underground parking, a club room, fitness area, and a green roof with an amenity terrace, including pool. A Comprehensive Guild Plan Amendment from RM, Regional Medical to CAC, Community Activity Center is also proposed. Phase 2 includes a 145-unit apartment building with five and four floors of housing above the parking and amenities area. Phase 2 is projected to be redeveloped in the future 3-10 years.

Concluding Teague recommended that the City Council approve the Request for Comprehensive Plan Amendments for 6444, 6500, 6550 and 6525 Xerxes Avenue and 3250 66th Street West subject to the following findings:

1. The proposed land uses, multi-family residential and commercial are consistent with existing and proposed land uses in this area. Multi-family housing is an allowed use in the Regional Medical District.
2. This site is seen as the gateway into Edina and the Southdale Area. The proposed land use change would allow all four corners of 66th and York/Xerxes to be consistent.
3. The proposed development is within the height and density guidelines of the Comprehensive Plan.
4. The Comprehensive Plan recognizes the Southdale area and the CAC as the most intense district in terms of uses, height and coverage. The City allows a floor area ratio of up to 1.5 in other parts of the City, such as 50th France; therefore, the floor area ratio of the proposed use, which is predominantly residential, seems appropriate for the area.

Teague further recommended that the City Council approve the Preliminary Rezoning from POD 1&2, Planned Office District to PUD, Planned Unit Development and Preliminary Development Plan to redevelop 6550 and 3250 66th Street West in a two phase development based on the following findings:

1. The proposal would meet the purpose and intent of the PUD, as most of the above criteria would be met. The site is guided in the Comprehensive Plan as "Community Activity Center – CAC," which encourages a mixing of uses, including retail and multi-family residential. The proposed uses are therefore consistent with the Comprehensive Plan as amended.
2. The proposed land uses, multi-family residential and commercial are consistent with existing and proposed land uses in this area.
3. The proposed development is within the height and density guidelines of the Comprehensive Plan.
4. The Comprehensive Plan recognizes the Southdale area and the CAC as the most intense district in terms of uses, height and coverage. The City allows a floor area ratio of up to 1.5 in other parts of the City, such as 50th France; therefore, the floor area ratio of the proposed use, which is predominantly residential, seems appropriate for the area.

5. The traffic and parking study done by Kimley Horn concludes that the existing roadways can support the proposed project, and there would be adequate parking provided.
6. The project would create a pedestrian friendly development with extensive pedestrian paths planned for the site. Sidewalks would provide pedestrian connections for residents to the north through the development to connect to the Southdale area.
7. The site is a gateway into Edina, and the building has taken the curved shape of the site that it sits on. Podium Height would be used on 66th Street.
8. The public realm provided for in the development would be within and around the sidewalk areas. The proposed plans invite people through the project from the north to provide a pedestrian access to Southdale and the Metro Transit station. Boulevard style sidewalks are provided to comfortably move residents around the building and through the project to create a comfortable pedestrian experience. A large green space, adjacent to the boulevard style sidewalk is proposed to fill in the right-turn lane, another signature of this gateway area.
9. The development would include affordable housing.
10. The applicant is also proposing some sustainability principles within their project narrative, including: Green roofs, 15% increase in energy efficiency; participation in the Xcel Energy EDA program; and green construction practices.
11. The PUD would ensure that the building proposed would be the only building built on the site, unless an amendment to the PUD is approved by City Council.
12. The proposal addresses many of the working principles of the Greater Southdale Area Working Group as mentioned in the above findings.
13. The proposed project would meet the following goals and policies of the Comprehensive Plan:
 - a. Building Placement and Design. Where appropriate, building facades should form a consistent street wall that helps to define the street and enhance the pedestrian environment.
 - b. Movement Patterns.
 - Provide sidewalks along primary streets and connections to adjacent neighborhoods along secondary streets or walkways.
 - A Pedestrian-Friendly Environment.
 - c. Encourage infill/redevelopment opportunities that optimize use of city infrastructure and that complement area, neighborhood, and/or corridor context and character.
 - d. Support and enhance commercial areas that serve the neighborhoods, the city, and the larger region.
 - e. Increase mixed use development where supported by adequate infrastructure to minimize traffic congestion, support transit, and diversify the tax base.
 - f. Increase pedestrian and bicycling opportunities and connections between neighborhoods, and with other communities, to improve transportation infrastructure and reduce dependence on the car.
 - g. Incorporate principles of sustainability and energy conservation into all aspects of design, construction, renovation and long-term operation of new and existing development.
 - h. Buildings should be placed in appropriate proximity to streets to create pedestrian scale. Buildings “step down” at boundaries with lower-density districts and upper stories “step back” from street.
 - i. Provision of affordable housing.

Approval is subject to the following Conditions:

1. The Final Development Plans must be generally consistent with the Preliminary Development Plans dated January 22 and February 5, 2016.
2. Final plans must show all mechanical equipment and the means to screen it. No ground level mechanical equipment shall be located in front of the building on a public street.
3. The Final Landscape Plan must meet all minimum landscaping requirements per Chapter 36 of the Zoning Ordinance.
4. The Final Lighting Plan must meet all minimum landscaping requirements per Chapter 36 of the Zoning Ordinance.
5. This sidewalk proposed along Xerxes must be extended to the east property boundary. The north-south sidewalk on the west side of the private drive must also be extended to York Avenue.
6. Submittal of a complete sign plan for the site as part of the Final Development Plan application. Signage should include monument sign locations and size, way finding signage, and wall signage.
7. Compliance with all of the conditions outlined in the director of engineering's memo dated February 12, 2016.
8. As part of a Developer's Agreement, the property owner would be required to participate in appropriate cost sharing improvements to the 66th and York intersection which may include elimination of the right turn lane, providing green space and improving pedestrian crossings.
9. Ten percent (10%) of the housing units shall be designated for affordable housing. Specific detail would be determined at the time of final approval.
10. Sustainable design principles must be used per the applicant narrative. The building shall be designed to be 15% more energy efficient than the current state energy code guidelines. A plan of how standards are intended to be met must be submitted prior to issuance of a building permit.
11. Final Rezoning is subject to a Zoning Ordinance Amendment creating the PUD, Planned Unit Development for this site.
12. The temporary cell pole must be removed as soon as possible. No final occupancy permit will be granted for the apartment building until the pole is removed.
13. A 30-foot roadway easement shall be dedicated at the time of Final Rezoning for a future extension of 65th Street.

Appearing for the Applicant

Rich Kauffman, DLC Residential LLC, Dennis Sutliff (ESG) Luke Payne, Kimley Horn.

Applicant Presentation

Mr. Kaufmann and Mr. Sutliff addressed the Commission giving an overview of DLC Residential, LLC and the multi-housing development project to include 227-unit rental apartment building with two levels of underground parking (Phase 1), 3% or 7-units at 60% AMI, enhanced land use, iconic architecture and artful building design. An inviting public realm creating a more walkable, pedestrian friendly and interconnected neighborhood with greater levels of the live-work amenities.

The Development Team further touched on landscaping, parking, site and traffic circulation sustainability, storm water management, and exterior building materials.

Commission Comments and Discussion

The Commission discussed granting the Comprehensive Plan Amendment, Preliminary Rezoning and Development Plan for DLC Residential, LLC expressing the following:

- Consider what the City's goals are for the Regional Medical District (RMD). Does this proposal "eat away" at those goals. The City Council needs to weigh in on their vision for the RMD District.
- Is there the potential for this area to be overbuilt? Is the developer comfortable with the numbers,
- What about extending West 65th Street; and if it's extended should it be only for pedestrian and bike traffic or vehicles too?
- Is it possible to "close off" York Avenue to the subject site. This would mitigate impact into the existing neighborhood. It was acknowledged that the subject site has a legal right to York Avenue; however, it this worth reconsidering.
- Is the proposed Phase 2 to far into the future to be part of this approval process? Noting things change.
- Keep all affordable housing at 10 percent.
- The City of Edina needs to retain a different traffic consultant to prepare an independent traffic study taking into consideration the proposals planned for all three corners, what could occur in the future and the use of multiple modes of transportation. This independent consultant avoids the appearance of conflict of interest.
- Prioritize the extension of sidewalks for the area.
- Clarify energy standards.

Public Hearing

Chair Platteter opened the public hearing at 9:23 p.m.

Public Testimony

David Enger, 6461 Barrie Road, Edina, MN addressed the Commission
Mark McCollar, 6400 York Avenue #514, Edina, MN addressed the Commission
John Kelly, 6405 S. Colony Way IC, Edina, MN addressed the Commission
Peggy Keller, 6309 York Avenue #202, Edina, MN addressed the Commission
Peter Parshall, 6400 York Avenue #402, Edina, MN addressed the Commission
G. Williams, 6400 York Avenue #617, Edina, MN addressed the Commission

Motion made by Thorsen to close the public hearing. Motion seconded by Carr seconded the motion. Motion carried.

The discussion continued focusing on traffic and the impact of multiple developments in this area.

Motion

Motion by Commissioner Carr to recommend approval of a Comprehensive Guide Plan Amendment as set forth in the staff report and Preliminary Rezoning and Development

Plan approval based on staff findings and subject to staff conditions with an additional condition that a secondary traffic study be done that would confirm the traffic study prepared by Kimley Horn that would also include analysis of projected growth, cumulative impact of surrounding developments and address traffic mitigation scenarios on York Avenue. Commissioner Thorsen seconded the motion.

Commissioner Olsen offered a friendly amendment that would include TDM. Commissioners Carr and Thorsen accepted that friendly amendment.

A discussion ensued with Commissioner Forrest expressing the opinion that she could not support the rezoning to PUD for Phase 2. Forrest stated in her opinion the projected build out is too far out to give blanket approval; conditions in the area can change. Commissioners continued the discussion suggesting that the motion be split. Teague explained that the Commission could separate their motion into two parts, Comprehensive Guide Plan Amendment and Preliminary Rezoning and Development Plan.

Commissioner Carr withdrew her motion.

Motion by Commissioner Carr to recommend approval for a Comprehensive Guide Plan Amendment for 6444, 6500, 6550 and 6525 Xerxes Avenue and 3250 West 66th Street based on staff findings. Commissioner Thorsen seconded the motion. Ayes; Hobbs, Thorsen, Strauss, Olsen, Carr Forrest, Platteter. Nays; Lee and Nemerov. Motion carried 7-2.

Motion by Commissioner Carr to recommend Preliminary Rezoning and Development Plan approval based on staff findings and subject to staff conditions and the additional condition.

- **The City is to retain an independent party to conduct an additional traffic study that would:**
 - 1. Confirm the findings in the traffic study report presented by Kimley Horn. The study would also include projected growth; cumulative impact, multi modal impact and mitigation measures if/where needed.**
 - 2. Condition 10 of the Staff Report strike 15%.**

Seconded by Commissioner Thorsen.

Commissioner Olsen offered a friendly amendment to include that the new traffic study is to be completed before the project is presented to the City Council.

Amendment to the motion was accepted by Commissioners Carr and Thorsen.

Ayes; Thorsen, Strauss, Olsen, Carr. Nays; Hobbs, Lee, Nemerov, Forrest, Platteter. Motion failed 5-4.

V. Community Comment