



Minutes  
City Of Edina, Minnesota  
Planning Commission  
Edina City Hall Council Chambers  
September 27, 2017

**I. Call To Order**

Chair Olsen called the meeting to order at 7:05 P.M.

**II. Roll Call**

Answering the roll were Commissioners Hobbs, Lee, Thorsen, Strauss, Nemerov, Hamilton, Bennett, Berube, Bennett, Chair Olsen. Student Members, Mittal and Jones. Staff, City Planner, Teague, Assistant Planner, Aaker, Sr. Communications Coord., Eidsness

**III. Approval Of Meeting Agenda**

**A motion was made by Commissioner Thorsen to approve the September 27, 2017, meeting agenda. The motion was seconded by Commissioner Strauss. All voted aye. The motion carried.**

**IV. Approval Of Meeting Minutes**

**A motion was made by Commissioner Thorsen to approve the minutes of the September 13, 2017, Planning Commission meeting. The motion was seconded by Commissioner Hobbs. All voted aye. The motion carried.**

**V. Public Hearings**

**A. Comprehensive Guide Plan Amendment – OR, Office Residential District for the Estelle Edina. West 69<sup>th</sup> Street at Valley View Road.**

**Staff Presentation**

Planner Teague reported that Ryan Companies on behalf of Luigi Bernardi is requesting an amendment to the Edina Comprehensive Plan regarding height and density in the OR, Office Residential District. The specific request is to increase the density from 30 units per acre to 60 units per acre, and increase the height maximum from 4 stories and 48 feet, to 26 stories and 360 feet. Teague explained that the purpose of the request is for Ryan Companies to construct a multi-phase mixed-use development at the southwest corner of 69th and France. Phase I of the project would include 11,000 square feet of retail that would include a restaurant, office and bank; 6 owner occupied townhouse; 92 owner-occupied condominiums. Phase 2 of the project would be a 22-story building with retail on the main level and 75 owner occupied condominiums. Of the housing units, 20% would be included for affordable housing in each phase.

Teague asked the Commission to note that this request before the Planning Commission and City Council does not include a Rezoning or Site Plan review. If the Comprehensive Plan Amendment were approved by the City Council, the applicant would then come back with Rezoning and Site Plan review applications. It is at that time that the details of the project would be reviewed, and considered for approvals.

Teague pointed out that because this request includes 20% of the housing units to be for affordable housing, this would require a 3/5 vote of approval by the City Council. Minnesota State Law mandates that if projects contain 20% of the units for affordable housing to persons with incomes no greater than 60% of the area median income then the approving vote for a Comprehensive Plan Amendment be done by a majority vote. A super majority vote (2/3) is typically required. As this is a request for a Comprehensive Plan Amendment, the City has complete discretion as to approving or denying this request.

Teague concluded that Staff recommends approval of the Comprehensive Plan Amendment to increase density to up to 60 units an acre in the OR, Office Residential District, and allowing height to be exceed four stories and 48 feet subject to the following:

Approval is subject to the following findings:

1. The proposed density range is reasonable for the west side of France Avenue. The density proposed is less than what is allowed on the east side of York, which is considered a similar area, as it also transitions to single-family homes to the east. East of York, south of 66<sup>th</sup> Street and North of 70<sup>th</sup> Street allows up to 105 units per acre, nearly double the density considered here.
2. Higher Densities are generally located on arterial roadways. The OR district is generally located on France Avenue, an arterial roadway that connects to both Crosstown 62 and I-494.
3. The densities are consistent with those contemplated in the Great Southdale Area Study.
4. Density proposed is similar or less than density for mixed use areas for surrounding communities including Minnetonka, Minneapolis, Bloomington, Richfield, and St. Louis Park.
5. Allowing higher densities allows the City greater opportunity to provide affordable housing units.
6. Height is typically a function of a Zoning Regulation and not a specific requirement in a Comprehensive Plan.
7. Traffic studies done by Spack Consulting and WSB conclude that densities of 60 units an acre on the west side of France can be supported by the existing roadway system.
8. The amendment would give the Council specific criteria to review when considering a project with height limits over four stories.
9. Public benefits in allowing building height over four stories would include: significant contributions to the city's stock of affordable housing units; high quality architecture and overall development; increase in public space; added green space; significantly pedestrian friendly developments; increase tax base; catalytic development for future high quality development in the area; public art; elimination of surface parking; and underground parking.

Conditions:

**Figure 4.6.B in the Comprehensive Plan is amended as follows:**

In the OR, Office Residential District, at 3905 69<sup>th</sup> Street West, a portion of 3939 69<sup>th</sup> Street West, and 6900 and 6950 France Avenue, the allowed density may be up to 60 dwelling units per acre, and the allowed height may exceed 4 stories and 48 feet. The increased density and height are subject to City Council approval of a rezoning to PUD for a project that must include:

1. Affordable housing. "Affordable housing" means a development in which at least 20 percent of the residential units are restricted to occupancy for at least ten years by residents whose household income at the time of initial occupancy does not exceed 60 percent of area median income, adjusted for household size, as determined by the United States Department of Housing and Urban Development, and with respect to rental units, the rents for affordable units do not exceed 30 percent of 60 percent of area median income, adjusted for household size, as determined annually by the United States Department of Housing and Urban Development.
2. Project must meet the City's affordable housing policy.
3. At least 75% of the floor area in every building, excluding accessory buildings, must be used for dwellings.
4. Project must provide underground parking.
5. Project must include public art.
6. Public enhancement of the sidewalks around the perimeter and through the site; including a 50 foot setback from the paved portion of France Avenue and 30 feet back from 69th to include sidewalks and green space.
7. Building must be of high quality architecture subject to review and approval of the City Council as part of a Rezoning.
8. Project must include sustainable design principles subject to approval of the City Council.
9. The development must adequately respond to the Greater Southdale Area Guiding Principles.
10. Project must include public space.
11. Project must include accommodation for bikes.
12. Buildings over four stories must be separated from the single-family homes on the west side of Valley View Road by buildings four stories or less to provide a transitional area between taller buildings on France Avenue and single-family homes to the west.

### **Appearing for the Applicant**

Luigi Bernardi, Arcadia on France LLC, Mike Ryan, Ryan Companies and Carl Runck, Ryan

### **Discussion/Comments**

Commissioners questioned/expressed the following:

- Planner Teague was asked if this project would benefit from TIF funding. Teague responded that TIF funding is not proposed for the project. TIF funding is an action of the City Council.
- Teague was asked to clarify the request. Teague explained that at this time the applicant is only requesting approval of an amendment to the Comprehensive Plan for building height and density. If the applicant proceeds with a proposed project, rezoning and site plan applications would need to be submitted.
- It was noted that in reviewing all the correspondence regarding this request it appears there might be some confusion on where the affordable housing units would be located; would they be on-site units or would they be located off-site. Teague responded that the affordable housing units would be on site. Each building would provide affordable units.
- Regarding the Greater Southdale Area Guiding Principles would the Southdale consultant provide input. Planner Teague noted that at sketch plan review the consultant provided a memo. Teague said if formal application to rezone proceeds, he would request an additional memo regarding the principles.

- It was suggested that the shadow study include the number of homes that would be impacted by the towers heights. Also, provide details of shadow timeframe. Teague explained that he believes at a future meeting more details would be provided not only on the shadow study, but also on traffic, storm water management plans, sustainability, etc.
- Teague was asked where this proposal fits with the updating of the Comprehensive Plan and the continuing Greater Southdale Area Small Area Study Plan. Teague stated at this time the City is in the process of updating the Comprehensive Plan and drafting a Greater Southdale Area Small Area Plan plus other small area plans. The Metropolitan Council requires an update to the Comprehensive Plan every 10-years.
- Commissioners asked if this decision could be deferred until the Comprehensive Plan or Small Area Plan(s) were completed. Teague responded that that was an option; however, the updating will not be completed and formally adopted for some time, likely toward the end of 2018.
- Teague responded to a question about the applicants' strategy of separating the comp plan amendment from the rezoning and site plan process. Teague said that in his 12 years with Edina he could not remember seeing it separated like this; however, it is done regularly in other cities. Continuing, Teague said that the applicants desire to separate the Amendment from the Rezoning could be due to the large expense of bringing plans forward, adding approving the Amendment to Comprehensive Plan is required to proceed with the Rezoning and site Plan process. Teague stated there is no right or wrong way.
- It was noted that included in the packet clarification of the 2/3's vote requirement was stated. Commissioners questioned why the vote count changes. Teague explained that State Law provides affordable housing incentives, adding this is one way to get developers on board with affordable housing. With the addition of affordable housing, a Comprehensive Plan Amendment requires a majority vote not the super majority for a project without affordable housing.
- Is the 20% affordable housing a vote strategy, pointing out affordable housing was not presented in the Sketch Plan. Teague responded it is possible. The applicant responded with a strategy on how to make the project better and one of the ways was to introduce affordable housing in the project.
- Height is a function of zoning and in the Comprehensive Plan it is usually not a hard and fast number-that is what zoning is for. In the comp plan, perimeters are usually established providing guidance.
- Why support this. Reserve my recommendation; however, much public benefit. A lot of good here.

Chair Olsen invited the traffic consultants to speak to the issue.

Mike Spack, Spack Consulting, addressed the Commission and informed them the intersections in the area function at capacity; not over capacity. Spack noted that France Avenue was a County road and the County has the discretion to adjust traffic flow through light timing. Spack said at this time the County has the intersections timed to expedite traffic on France Avenue from 494 to the Crosstown. The County also has the ability to adjust light timing at intersections if spill back becomes an issue. Continuing, Spack reported that their findings for this development indicate it would generate roughly 800 + vehicles per day over what is presently generated. Spack further noted that they worked

through an intense commercial use scenario, adding through that analysis they found as many as 8,000 vehicle trips could be generated is zoned strictly commercial. Spack noted that City staff could work with the County on cross traffic and light timing and find out as the area develops what is the best practice.

Spack was asked to speak to the am and pm peak trips. Spack reported that in the AM 80 more trips would be generated and in the PM 90 new trips would be generated.

Chuck Rickart presented his traffic overview and identified the intersections and their categories and how they would be impacted by this development.

### **Applicant Presentation**

Mr. Bernardi addressed the Commission and stated in his opinion this project would be a bold turning point in Edina's future. He noted that this site sits on one of Edina's important avenues. Continuing, Bernardi added that the development team incorporated many suggestions from the Planning Commission, City Council and neighborhood offered during the Sketch Plan Review Process. Bernardi said in his opinion that the Estelle is needed to enhance the Southdale area and the greater good of the City of Edina. Bernardi concluded that the future is something one creates, adding he looks forward to working with the City on this proposal. Thank you.

Mr. Runck addressed the Commission reporting that the development team is very excited to present this first step in the process. With graphics, Runck highlighted the following:

- During the past decade, Edina has seen 668 single-family teardowns and rebuilds.
- Zero new condominiums.
- Loss of residents to downtown and Wayzata projects.
- 98% of the city's 23,000 housing units are considered unaffordable to families earning under 60% of AMI; just 40 homes currently available in Edina are priced under \$350K
- Baby boomers, empty nesters are seeking different housing choices.
- It is projected +80,000 persons ages 55-74 in the Twin Cities metro area.
- New rental apartments are not providing the quality and unit sizes that match current housing demand.
- Edina has 3,700+ households over age 65 earning less than \$50,000 per year. Compelling affordable housing solution for people who qualify.
- Community Support (Runck read to the Commission letters of support).

Mr. Ryan clarified for the Commission that the buildings are 24 and 20 stories respectfully. Continuing, Runck said they only have control over the sites in question, adding the reason they are requesting a Comprehensive Plan Amendment separate from the rezoning was because this project at \$250 Million is the largest development project in the Twin Cities. Runck explained they want direction from the Commission and Council before they proceed with comprehensive building plans, storm water management plans etc.

With graphics, Ryan highlighted the following:

- The project development was inspired by the guiding principles of the Greater Southdale Area Work Group.
- The development project realizes Victor Gruen's original vision for density on this block and others surrounding Southdale.
- Enables the creation of the "Promenade West".
- Landscaping will all be high end and above ordinance requirements. Landscaping would be enhanced on the "Gateway" arch and throughout the site. A tree buffer is also proposed along Valley View Road (development team would work with the City on tree placement).
- The project will offer a pedestrian-oriented experience.
- The project will be in manageable "blocks", splitting the mega block in 4 quarters.
- Humanly scaled street level buildings. Stoooped set condominiums. The proposed townhomes would abut Valley View Road.
- Incorporate a plaza at 69<sup>th</sup> Street and Valley View Road.
- The proposed tall buildings would be located on the site closer to France Avenue with narrow footprints. The footprints of these proposed buildings would be among some of the smallest footprints in the in twin cities area. Ryan noted the shadow studies.
- The project is a phased project. First phase would include retail, 6-townhome units and 92-owner occupied vertical residences (to include 20 affordable housing).
- Sidewalks adhere to the 50-foot setback on France Avenue and 30-feet on Valley View Road.
- Significant net new City tax base.
- Opportunities for public art. Ryan noted that they are considering relocating public art from the Nicollet Avenue site to this location, adding he believes it would fit in very well in this location.
- The affordable housing component is 20% or 1/5 of the total unit count d will be a mix of one and two bedroom units. Affordable units would be located in each building.

Ryan thanked Commissioners for their attention.

### **Discussion/Comments**

Mr. Ryan was asked to clarify light pollution and shadows cast from the towners. Ryan explained that the way the site was laid-out the townhouse units abut Valley View Road, adding that should reduce light spillage from the retail and towers into the residential neighborhood. Ryan explained the towers would not be heavily "up-lit" and no signage is proposed on top of the towers. Ryan said he believes because of the slenderness of the towers that lights "washing" from the project would only be from the residential units. With regard to the shadow study Ryan reiterated they believe the slender tower(s) would shed minimal shadows.

### **Public Hearing**

Chair Olsen opened the public hearing.

The following spoke **in support** of amending the Comprehensive Plan from OR-Office Residential District:

- Mark Swenson, 5501 Dever Drive, Edina, MN
- Don Hutchinson, lives and work in the Southdale Area
- Lori Severson, Edina resident and member of the Chamber of Commerce
- Steve Hedberg, 100-year history with Edina, MN
- Arlene Clapp, 6925 Cornelia Drive, Edina, MN
- Cole Devries, 6900 Southdale Road, Edina, MN
- Les Wanninger, resident of the Westin, Edina, MN
- Shelby Kellogg, 6721 Hillside Road, Edina, MN
- Paul Nelson, 5220 Duggan Plaza, Edina, MN
- Ann Crooksen, 4516 Valley View Road, Edina, MN
- Steve Barrett, 6829 Southdale Road, Edina, MN
- Chris Cooper, 4512 Creston Drive, Edina, MN

The following spoke **in opposition** of amending the Comprehensive Plan from OR-Office Residential District:

- Gene Persha, 6917 Cornelia Drive, Edina, MN
- Bruce McCarthy, 6708 Point Drive, Edina, MN
- Nora Davis, 6921 Southdale Rd., Edina, MN
- John Carlson, 4433 Ellsworth, Edina, MN
- Kaari Geadelmann, 6917 Southdale Road, Edina, MN
- Mike Kerfield, 6916 Hillcrest, Edina, MN
- Scott Anderson, 4700 Phlox, Edina, MN
- Blair Christie, 7316 Cornelia Drive, Edina, MN
- Dan Petrosky, 7204 Oaklawn Avenue, Edina, MN
- Mark Chamberlin, 7004 Bristol, Edina, MN
- Matt Brock, 7009 Heatherton, Edina, MN
- Lisa Roberts, 6801 Southdale Road, Edina, MN
- Matt McCovney, 6901 Hillcrest Drive, Edina, MN
- John Jurkovich, 6821 Oaklawn Avenue, Edina, MN.
- Jim Jensen, 6924 Dawson, Edina, MN
- Paul Rosenthal.
- Ralph Zockart, 4311 Cornelia circle, Edina, MN
- Marie Johnson, 7137 Cornelia Drive, Edina, MN
- Lori Grotz, 5513 Park Place, Edina, MN
- Gary Thatcher, 6901 Southdale Road, Edina, MN
- Art Lowell, 7505 Kellogg Avenue, Edina, MN
- Barry Hans, 6913 Southdale Road, Edina, MN

- Janey Westin, 6136 Brookview, Edina, MN

Commissioner Thorsen moved to close the public hearing. Commissioner Bennett seconded the motion. All voted aye. Motion carried.

### **Discussion/Comments**

Chair Olsen asked Commissioners to share their comments. Commissioners expressed the following:

- The affordable housing element of the Estelle project is a great opportunity for Edina to change the “narrative”. Affordable housing proposed at 20% enforces Edina’s commitment to provide affordable housing opportunities.
- Professionals have provided both a traffic and shadow study analysis. We should defer to the professionals.
- Sustainability. Building vertically reduces a buildings footprint thereby providing more greenspace.
- Competiveness. The proposed Amendment to the Comprehensive Plan provides the City with flexibility to ensure that where appropriate changes can be made.
- Would this building height be “allowed” anywhere else in the Greater Southdale area; and if so; what is the difference between locations.
- View the City with a holistic approach, nothing the redevelopment of this area would bring more consumers into the greater Southdale area and into Edina.
- Recognize that this commercial area is ground zero that abuts residential neighborhoods that are within walking distance of an iconic vision. This area can be linked to many amenities, all within walking distance.
- This could be the catalyst to keep “Southdale” healthy.
- Note that people will always have differing opinions on building height; some will enjoy viewing tall buildings; others will not.
- The Metropolitan Council has identified Edina as urban. That is not necessarily a bad thing. It can be embraced and successful with proper development practices.
- As in the past (Southdale as the first enclosed shopping center, Edinborough and Centennial Lakes) it may be time for Edina to be bold. Density can provide vibrancy and movement.
- Our role as Commissioners is to follow the Comprehensive Plan and the proposed amendment changes the direction established by the City.
- The City is in the process of updating the Comprehensive Plan and establishing Small Area Plans as part of that Plan. Is this really the right time to be considering redevelopment projects.
- This request feels like “spot zoning”.
- Proposed buildings are just too tall.
- The proposed amendment allows the possibility of this project; it does not approve the project.
- Difficult decision; what is the impact to the neighborhood; vs. the benefit to the City.
- Fantastic development. Difficult decision. The impact on the near neighborhood would be hard to assess. It would be great to have more time; however, we do not.
- The main issue is the height; traffic exists and will continue to exist. It is a visual impact.
- Edina is great because of our commercial nodes.



- Tall narrow buildings are sustainable. Less land is given over to concrete.
- In a perfect world, the Comprehensive Plan and Small Area Plans would be completed before development occurs; however, that is not usually the case. Timing can be everything and the location of the project is important. It is possible that moving this exact plan elsewhere in the area would not be as successful.
- An opinion was shared that if this proposal were not allowed to proceed another proposal would be developed for this site.
- Acknowledge the passion in the Community. It is an amazing community with diverse opinions. The end result should be to do what is best for the entire City of Edina.

### **Motion**

**Commissioner Lee moved to recommend denial of the Comprehensive Plan Amendment based on the following findings:**

- 1. The building height as proposed is too high given its proximity to the neighborhood to the west.**
- 2. If current zoning setback standards were applied the setback of the proposed towers would be 2000+ feet. As submitted, the setback is between 400-500-feet.**
- 3. The west side of France Avenue is designated in the Comprehensive Plan as transitional. The proposed buildings are too tall.**
- 4. The density as proposed is too high.**

**Commissioner Thorsen seconded the motion.**

Planner Teague clarified that any motion to approve or deny the requested Amendment to the Comprehensive Plan is separate from this project. The request is only to amend the Comprehensive Plan.

**Ayes; Lee and Olsen. Nays; Hobbs, Thorsen, Strauss, Nemerov, Hamilton, Bennett Berube. Motion failed 2-7.**

**Commissioner Berube moved to recommend approval of the Amendment to the Comprehensive Plan based on the staff findings, subject to staff conditions and limited to the legal descriptions as submitted.**

**Commissioner Lee offered amendments to the motion recommending that the City Council not use TIF funding for this project and that public space be defined as being exterior to the project.**

A discussion ensued on the recommended amendment(s) with Commissioners noting that at this time the Commission is voting on a Comprehensive Plan Amendment not specifics of the site.

Commissioners Berube and Thorsen did not accept the amendments to the motion.

More discussion occurred. Chair Olsen clarified that the vote is on the original motion; not amendments.

**Ayes; Berube, Bennett, Hamilton, Nemerov, Strauss, Thorsen, Hobbs. Nays; Lee, Olsen.**  
**Motion to approve carried 7-2.**

Planner Teague reported this issue would be heard by the City Council on October 17<sup>th</sup>.

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**B. Comprehensive Plan Amendment, Rezoning, Conditional Use Permit and Variances.  
4004 & 4416 Valley View Road and 6108, 6112, 6116, and 6120 Kellogg Avenue, Edina,  
MN.**

**Planner Presentation**

Planner Teague informed the Commission Edina Flats LLC is requesting a Comprehensive Plan Amendment, & Rezoning to build 18 units of owner occupied housing at 4404 & 4416 Valley View Road, and 6108, 6112, 6116 and 6120 Kellogg Avenue. The Comprehensive Plan Amendment is required to expand the Neighborhood Commercial District to include 6108, 6112, 6116 and 6120 Kellogg Avenue. The Rezoning is from R-1, PCD-4 and APD to PCD-1, Planned Commercial Development.

The purpose of the request is to re-develop the city owned property at 4416 Valley View Road, the row of parking for the commercial development to the west, the vacant parcel at 6120 Kellogg and the three single-family home parcels at 6116, 6112 and 6108 Kellogg. This portion of the development would include a 3-story condominium building with six units on the corner, and three 2-story condo/townhome buildings to the north.

Additionally, the property at 4404 Valley View Road would be re-developed with a four-unit, two story condo building. The existing structure would be removed.

The property is 1.27 acres in size. The density proposed in the project would be 14 units per acre. (18 units total.) This site is guided in the Comprehensive Plan as NN, Neighborhood Node, which allows up to 30 units per acre in this area.

Teague noted that the proposal is generally consistent with the Comprehensive Plan/Small Area Plan in terms of height and density proposed; however, the proposal does require an amendment to re-guide and re-zone the single-family homes to NN, Neighborhood Node and PCD-1, Planned Commercial District. The multi-family residential units would be a conditionally permitted use within the existing PCD-1, Planned Commercial District Zoning District. Variances would be required for the setbacks that are proposed, and the height of the 2-story buildings.

Planner Teague concluded that staff recommends that the City Council approve the requests for Comprehensive Plan Amendments as follows and subject to the following findings:

- I. The density of the project is half of what would be allowed in the NN, Neighborhood Node district. The four single-family home lots are being replaced with three, three unit buildings.