



**Date:** May 22, 2023

**To:** Planning Commission

**From:** Cary Teague, Community Development Director

**Subject:** Preliminary Rezoning, Overall Development Plan, Site Plan and Subdivision – 7235 France Avenue

## Information / Background:

Enclave Companies are proposing to redevelop the Macy's Furniture store site at 7235 France Avenue. The proposal is to tear down the existing 89,782 square foot structure and build the following:

Southwest Parcel. An 11-story (155-foot tall) mixed use building containing 47,236 square feet of office, 49 senior condominiums, 9,549 square feet of retail/restaurant and a 280-stall parking garage.

Northwest Parcel. A 7-story (85-foot tall) mixed use building containing 20,825 square feet of office/lobby/conference, 124 apartment units and 7,594 square feet of retail, and a 318-stall parking garage.

Northeast Parcel. A 7-story (82-foot tall) apartment with 223 units and a 346-stall parking garage.

Southeast Parcel. A 7-story (82-foot tall) apartment with 176 units and 4,141 square feet of retail/restaurant and a 380-stall parking garage. (See attached narrative and plans.)

The applicant proposes to include affordable housing units within the project to meet the City's affordable housing policy. Ten percent (10%) of the rental units would be available to those at 50% AMI (53 units) and ten percent (10%) of the for-sale condos would be available to those persons at 80% AMI (5 units).

The applicant intends to meet the City's Sustainable Buildings Policy. (See page 9 of the applicant narrative. Also, 45% of the project would be dedicated as public realm; this would include areas on all sides of all four buildings.

The applicant has requested the following:

- Preliminary Rezoning from PCD-3 to PUD-25, which would include an overall development plan. The PUD would ensure that affordable housing is included

within the project, that the Sustainable Buildings Policy is met, and land is dedicated for public use. In return, the applicant is requesting flexibility to the underlying PCD-3 standards including building height, building material, building transparency, first floor ceiling height, building setbacks, building setback from single-family homes, floor area ratio and building coverage.

➤ Preliminary Site Plan and Subdivision/Preliminary Plat.

The table on the page 13 of this report demonstrates how the proposed new building would comply with the existing PCD-3 Standards on the lot.

The applicant went through the sketch plan process; based on the feedback received, they have made the following revisions to the plans (See more detail on the revisions within the applicant narrative attached):

- Increased building setbacks. East side from the Promenade increased from 15 to 35 feet. The south side setbacks increased from 50-100 feet to 50 to 130 feet.
- Added a restaurant adjacent to the Promenade in the SE building.
- Widened the 9-mile Creek Trail along the south lot line from 10 feet to 15 feet. (Subject formal approval from the watershed district.)
- Shifted the 11-story building from the NW lot to the SW lot. The height still does not meet the setback requirement from R-1 zoned property.
- The above ground garage in the NW building has been reduced from 4 levels to 1 level.
- General public parking has been added to all four buildings.
- Parking ramps have been designed to be convertible.
- “Green” coverage has been added on building walls.
- Public Art has been added.
- Plans now can accommodate either an underpass or bridge across France Avenue.
- Enhanced and increased landscaping and green space. (See page 6 of the applicant narrative.)
- Project will meet the City’s sustainable buildings policy.
- 5% of the parking stalls will have EV charging stations; 10% will include electrical conduit for 10% of the stalls to have EV charging stations.
- Rooftop solar panels will be installed on the two eastern buildings.
- Affordable housing (10% of the units) will be included within the project, including 10% of the condominiums.
- Reduced the amount of office space and increased the retail and housing.

Attached is the city attorney’s “pyramid of discretion.” This project is within the “green” zone, meaning this is a legislative decision in which the City has complete discretion when reviewing this application.

## SUPPORTING INFORMATION

### Surrounding Land Uses

- Northerly: 71 France; Retail/apartments Mixed Use Development Project; zoned PUD, Planned Unit Development and guided CAC, Community Activity Center.
- Easterly: The Promenade and York Plaza Apartments; zoned PRD-4, Planned Residential District and guided Greater Southdale District Residential.
- Southerly: Pinstripes and Parking Ramp; zoned MDD-6, Mixed Development District 6 and guided CAC, Community Activity Center.
- Westerly: Vacant Site (7200-7250 France); zoned PUD, Planned Unit Development and guided OR, Office Residential.

### Existing Site Features

The subject property is 7.97 acres in size and contains an existing furniture store and a large, underutilized surface parking lot.

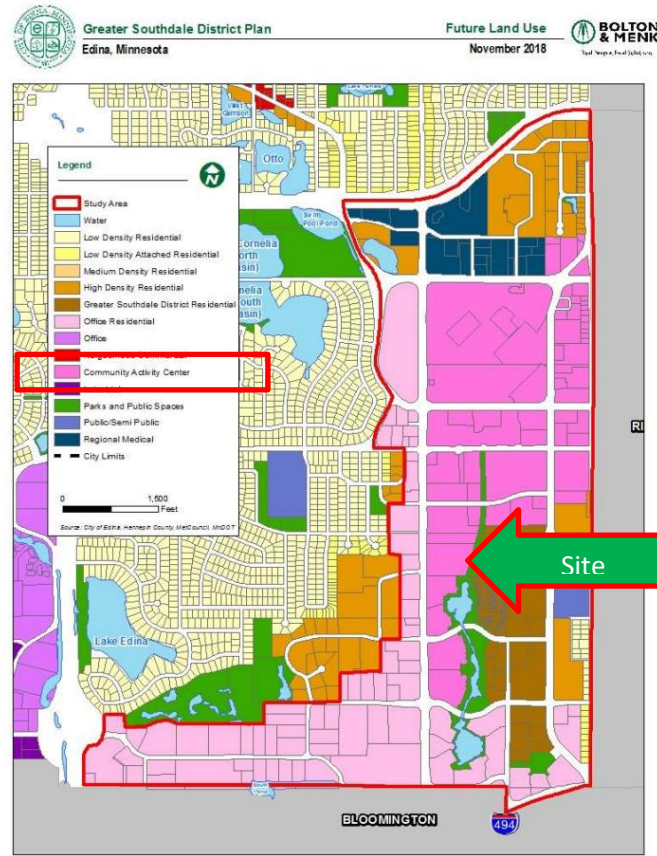
### Planning

- Guide Plan designation: CAC, Community Activity Center.
- Zoning: PC-3, Planned Commercial District 3

### Comprehensive Plan

This site is guided CAC, Community Activity Center. (See attached Comprehensive Plan Land Use Map) Below is the CAC land use category and description. The proposed uses are consistent with the Comprehensive Plan. As stated withing the Greater Southdale District Plan *“The commercial core of the Greater Southdale District, including the Southdale and Galleria malls and commercial areas to the east and south, is a designated Community Activity Center (CAC). This is the city’s most intense district in terms of uses, height and coverage. Primary uses include retail, office, lodging, entertainment, and multifamily residential uses, with mixed uses being generally preferred. Secondary uses include institutional and recreational uses.”*

Categories	Description, Land Uses	Development Character and Guidelines	Density and Intensity Guidance
CAC Community Activity Center	<p>Contains larger scale uses, height and coverage.</p> <p>Primary uses: Retail, office, lodging, entertainment, and residential uses, combined or in separate buildings.</p> <p>Secondary uses: Institutional and recreational. Mixed-use should be encouraged and may be required on larger sites.</p>	<p>Design standards for building placement, massing and street-level treatment. Where applicable, refer to small area plan for more detailed design guidance.</p> <p>Buildings should be placed in appropriate proximity to streets to create pedestrian scale. Buildings may “step down” at boundaries with lower-density districts and upper stories “step back” from street.</p> <p>More stringent design standards for larger buildings. Emphasize pedestrian circulation; re-introduce finer-grained circulation patterns where feasible.</p>	<p>90 – 150 residential dwelling units/acre</p> <p>50%/50% estimated residential/commercial mixed-use</p>



The Greater Southdale Work Group spent over two years working on the Greater Southdale District Plan for the Comprehensive Plan and the Design Experience Guidelines. Page 47 of the Greater Southdale District Plan states: “*The Greater Southdale Work Group’s deliberations culminated in an **urban design strategy that is operationalized in a flexible decision-making framework that stimulates continuous adaptive activity rather than a fixed set of rules that defy challenge.*** The urban design strategy is intended to inspire creative interaction between development blocks and the public realm, with the public realm serving as a pivotal organizational element. The Work Group’s over-arching objective is to maximize pedestrian activity throughout the District, with the public realm as the connective tissue that gives the District its unique identity and sets the stage for a remarkable daily experience for those who live, work, play within the Greater Southdale District.”

The PUD zoning option was created with this in mind. A PUD offers the ability to vary from conventional Zoning. The proposed development does not fit into conventional zoning and does not meet some of the recommended design experience guidelines. However, the project does very much meet the over-arching objective to maximize pedestrian activity throughout the District, with the public realm as the connective tissue that gives the District its unique identity and sets the stage for a remarkable daily experience for those who live, work, play within the Greater Southdale District.

The centerpiece of this project is the public realm designed to maximize pedestrian traffic through the site and enable future connection west across France Avenue.

## **Greater Southdale District Design Experience Guidelines - City Goals**

The applicant has responded to the comments from AFO at Sketch Plan and the Greater Southdale District Design Experience Guidelines. (See pages 13-14 within the applicant narrative, and the AFO review memo from Sketch Plan.) The proposed plans follow several fundamental guidelines: 1) Dividing larger parcels into smaller ones and creating public spaces between the buildings, and move pedestrians, bicycles and vehicles through the site; 2) Inclusion of liner buildings to screen parking ramps; 3) Eliminating surface parking; 4) Activating the ground level with commercial uses and residential units.

### **Parking**

Based on the proposal, 572 residential units, 21,281 square feet of restaurant/retail uses, and 68,061 square feet of office space; 1,117 parking stalls are required. The applicant is proposing 1,339 spaces within the underground parking garages plus 10 surface parking stalls. Within each building 5% of the parking stalls would be installed with electric vehicle charging stations, and an additional 10% would be wired for the possibility future EV charging stations.

WSB Consulting provided a parking study, which concludes that the proposed development requires 1,041 parking spaces.

### **Site Circulation/Traffic**

Vehicular access to the site would be in two locations off of France Avenue that exist today. One on the north lot line that is shared with the 71 France project to the north, and the other on the south lot line that is shared with the development to the south. There would be a north south drive that would connect to the north and south parcels as they are connected today. Access to parking to all four buildings would be from this north-south road. Public shared access easements would be established.

WSB also conducted a traffic study, reviewing the EAW that was previously done for this site/development. The study concludes that no roadway improvements are needed at this time.

### **Landscaping**

Based on the perimeter of the site, 61 overstory trees would be required. The proposed plans show that 39 trees would be removed, and 11 trees would remain. The applicant is proposing to plant 142 new trees that would equate to 414 new caliper inches of trees. A full complement of understory shrubs and bushes are also proposed. (See attached landscape plans.) The applicant would also be asked to meet the City's tree preservation ordinance at the time of building permit application.

### **Grading/Drainage/Utilities**

The city engineer has reviewed the proposed plans and found them to be acceptable subject to the comments and conditions outlined in their review memo. (See attached memo dated May 16, 2024.)

A developer's agreement would be required for the construction of the proposed sidewalks, drive lanes and utilities. Any approvals of this project would be subject to review and approval of the Minnehaha Creek Watershed District, as they are the City's review authority over the grading of the site.

### **Building/Building Material**

The building materials would be a combination of brick, stone metal panel, fiber cement, and glass. Brick/stone and glass would primarily be located at the base of the buildings. (See attached renderings.) The applicant is requesting flexibility through the PUD rezoning under the following provisions of the City Code.

Per Section 36-579 (3), the following building design is required in the POD Zoning District:

- 3) Building design and construction. In addition to other restrictions of this section and article III of chapter 10, the use, construction, alteration or enlargement of any building or structure within the Planned Office District shall meet the following standards:
  - a. All new front building facades in the district that face the public realm must have 75 percent transparency (ability to see inside the building) at the ground level.
  - b. All facades on the first vertical 60 feet of a building (above grade) shall use natural materials (brick, stone) facing the public realm (streets, parks, sidewalks).
  - c. No building facade shall be longer than 200 feet without changing direction by a minimum of 90 degrees.
  - d. Ground level first floors must have a minimum floor to ceiling height of 20 feet.
  - e. All subsequent additions, exterior alterations and accessory buildings constructed after the erection of an original building shall be constructed of the same materials as the original building and shall be designed in a manner conforming to the original architectural design and general appearance.

The applicant is proposing a 15-20 foot tall first floors. The applicant is further requesting flexibility regarding brick material on the first 60 feet in height, and the 75% transparency requirement. The percentage of proposed brick/stone in the first 60 feet varies between 20-72%. (See attached plans showing brick percentages.) Excluding the structured parking area, the ground level transparency is 61% around the perimeter of the NE Building, 75% around the NW building, 65% around the SE building and 65% around the SW building.

### **Mechanical Equipment**

No mechanical equipment has been shown on the plans. Any rooftop and/or ground level equipment would have to be screened if visible from adjacent property lines. Final Plans must include location of mechanical equipment and the means of screening. No ground level mechanical equipment shall be located within the front yard of the development.

### **Signage**

The signage allowed on the site would correspond to the use. The residential use would be subject to the sign regulations in Section 36-1712 planned residential districts; the retail uses would be subject to sign regulations of commercial districts, Section 36-1714, PCD-2 District. This would be written in the PUD Ordinance if approved. The public park sign would not meet

the sign ordinance. Park signage should also be subject to compliance with the sign ordinance, to be determined at the time of building permit.

## **Living Streets/Multi-Modal Consideration**

### **Sec. 36-1274. - Sidewalks, trails and bicycle facilities.**

- (a) In order to promote and provide safe and effective sidewalks and trails in the city and encourage the use of bicycles for recreation and transportation, the following improvements are required, as a condition of approval, on developments requiring the approval of a final development plan or the issuance of a conditional use permit pursuant to article V of this chapter:
  - (1) It is the policy of the city to require the construction of sidewalks and trails wherever feasible so as to encourage pedestrian and bicycle connectivity throughout the city. Therefore, developments shall provide sidewalks and trails which adjoin the applicant's property:
    - a. In locations shown on the city's sidewalk and trail plan; and
    - b. In other locations where the council finds that the provision of such sidewalks and trails enhance public access to mass transit facilities or connections to other existing or planned sidewalks, trails, or public facilities.
  - (2) Developments shall provide sidewalks between building entrances and sidewalks or trails which exist, or which will be constructed pursuant to this section.
  - (3) Developments shall provide direct sidewalk and trail connections with adjoining properties where appropriate.
  - (4) Developments must provide direct sidewalk and trail connections to transit stations or transit stops adjoining the property.
  - (5) Design standards for sidewalks and trails shall be prescribed by the engineer.
  - (6) Nonresidential developments having an off-street automobile parking requirement of 20 or more spaces must provide off-street bicycle parking spaces where bicycles may be parked and secured from theft by their owners. The minimum number of bicycle parking spaces required shall be five percent of the automobile parking space requirement. The design and placement of bicycle parking spaces and bicycle racks used to secure bicycles shall be subject to the approval of the city engineer. Whenever possible, bicycle parking spaces shall be located within 50 feet of a public entrance to a principal building.
- (b) The expense of the improvements set forth in subsection (a) of this section shall be borne by the applicant.

The applicant would be installing sidewalks along the streets and around all the buildings. There would be indoor long-term bicycle parking stalls within the buildings for residents. Provision of code compliant exterior bike racks (5% of parking stalls) for the commercial use near the building entrances would be required at the time of permitting.

See the attached memo from engineering regarding the city's Living Streets Policy & TDM Management. Some of the highlights and recommendations include:

- Design the sidewalks to meet ADA requirements.
- Public sidewalk to be a minimum 8 feet in width with an 8-foot boulevard.
- Provide a TDM plan as required by the City's Travel Demand Management Policy.
- Provide directional signage/information for adjacent pedestrian, bicycle and transit facilities and ride-sharing services.
- Provide a bike repair station on-site, located adjacent to bike parking/storage or the bicycle access points.
- Subsidize Metro Transit passes for tenants and employees.

### **Connections to the Promenade**

The City's parks and recreation department has reviewed the proposed plans and connections to the Promenade and have offered several recommendations. (See the complete list in the attached memo). These shall be made a condition of approval of the project. Some of the recommendations are as follows:

- Property line- Do not utilize City of Edina property. Keep landscape, trees, hardscape, seating wall, etc. off City of Edina property.
- Connections- Reduce access points to the Promenade Trail. Perhaps provide a collector trail on Macy's property that leads to reductions in Promenade access points. Trail connections should be safe, easily accessible and ADA compliant. Don't change the grade of City of Edina property.
- Parks and recreation does not want to provide public access to a private dog park or have it near Promenade Trail.
- Maintenance agreement- Develop a maintenance agreement with property owners to ensure both parties understand and agree on maintenance of area.

### **Subdivision**

The applicant is proposing to divide the parcel into four lots so that each building is located on its own lot. There is no minimum lot size in the PCD-3 Zoning District. For setback purposes, per Section 36-618 (2) the interior lot lines are not considered, only the perimeter or zoning district boundary. The proposed structures do not meet the required setbacks as noted on page 13.

The City is authorized by statute to collect park dedication fees to support the additional demand for parks created by new development when property is subdivided. The City has studied this demand and concluded that new projects generally create additional park demand of approximately \$7,1000 per buildable acre (43,560 square feet) of retail and office and \$5,000 per unit for residential. There would be no dedication for the office/retail square footage as there currently is an 89,782 square foot building on the site that would be removed and 89,342 square feet of retail added. For the residential dedication, \$2,860,000.00 is required. Staff has reviewed this individual project and believes this project will generate similar types and quantities of new demand as assumed in the City's study. Staff does not believe there needs to be any adjustment made to the amount of park dedication fees. These fees would be due at the time of building permit.



## Planned Unit Development (PUD)

As stated in the Greater Southdale District Plan, (page 63) “the Planned Unit Development process is used to encourage innovation in project design that cannot be achieved through traditional zoning, particularly where that innovation benefits the community or the context of the proposed project. This process involves discretionary review characterized by negotiation and collaboration.”

An argument can be made for and against the proposed development. As mentioned, this is a proposal in which the City has complete discretion to approve or deny. The recommendation section of this report will outline a case both for and against this proposed project.

Staff believes the proposal would meet the purpose and intent of the PUD, as most of the criteria below would be met.

Per Section 36-253 the following are the regulations for a PUD:

- I. Purpose and Intent. The purpose of the PUD District is to provide comprehensive procedures and standards intended to allow more creativity and flexibility in site plan design than would be possible under a conventional zoning district. The decision to zone property to PUD is a public policy decision for the City Council to make in its legislative capacity. The purpose and intent of a PUD is to include most or all of the following:***
  - a. provide for the establishment of PUD (planned unit development) zoning districts in appropriate settings and situations to create or maintain a development pattern that is consistent with the City's Comprehensive Plan;***

The site is located within the CAC land use category in the Comprehensive Plan. This is the area that is anticipated for the most intense development within the City. The area in between France and York Avenues is seen as the area that would support the most building density. The Work Group for the Greater Southdale District prepared a Vision Statement as well as their Aspirations for transforming the Greater Southdale District with expanded public parks and publicly-accessible gathering opportunities, community services and facilities, cultural and entertainment venues, a well-designed mix of housing types and affordability-choices, and expanded employment and shopping opportunities.

*The Vision Statement and Aspirations state: “This is what we want.” The key organizing statements of the Work Group’s Vision Statement are:*

- We envision a vibrant, forward-looking and people-filled Greater Southdale District, organized around dynamic streets, engaging parks and public spaces, and well-conceived and enduring buildings.***
- We welcome change on our terms.*
- We envision innovation leading to extraordinary places and experiences.*

- *We're embarking on 50 years of well-paced steps, with each one more clearly blazing the path toward the future of the district.*

Increased density would help create a “people-filled” Greater Southdale District. The focus of the development is moving pedestrians and bicycles through the site to connect to the Promenade; forty-five percent (45%) of the development would be dedicated as public realm. Additionally, this project could enable a future much safer crossing of France Avenue opening up a better bicycle and pedestrian connection for the Cornelia area into the Promenade and Centennial Lakes. The project also maintains and enhances the vehicular connections between the properties to the north and south.

By introducing more residential uses, more restaurant and retail options as well as office space the project would enhance and vitalize the existing businesses and increase pedestrian movement in the area.

- b. promote a more creative and efficient approach to land use within the City, while at the same time protecting and promoting the health, safety, comfort, aesthetics, economic viability, and general welfare of the City;***

The proposal would create a much more efficient and creative use of the property than existing on the site. There would be no surface parking on the site, pedestrian movement around the site would be significantly improved, providing additional connections to the Promenade from France Avenue, enable the possibility for connection across France. The Three Rivers Park bike trail can be upgraded (subject to their approval). As mentioned, adding more residents in the area could enhance the economic viability in the district.

- c. provide for variations to the strict application of the land use regulations in order to improve site design and operation, while at the same time incorporate design elements that exceed the City's standards to offset the effect of any variations. Desired design elements may include: sustainable design, greater utilization of new technologies in building design, special construction materials, landscaping, lighting, stormwater management, pedestrian oriented design, and podium height at a street or transition to residential neighborhoods, parks or other sensitive uses;***

Variations to land use regulations are requested to offset the significant costs for the provision of the following city goals within the project:

- Provision of affordable housing within the project, including 53 rental units available to those at 50% AMI and 5 for sale condos available to those persons at 80% AMI.
- Project would meet the City's sustainable building policy. (See page 9 in the applicant's narrative)
- Parking would be underground/structured (no surface parking included)

- Addition of a significant amount public realm on all sides of the development. The total land area with public access easements over them would be 3.57 acres of the site, or **45% of the entire site area**.
- Landscaping. The proposed plans show that 39 trees would be removed, and 11 trees would remain. The applicant is proposing to plant 142 new trees that would equate to 414 new caliper inches of trees. A full complement of understory shrubs and bushes are also proposed. (See attached landscape plans.)

***d. ensure high quality of design and design compatible with surrounding land uses, including both existing and planned;***

The proposed building would be stone/brick, glass, metal panel and fiber cement. The building would be constructed to meet the Sustainable Buildings Policy which increases the quality (and cost) of the design.

***e. maintain or improve the efficiency of public streets and utilities;***

The project would maintain and improve the efficiency of public streets. A clearer vehicular connection would be made from the property to the south to the property to the north.

***f. preserve and enhance site characteristics including natural features, wetland protection, trees, open space, scenic views, and screening;***

The existing site is primarily paved parking with the retail building. There would be trees removed from the site (39), however, they would be replaced with many more (142 new trees totaling 414 new caliper inches of trees), and higher quality trees, including trees and landscaping around the entire site which would enhance the pedestrian experience.

***g. allow for mixing of land uses within a development;***

The project provides a mixture of uses on the site, including housing, retail, restaurants, office and public realm.

***h. encourage a variety of housing types including affordable housing; and***

As mentioned, the project would provide 10% (58) of the units for affordable housing to help the City achieve its affordable housing goals.

***i. ensure the establishment of appropriate transitions between differing land uses.***

As mentioned, this site is located in an area anticipated for high density development. It would create an enhanced and more welcoming connection from the Promenade to the west.

## **2. Applicability/Criteria**

- a. Uses. All permitted uses, permitted accessory uses, conditional uses, and uses allowed by administrative permit contained in the various zoning districts defined in this Chapter shall be treated as potentially allowable uses within a PUD district, provided they would be allowable on the site under the Comprehensive Plan.**

The proposed uses are all consistent with the Comprehensive Plan. The site is designated as Community Activity Center. Uses contemplated within that area include:

Primary uses: Retail, office, lodging, entertainment, and residential uses, combined or in separate buildings.

Secondary uses: Institutional and recreational. Mixed use should be encouraged and may be required on larger sites.

- b. Eligibility Standards. To be eligible for a PUD district, all development should be in compliance with the following:**
- i. where the site of a proposed PUD is designated for more than one (1) land use in the Comprehensive Plan, the City may require that the PUD include all the land uses so designated or such combination of the designated uses as the City Council shall deem appropriate to achieve the purposes of this ordinance and the Comprehensive Plan;**

The site is guided in the Comprehensive Plan as Mixed-Use Center; the proposal includes mixed uses with residential, retail and office.

- ii. any PUD which involves a single land use type or housing type may be permitted provided that it is otherwise consistent with the objectives of this ordinance and the Comprehensive Plan;**

This project would include a mixture of land uses.

- iii. permitted densities may be specifically stated in the appropriate planned development designation and shall be in general conformance with the Comprehensive Plan; and**

As mentioned, the uses allowed are consistent with the Comprehensive Plan. The densities allowed would be specifically stated in the PUD Ordinance. As a truly mixed-use project, the density proposed is consistent with the Comprehensive Plan.

- iv. the setback regulation, building coverage and floor area ratio of the most closely related conventional zoning district shall be considered presumptively appropriate, but may be departed from to accomplish the purpose and intent described in #1 above.**

The table on the following page shows how the proposed new building would comply with the PCD-3 Zoning Ordinance Standards. As described above, to accomplish the purpose and intent above, include 58 for affordable housing, dedicate 45% of the land area for public use, and meet the City's sustainable buildings policy, the applicant is requesting large departures from the standard zoning requirements of the PCD-3 District.

### Compliance Table

	<b>City Standard (PCD-3) (Setback measured from the front building line to the curb)</b>	<b>Proposed (Setback measured from the front building line to the curb)</b>
<b>Building Setbacks</b>		
Front – France Avenue	50 feet	50 feet
Side – North	50 feet or building height (85' NW) & 82 feet NE)	<b>36 feet (NW building)*</b> <b>20 feet (NE building)*</b>
Side – South	50 feet or building height (155' SW) & 82 feet SE)	<b>131 feet (SW building)*</b> <b>49 feet (SE building)*</b>
Rear – Promenade	50 feet or building height (82 feet)	<b>34 feet (NE building)*</b> <b>35 feet (SE building)*</b>
Setback to R-I Property	7-story building – 328 feet 11 story building – 930 feet	685 feet <b>798 feet*</b>
Building Height	8 stories & 96 feet	<b>7-11 stories and 155 feet*</b>
Density	Up to 150 units per acre (mixed use)	572 total units = 72 units per acre
Floor Area Ratio (FAR)	.50%	<b>2.2%*</b>
Parking	Office – 68,061 s.f. = 234 spaces  Retail/Restaurant – 21,281 s.f. = 164 spaces  Residential – 572 units = 719 enclosed spaces  1,117 spaces total required	1,324 spaces total proposed
First Floor Building Height	20 feet	<b>15 feet*</b>
Transparency at Ground Level	75%	<b>60%*</b> (excluding parking structures)

## PRIMARY ISSUES/STAFF RECOMMENDATION

### Primary Issues

- **Is the proposal reasonable to justify PUD rezoning for this site?**

Yes. Staff does support the PUD rezoning, and believes the PUD criteria is met for the following reasons:

1. The project meets the over-arching objective of the Southdale District Plan to “maximize pedestrian activity throughout the District, with the public realm as the connective tissue that gives the District its unique identity and sets the stage for a remarkable daily experience for those who live, work, play within the Greater Southdale District.” The PUD rezoning tool that was envisioned to achieve this strategy for the District.

The project follows several key goals of the Greater Southdale Design Experience Guidelines, most notably: Dividing the 8-acre parcel into 4 parcels with public realm dedicated on all sides of each building which enables pedestrians, bicycles, and vehicles to move through the site. The public realm area totals 45% of the entire parcel. There are no surface parking lots and liner buildings screen structured parking.

2. The proposed project would meet the City’s sustainable buildings policy, which would require the building to exceed typical building code requirements. (See page 9 in the applicant’s narrative) Including 5% of the parking stalls including EV charging stations with the possibility of expanding another 10%; and rooftop solar systems on two easterly buildings.
3. The project would provide 58 affordable housing units, including 5 that would be owner occupied. These units would help the City of Edina achieve its goal with the Met Council of creating 1,804 units by the year 2030.
4. The proposed project would meet the following goals and policies of the Comprehensive Plan:
  - a. The evolution of the Greater Southdale District into a more inclusive, functional, urban, active and livable mixed-use area, unified through an enhanced pedestrian-oriented public realm, harmoniously integrating new development with existing built and landscape context with compatible transitions to adjacent neighborhoods.
  - b. Higher-intensity, compact development patterns, and clustered destinations to (1) achieve a high level of quality services and amenities, (2) make access by walking, wheelchair, transit, and bicycle more practical, (3) reduce the amount of driving needed to get to services, and (4) to encourage social interaction and healthy living
  - c. A Pedestrian-Friendly Environment. Improving the auto-oriented design pattern present in much of the city will call for guidelines that change the relationship between parking, pedestrian movement and building placement.

- i. Provide visual screening and privacy to buffer cars from people, provide visual relief and allow stormwater infiltration in parking lots.
  - ii. Evaluate current parking standards in order to encourage shared parking and minimize the visual impact of surface parking.
  - iii. Landscaping is essential to screen parking areas, buffer adjacent residential uses and create a pedestrian-friendly environment along streets.
- d. Ensure that public realm design respects community character, supports commercial and mixed-use development, promotes community identity, and creates high quality experiences for pedestrians, cyclists, transit users, and motorists. Focus on the public realm and pedestrian-scale experiences as the foundation for high quality and artful site and building design, highlighted human activity, and enhanced economic vibrancy.
- e. Encourage the creation of distinctive public and private spaces, including green streets, parks and plazas, highlighted gateways, and especially public gathering spaces, as a means of establishing an overall District identity. Enhance crossing of major streets at intervals reasonable to pedestrians. Enhance links between activity centers and transit in ways that expand the use of alternatives to cars. Anchor these links with green urban spaces.
- f. Require that all site spaces are well-considered, that no “leftover” spaces result from development, and that pedestrian experiences are considered first in the design of new introductions to the District
- g. Encourage successful mixed-use development. Promote well-balanced aggregations of “come to” and stay at” on each block, in each neighborhood, and within the District as a whole so that an active, linked and engaging public realm results.
- h. Create and maintain housing options that serve a diverse range of ages, household types, and economic situations.
- i. Multifamily. Multifamily developments are concentrated primarily along the main traffic arteries and are generally located toward the edges of the city, often in proximity to retail business establishments. Concentrations of multifamily developments are found along York Avenue, France Avenue, Vernon Avenue, Lincoln Drive, and Cahill Road.
- j. “Mixed-use development allows for a savings in time and convenience for residents who choose to live in closer proximity to where they work and shop. Community interest is served by this type of development, as the city is able to integrate additional residences and businesses more efficiently within existing city infrastructure. Pedestrian amenities and proximity of uses encourage more trips to be made by foot or bike, reducing the increase of congestion that can otherwise result from conventional development of separated land uses.”

- k. “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. On existing auto-oriented development sites, encourage placement of liner buildings close to the street to encourage pedestrian movement.
    - Locate prominent buildings to visually define corners and screen parking lots.
    - Locate building entries and storefronts to face the primary street, in addition to any entries oriented towards parking areas.
  - l. “Support the development of mixed-use districts that provide a variety of living opportunities within a walkable and livable area.”
5. In exchange for flexibility from conventional zoning the community benefits the City would achieve through the PUD with this project include:
- a. Fifty-eight (58) affordable housing units, five (5) owner-occupied.
  - b. Structures that meet the City’s sustainable buildings policy.
  - c. Forty-five percent (45%) of the project land area dedicated for public use.
  - d. Significant pedestrian connections through the site.
  - e. Enhanced landscaping.
  - f. Ability for a future safe pedestrian and bike connection over or under France Avenue.

## **Staff Recommendation**

### **Options for Consideration & Recommendation**

A case can be made for approval and denial of this project. Below are options for the planning commission and city council to consider for denial and approval:

### **Denial**

Recommend the City Council deny the request for Preliminary Rezoning from PCD-3 to PUD, including the overall development plan and the Subdivision.

Denial is based on the following findings:

- 1. The proposed height and density are not reasonable for the site to justify a PUD. The maximum height for the property is eight stories and 96 feet. The proposed buildings are up to 3 stories and over 50 feet taller than allowed by Zoning Ordinance.
- 2. The proposal does not meet the City’s criteria for PUD zoning. The requested flexibility from the underlying City Code provisions are too much in this instance to justify a PUD.
- 3. The flexibility requested through the PUD regarding building material, building height, building coverage, floor area ratio, density, and setbacks are not reasonable for this site. The proposal does not meet the purpose and intent of a PUD is to include most or all of the following:



- a. provide for the establishment of PUD (planned unit development) zoning districts in appropriate settings and situations to create or maintain a development pattern that is consistent with the City's Comprehensive Plan;
  - b. promote a more creative and efficient approach to land use within the City, while at the same time protecting and promoting the health, safety, comfort, aesthetics, economic viability, and general welfare of the City;
  - c. provide for variations to the strict application of the land use regulations in order to improve site design and operation, while at the same time incorporate design elements that exceed the City's standards to offset the effect of any variations. Desired design elements may include: sustainable design, greater utilization of new technologies in building design, special construction materials, landscaping, lighting, stormwater management, pedestrian oriented design, and podium height at a street or transition to residential neighborhoods, parks or other sensitive uses;
  - d. ensure high quality of design and design compatible with surrounding land uses, including both existing and planned;
  - e. maintain or improve the efficiency of public streets and utilities;
  - f. preserve and enhance site characteristics including natural features, wetland protection, trees, open space, scenic views, and screening;
  - g. allow for mixing of land uses within a development;
  - h. encourage a variety of housing types including affordable housing; and
  - i. ensure the establishment of appropriate transitions between differing land uses.
3. The proposed plan has not adequately addressed the Greater Southdale District Design Experience Guidelines.

## Approval

Recommend the City Council approve the request for Preliminary Rezoning from PCD-3 to PUD, including the overall development plan and the Preliminary Plat. The PUD would ensure that the affordable housing is included within the project, and the building would meet the sustainability policy.

Approval is based on the following findings:

1. The proposed land uses, and density are consistent with the Comprehensive Plan and the existing Zoning on the site.
2. The proposal meets the City's criteria for PUD zoning. The PUD zoning would:
  - a. Promote a more creative and efficient approach to land use within the City, while at the same time protecting and promoting the health, safety, comfort, aesthetics, economic viability, and general welfare of the City.
  - c. Provide for variations to the strict application of the land use regulations in order to improve site design and operation, while at the same time incorporate design elements that exceed the City's standards to offset the effect of any variations.

Desired design elements include sustainable design, greater utilization of new technologies in building design, special construction materials, landscaping, lighting, stormwater management, pedestrian oriented design, and podium height at a street.

- d. Project is of high quality of design and design compatible with surrounding land uses, including both existing and planned.
  - e. Maintains the efficiency of public streets and utilities.
  - f. Provides a mixture of land uses within the development.
  - g. Project would meet the City's affordable housing policy.
3. The PUD would ensure that the development proposed would be the only buildings that would be allowed on the site unless an amendment to the PUD is approved by City Council.
  4. The PUD would ensure 10% of the units within the building would be for affordable housing.
  5. The proposed project would meet the following goals and policies of the Comprehensive Plan:
    - a. The evolution of the Greater Southdale District into a more inclusive, functional, urban, active and livable mixed-use area, unified through an enhanced pedestrian-oriented public realm, harmoniously integrating new development with existing built and landscape context with compatible transitions to adjacent neighborhoods.
    - b. Higher-intensity, compact development patterns, and clustered destinations to (1) achieve a high level of quality services and amenities, (2) make access by walking, wheelchair, transit, and bicycle more practical, (3) reduce the amount of driving needed to get to services, and (4) to encourage social interaction and healthy living
    - c. A Pedestrian-Friendly Environment. Improving the auto-oriented design pattern present in much of the city will call for guidelines that change the relationship between parking, pedestrian movement and building placement.
      - i. Provide visual screening and privacy to buffer cars from people, provide visual relief and allow stormwater infiltration in parking lots.
      - ii. Evaluate current parking standards in order to encourage shared parking and minimize the visual impact of surface parking.
      - iii. Landscaping is essential to screen parking areas, buffer adjacent residential uses and create a pedestrian-friendly environment along streets.
    - d. Ensure that public realm design respects community character, supports commercial and mixed-use development, promotes community identity, and creates high quality experiences for pedestrians, cyclists, transit users, and motorists. Focus on the public realm and pedestrian-scale experiences as the foundation for high quality and artful site and building design, highlighted human activity, and enhanced economic vibrancy.

- e. Encourage the creation of distinctive public and private spaces, including green streets, parks and plazas, highlighted gateways, and especially public gathering spaces, as a means of establishing an overall District identity. Enhance crossing of major streets at intervals reasonable to pedestrians. Enhance links between activity centers and transit in ways that expand the use of alternatives to cars. Anchor these links with green urban spaces.
  - f. Require that all site spaces are well-considered, that no “leftover” spaces result from development, and that pedestrian experiences are considered first in the design of new introductions to the District
  - g. Encourage successful mixed-use development. Promote well-balanced aggregations of “come to” and stay at” on each block, in each neighborhood, and within the District as a whole so that an active, linked and engaging public realm results.
  - h. Create and maintain housing options that serve a diverse range of ages, household types, and economic situations.
  - i. Multifamily. Multifamily developments are concentrated primarily along the main traffic arteries and are generally located toward the edges of the city, often in proximity to retail business establishments. Concentrations of multifamily developments are found along York Avenue, France Avenue, Vernon Avenue, Lincoln Drive, and Cahill Road.
  - j. “Mixed-use development allows for a savings in time and convenience for residents who choose to live in closer proximity to where they work and shop. Community interest is served by this type of development, as the city is able to integrate additional residences and businesses more efficiently within existing city infrastructure. Pedestrian amenities and proximity of uses encourage more trips to be made by foot or bike, reducing the increase of congestion that can otherwise result from conventional development of separated land uses.”
  - k. “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. On existing auto-oriented development sites, encourage placement of liner buildings close to the street to encourage pedestrian movement.
    - Locate prominent buildings to visually define corners and screen parking lots.
    - Locate building entries and storefronts to face the primary street, in addition to any entries oriented towards parking areas.
  - l. “Support the development of mixed-use districts that provide a variety of living opportunities within a walkable and livable area.”
6. The existing roadways and parking would support the project. WSB Consulting conducted a traffic and parking impact study and concluded that the proposed development could be supported by the existing roads and proposed parking.

7. The proposed height of eleven stories is reasonable for this site. To provide affordable housing within this project, the additional height is needed to create more market rate units to help absorb the cost of the affordable housing units and to build the building to meet the City's sustainability policy.
8. The proposed uses and site plan would be an upgrade to the current development on the site.
9. In exchange for flexibility from conventional zoning the community benefits the City would achieve through the PUD with this project include:
  - a. Fifty-eight (58) affordable housing units, five (5) owner-occupied.
  - b. Structures that meet the City's sustainable buildings policy.
  - c. Forty-five percent (45%) of the project land area dedicated for public use.
  - d. Significant pedestrian connections through the site.
  - e. Enhanced landscaping.
  - f. Ability for a future safe pedestrian and bike connection over or under France Avenue.

Approval is subject to the following Conditions:

1. The Final Development Plans must be generally consistent with the Preliminary Development Plans dated April 26, 2024.
2. The Final Landscape Plan must meet all minimum landscaping requirements per Chapter 36 of the Zoning Ordinance. A performance bond, letter-of-credit, or cash deposit must be submitted for one and one-half times the cost amount for completing the required landscaping, screening, or erosion control measures at the time of any building permit.
3. The Final Lighting Plan must meet all minimum requirements per Section 36-1260 of the City Code.
4. Roof-top mechanical equipment shall be screened per Section 36-1459 of the City Code.
5. Submit a copy of the Minnehaha Creek Watershed District permit. The City may require revisions to the approved plans to meet the district's requirements.
6. A Developer's Agreement/Site Improvement Plan Agreement is required at the time of Final Approval.
7. The project must conform to the City's affordable housing policy. The project shall provide 10% of the rental units (53 units) within the building for affordable housing for persons/families earning 50% the area median income (AMI) for the Twin Cities, and 10% of the for-sale condos for families/persons earning 80% of the area median income (AMI) for the Twin Cities.

8. Subject to the Zoning Ordinance Amendment approving the PUD, Planned Unit Development for this site.
9. Dedication of public access easements on all sidewalks, drive lanes, and public areas on all four sides of each building.
10. Park dedication fee in the amount of \$2,860,000.00 shall be due prior to issuance of the building permits.
11. Submittal of a construction management plan subject to review and approval of city staff prior to issuance of a building permit. The plan must demonstrate minimal impact to pedestrian and vehicle movement.
12. Hours of construction must be consistent with City Code.
13. Maintenance of sidewalks and public space shall be responsibility of property owner.
14. Provision of code compliant bike racks near building entrances and within the parking areas would be required at the time of permitting.
15. Compliance with the City's tree preservation ordinance.
16. Compliance with all the conditions outlined in the director of engineering's memo dated May 16, 2024.
17. Compliance with the WSB Consulting Traffic & Parking Study recommendations.
18. Compliance with all the recommendation outlined from the parks and recreation department memo/email dated May 1, 2024.
19. Compliance with the conditions outlined in the fire marshal and building official's memo dated May 16, 2024.
20. Compliance with City's affordable housing policy and sustainable buildings policy.

### **Staff Recommendation**

Staff recommends approval of the requests subject to the findings and conditions listed above.

**Deadline for a City decision: August 20, 2024**