

STAFF REPORT



Date: October 17, 2017

To: Honorable Mayor and Council Members

From: Cary Teague, Community Development Director

Subject: Comprehensive Plan Amendment – Estelle Edina, 69th & France Avenue

Information / Background:

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. (See location on page A1.) The specific request is to increase the density from 30 units per acre to 60 units per acre, and increase the height maximum from four stories and 48 feet, to allow height to exceed four stories up to 26 stories and 360 feet. (See location and applicant narrative and plans on pages A2-A51.)

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. (See development plans on pages A7-A51.) Phase 1 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 condos. Phase 2 of the project would be a 22 story building with retail on the main level and 75 owner occupied condos. Of the housing units, 20% would be included for affordable housing in each phase.

This request before the Planning Commission and City Council does not include a Rezoning or Site Plan review. If the Comprehensive Plan Amendment is 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.

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, and with respect to rental units, the rents for affordable units do not exceed 30 percent of 60 percent of 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. (See state law on page A6a.)

As this is a request for a Comprehensive Plan Amendment, the City has complete discretion as to approving or denying this request. (See the pyramid of discretion on page A6b.)

Comprehensive Guide Plan Amendments

Density

The OR, Office Residential Area allows up to 30 units per acre. This density is low given the density that has been considered as part of the Greater Southdale Area Study. Densities that have been contemplated to date have been 80 units per acre over the whole of the district. The thinking behind that density has been to allow greater densities in between France and York (100-125 units per acre; the CAC, Community Activity Center allows up to 105 units per acre in the existing Comprehensive Plan); and lesser densities 50-75 units per acre west of France and East of York. The City has allowed greater densities on the east side of York (Envi Edina is 105 units per acre; and the Onyx is 52 units per acre. On the west side of France, the Aurora on France project (senior housing) is 80 units per acre.

Below is table of existing high density developments in the City. Note that the trend in multi-family development is higher density. This is due to the high cost of land in Edina, the City's requirement for affordable housing, and the added cost of redeveloping a site with existing buildings.

High Density Development in Edina

Development	Address	Units	Units Per Acre
Yorktown Continental	7151 York	264	45
The Durham	7201 York	264	46
York Plaza Condos	7200-20 York	260	34
York Plaza Apartments	7240-60 York	260	29
Walker Elder Suites	7400 York	72	40
7500 York Cooperative	7500 York	416	36
Edinburgh Condos	76xx York	392	36
South Haven	3400 Parklawn	100	42
The Waters	Colonial Drive	139	22
6500 France – Senior Housing	6500 France	188	80
Lennar - Onyx	6725 York	240	52

<i>Estelle Edina</i>	<i>69th & France</i>	<i>173</i>	<i>53</i>
5000 France	5000 France	23	29
<i>The Collaborative</i>	<i>Market Street</i>	<i>131</i>	<i>46</i>
<i>Gateway Point</i>	<i>66th & York</i>	<i>191</i>	<i>96</i>
<i>The Millennium</i>	<i>66th & York</i>	<i>372</i>	<i>60</i>
<i>Lincoln Residences</i>	<i>5901 Lincoln Drive</i>	<i>250</i>	<i>30</i>

Red – Indicates recent projects

Example Residential Density Ranges in Surrounding City's Comprehensive Plans

City	Range – Per Acre
Bloomington	
Medium Density Residential	5-10
High Density Residential	No limit
General Business	0-83
Commercial (Community & Regional)	0-83
<i>High Intense mix use</i>	<i>0-60</i>
<i>Airport South mix use</i>	<i>30-131</i>
Richfield	
Medium Density Residential	7-12
High Density Residential	Minimum of 24
High Density Res./Office	Minimum of 24
<i>Mixed Use</i>	<i>50+</i>
St. Louis Park	
Medium Density Residential	6-30
High Density Residential	20-75 (PUD for high end)
<i>Mixed Use</i>	<i>20-75 (PUD for high end)</i>
Commercial	20-50
Minnetonka	
Medium Density Residential	4-12
<i>High Density Residential</i>	<i>12+</i>
<i>Mixed Use</i>	<i>No range established (density based on site location and site conditions.)</i>
Minneapolis	
Medium Density (mixed use)	20-50
<i>High Density (mixed use)</i>	<i>50-120</i>
Very High Density(mixed use)	120+

The site's location on an arterial roadway provides a good location for higher density. The Comprehensive Plan currently suggests allowing higher density subject to proximity to utilities capacity, level of transit service available, and impact on adjacent roads. Other desired items to allow greater density would include: Below grade parking, provision of park or open space, affordable housing, sustainable design principles, provision of public art, pedestrian circulation, and podium height.

The proposed project would contain most of these elements. There is adequate utility capacity available. There is a transit station located at Southdale. A traffic study was done by Spack Consulting and concludes that there would be minimal impact to the roads, and the existing roads could support the development. (See study on pages A72-A141.) WSB has also done a traffic study of the entire Southdale Area, and also concludes that the proposed density could be supported by the roadway network. (See pages A142-A191.) Underground parking would be included; there would be minimal surface parking lots at ultimate buildout; open space/public area is provided along the front streets and in front of the building in phase I; affordable housing is proposed to meet the City of Edina policy of 10% of the area proposed for housing, and the State of Minnesota requirement that 20% of the units be sold to persons with incomes at 60% of the average median income, and with respect to rental units, the rents for affordable units do not exceed 30 percent of 60 percent of area median income.

This area is adjacent to the CAC, Community Activity Center, which is the City's most intense development district. (See page A1.) A case could be made for extending the CAC to the West side of France to match the area east of York. Please note that the density allowed east of York Avenue adjacent to single-family homes to the east is 105 units per acre.

Height

The most significant request of the Comprehensive Plan Amendment is in regard to height, going from a 4-story and 48-foot limit to allow a 26 story, 360-foot tall building. However, height is typically a function of a Zoning Regulation and not a specific requirement in a Comprehensive Plan. Comprehensive Plans typically discuss height in general parameters, and gives guidance for allowing greater height than the Zoning allows as part of a variance or rezoning request. The proposed amendment would allow the City Council to do just that. All of the height limitations that are suggested currently in the 2008 Comprehensive Plan have been memorialized into the Zoning Ordinance with the adoption of the Height Overlay District. (See the adopted Height Overlay District map on page A5.) An amendment could give the City Council specific criteria to review when considering this project or any other with height limits over four stories. Approving this Comprehensive Plan Amendment would not obligate the City Council to approve a rezoning or height variance for this project. The merits of that request would be considered at that time.

Additionally, there is a general code provision that requires buildings that are taller than nine stories to be setback six times the building height to property zoned R-1, Single Dwelling Unit District. This standard would require a building that is 360 feet tall to be

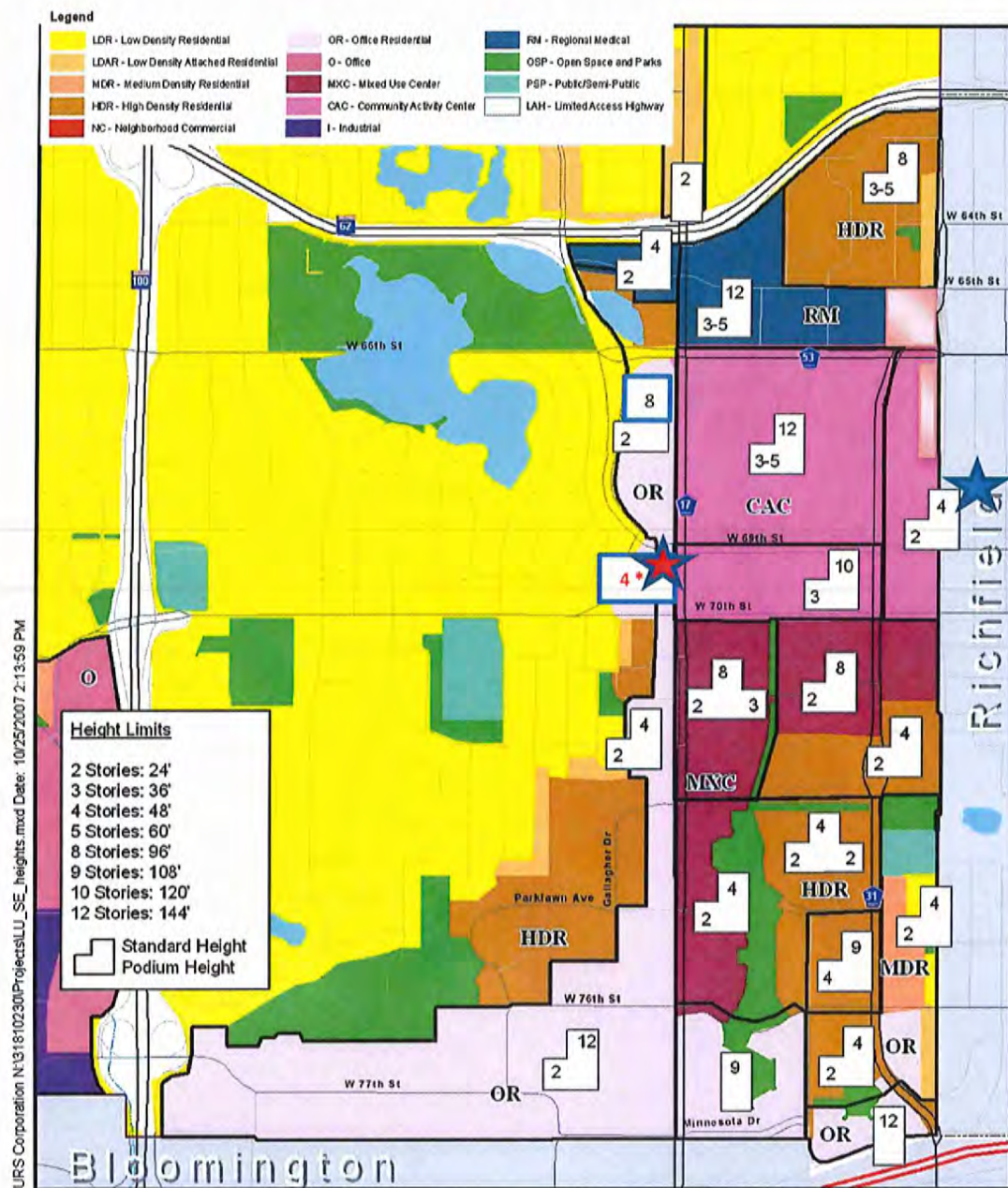
setback 2,160 feet from the nearest single-family home. The proposed buildings would have a setback of 410 and 440 feet.

The tallest buildings in the City of Edina are generally in the Southdale areas. The building contemplated for this site however, would be the tallest building in the City. The tallest buildings in Edina include: Park Plaza and Westin at 18-stories; Edina Towers at 17-stories and the Durham Apartment and Point of France at 13 stories. (See a map and pictures of the tallest buildings in the Southdale area on pages A54-A71.) Note that the 13 story Durham is located on the east side of York adjacent to single-family residential homes.

If this building were located on the east side of France, across the street, the visual impact would be very similar to the neighborhood to the west.

In potentially allowing buildings over four stories, the city could continue to restrict height adjacent to the single-family homes at 4-stories, through the Zoning Ordinance. The proposed taller buildings would be located adjacent to France.

The map on the following page shows how the Comprehensive Plan could be amended to accommodate the change in height designation. In making this change, the allowed height on this block could be expanded to over four stories, subject to City Council approval of a rezoning to PUD. The specific requirements that would have to be included in a rezoning or variance application are listed right after the map on page 7.



In the OR, Office Residential District, at 3905 69th Street West, a portion of 3939 69th 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.

<p>Office-Residential</p> <p>No current examples in City. Potential examples include Pentagon Park area and other I-494 corridor locations</p>	<p><i>Transitional areas along major thoroughfares or between higher-intensity districts and residential districts.</i> Many existing highway-oriented commercial areas are anticipated to transition to this more mixed-use character.</p> <p>Primary uses are offices, attached or multifamily housing.</p> <p>Secondary uses: Limited retail and service uses (not including "big box" retail), limited industrial (fully enclosed), institutional uses, parks and open space. Vertical mixed use should be encouraged, and may be required on larger sites.</p>	<p>Upgrade existing streetscape and building appearance, improve pedestrian and transit environment.</p> <p>Encourage structured parking and open space linkages where feasible; emphasize the enhancement of the pedestrian environment.</p>	<p>12-30 60 residential dwelling units/acre</p> <p>Floor to Area Ratio-Per current Zoning Code: maximum of 0.5 to 1.5*</p> <p>Floor to Area Ratio may exceed 1.0 on a case by case basis, subject to proximity to utilities capacity, level of transit service available, and impact on adjacent roads. Other desired items to allow greater density or density on the high end of the residential housing range above, would include: Below grade parking, provision of park or open space, affordable housing, sustainable design principles, provision of public art, pedestrian circulation, and podium height.</p>
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PRIMARY ISSUES/STAFF RECOMMENDATION

Primary Issues

- **Is the Comprehensive Plan Amendment density reasonable?**

Yes. Staff believes the proposed density is reasonable for the following reasons:

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 66th Street and North of 70th 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 that have been contemplated as part of the Greater Southdale Area Study have been 80 units per acre over the whole of the district. Higher Density is contemplated in between France Avenue and York Avenue (100-125 units per acre...the existing CAC area allows up to 105 units per acre); and lesser densities 50-75 units per acre west of France and East of York. The City has allowed greater densities on the east side of York (Envi Edina is 105 units per acre; and the Onyx is 52 units per acre. On the west side of France, the Aurora on France project (senior housing) is 80 units per acre.
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. Traffic studies done by Spack Consulting and WSB conclude that densities contemplated on the west side of France can be supported by the existing roadway system. (See page A73 and pages A142-A191.)

- **Is the Comprehensive Plan Amendment height reasonable?**

Yes. Staff believes the proposed height is reasonable for the following reasons:

1. Height is typically a function of a Zoning Regulation and not a specific requirement in a Comprehensive Plan. Comprehensive Plans typically discuss height in general parameters, and gives guidance for allowing greater height than the Zoning allows as part of a Variance or Rezoning request. The proposed amendment could allow the City Council to do just that. Staff would suggest that the 2018 Comprehensive Plan follow

similar guidance. All of the height limitations that are suggested currently in the 2008 Comprehensive Plan have been memorialized into the Zoning Ordinance with the adoption of the Height Overlay District. (See the adopted Height Overlay District map on page A5.)

2. The amendment would give the Council specific criteria to review when considering a project with height limits over four stories on this block. Below is the criterion:

In the OR, Office Residential District, at 3905 69th Street West, a portion of 3939 69th 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:

- a. 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.
- b. Project must meet the City's affordable housing policy.
- c. At least 75% of the floor area in every building, excluding accessory buildings, must be used for dwellings.
- d. Project must provide underground parking.
- e. Project must include public art.
- f. 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.
- g. Building must be of high quality architecture subject to review and approval of the City Council as part of a Rezoning.
- h. Project must include sustainable design principles subject to approval of the City Council.
- i. The development must adequately respond to the Greater Southdale Area Guiding Principles.
- j. Project must include public space.
- k. Project must include accommodation for bikes.
- l. 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.

Conclusion/Recommendation

As this is a request for a Comprehensive Plan Amendment, the City has complete discretion as to approving or denying this request. (See the pyramid of discretion on page A6b.)

Below are the alternative actions to be considered by the Planning Commission and City Council:

Denial

Deny the request for a Comprehensive Plan Amendment. Denial is based on the following findings:

1. The proposed height is too high given the proximity to the single-family homes to the west.
2. The current zoning standards would require a building that is 360 feet tall to be setback 2,160 feet from the nearest single-family home. The proposed buildings would have a setback of 410 and 440 feet.
3. This area west of France is considered a transition area between the high density commercial development on the east side of France and the single family homes to the west. The proposed height is too tall for this transition area.
4. The density proposed is too high for this site.

Approval

Approve the requests for Comprehensive Plan Amendments as follows:

1. The density in the OR, Office Residential Area is increased from 30 units an acre to 60 units per acre.
2. In the OR, Office Residential District, at 3905 69th Street West, a portion of 3939 69th 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:
 - a. 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.
 - b. Project must meet the City's affordable housing policy.
 - c. At least 75% of the floor area in every building, excluding accessory buildings, must be used for dwellings.
 - d. Project must provide underground parking.
 - e. Project must include public art.

- f. 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.
- g. Building must be of high quality architecture subject to review and approval of the City Council as part of a Rezoning.
- h. Project must include sustainable design principles subject to approval of the City Council.
- i. The development must adequately respond to the Greater Southdale Area Guiding Principles.
- j. Project must include public space.
- k. Project must include accommodation for bikes.
- l. 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.

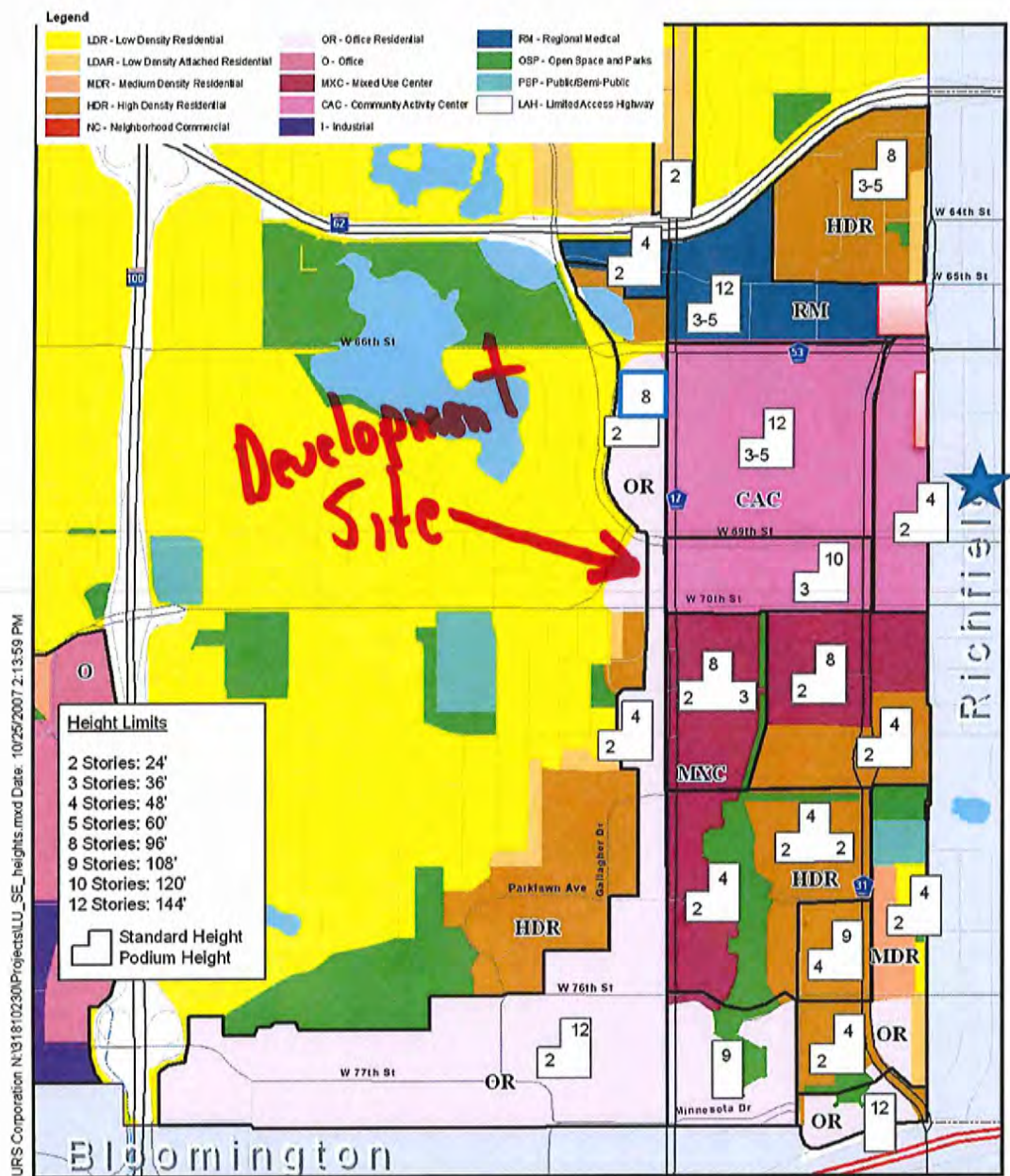
Approval is subject to the following findings:

- 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 66th Street and North of 70th 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 VWSB 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.

Staff Recommendation:

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 increased to over 4 stories and 48 feet subject to future consideration of a Rezoning to PUD for a project that must include all the findings and conditions listed above.



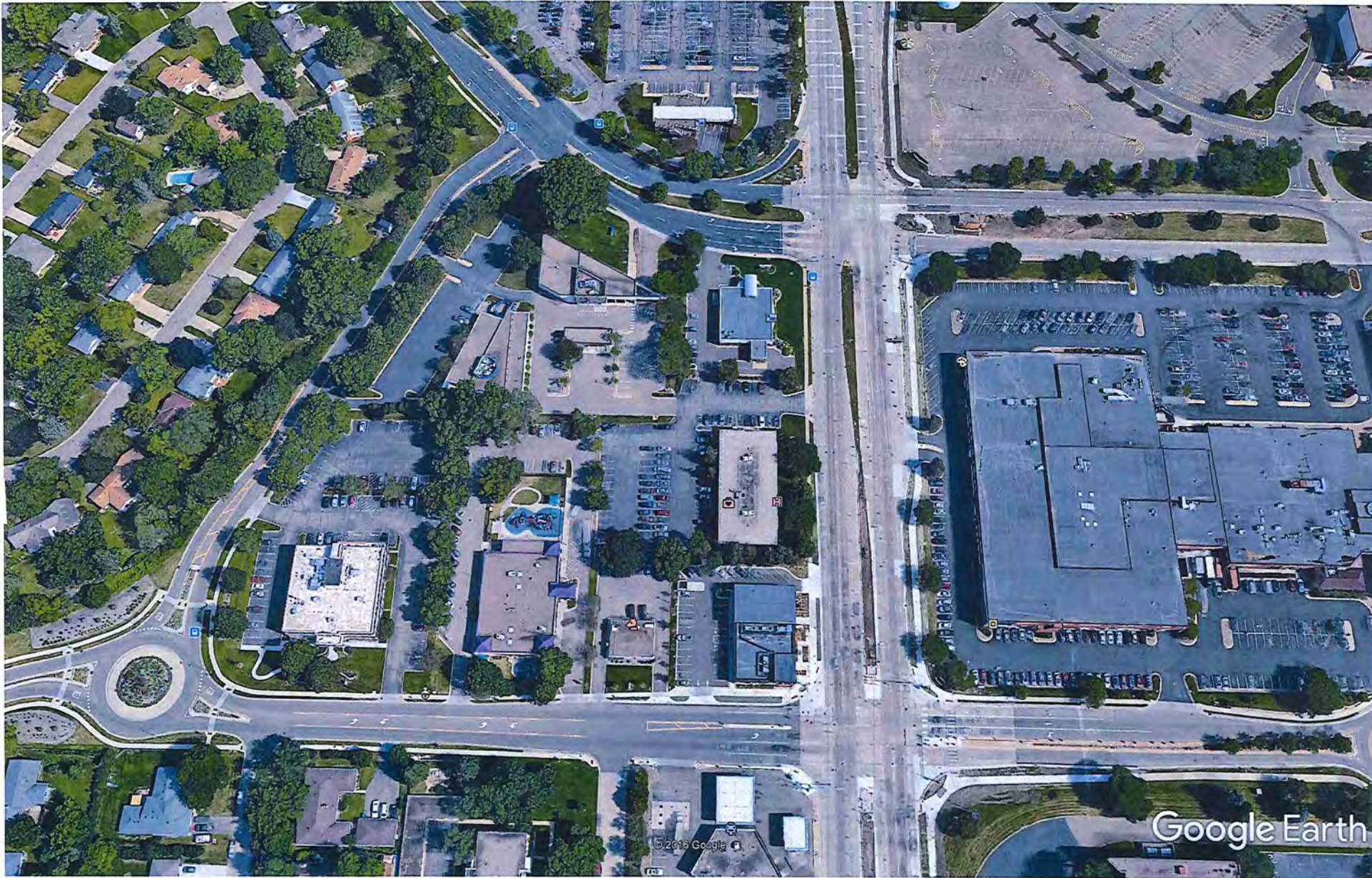


Google Earth

feet
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42



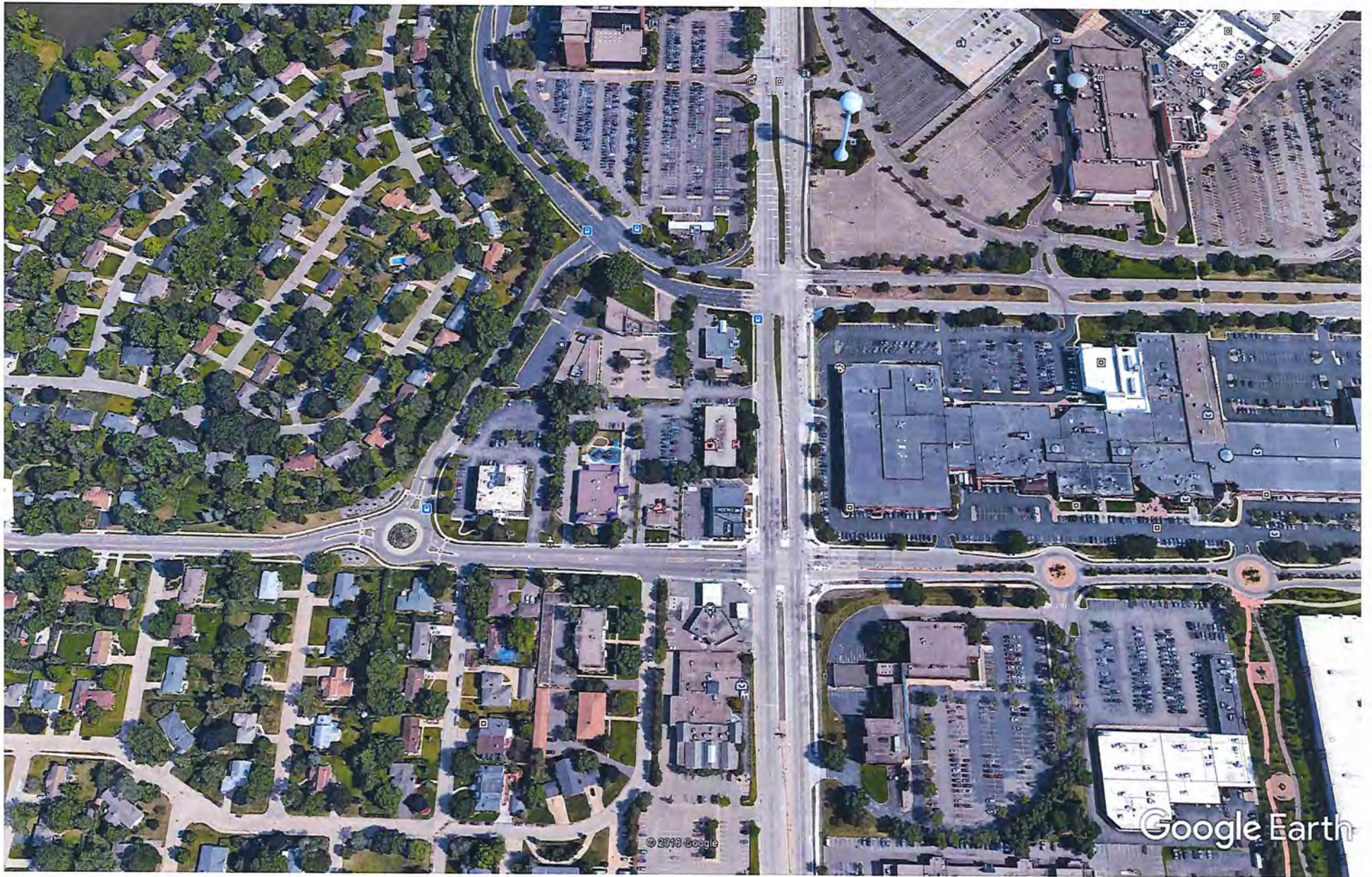
Google Earth

feet
meters



A3





Google Earth

feet
meters

1000

400



A4

WILSON RD & EDEN AVE DETAIL



Building Height Overlay Districts **City of Edina** **Hennepin County, Minnesota** **Appendix A**

44TH & FRANCE DETAIL



50TH & FRANCE DETAIL



54TH & FRANCE DETAIL



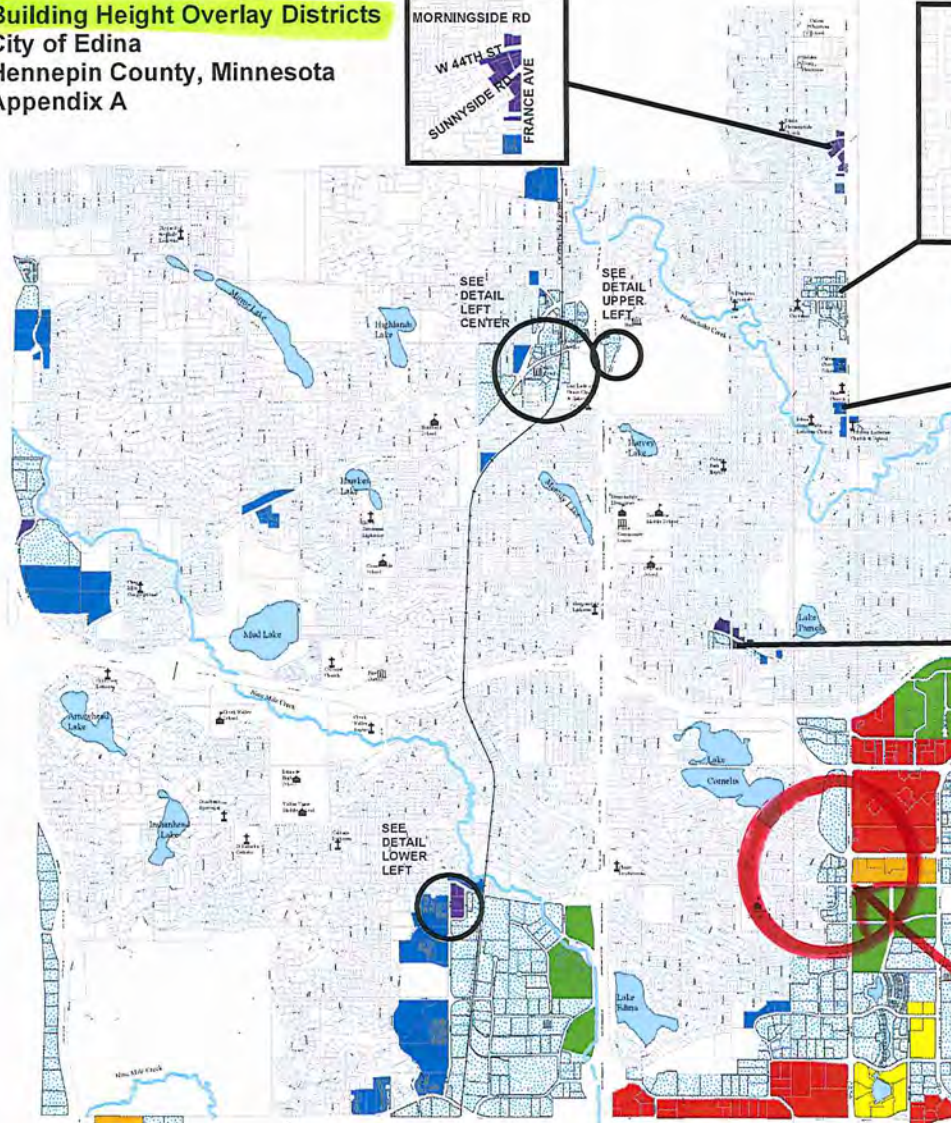
Legend	
	HOD-2 Building height shall be determined by required setbacks, but shall not exceed 2 stories or 24 feet, whichever is less.
	HOD-3 Building height shall be determined by required setbacks, but shall not exceed 3 stories or 36 feet, whichever is less.
	HOD-4 Building height shall be determined by required setbacks, but shall not exceed 4 stories or 48 feet, whichever is less.
	HOD-8 Building height shall be determined by required setbacks, but shall not exceed 8 stories or 96 feet, whichever is less.
	HOD-9 Building height shall be determined by required setbacks, but shall not exceed 9 stories or 108 feet, whichever is less.
	HOD-10 Building height shall be determined by required setbacks, but shall not exceed 10 stories or 120 feet, whichever is less.
	HOD-12 Building height shall be determined by required setbacks, but shall not exceed 12 stories or 144 feet, whichever is less.
	Church
	City Buildings
	Private School
	Public School



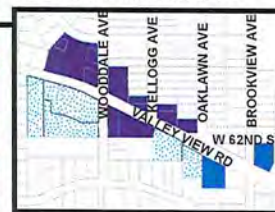
GRANDVIEW DETAIL



CAHILL RD & 70TH DETAIL

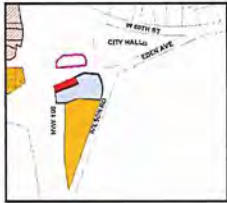


VALLEY VIEW & WOODDALE DETAIL



A5

WILSON RD & EDEN AVE DETAIL



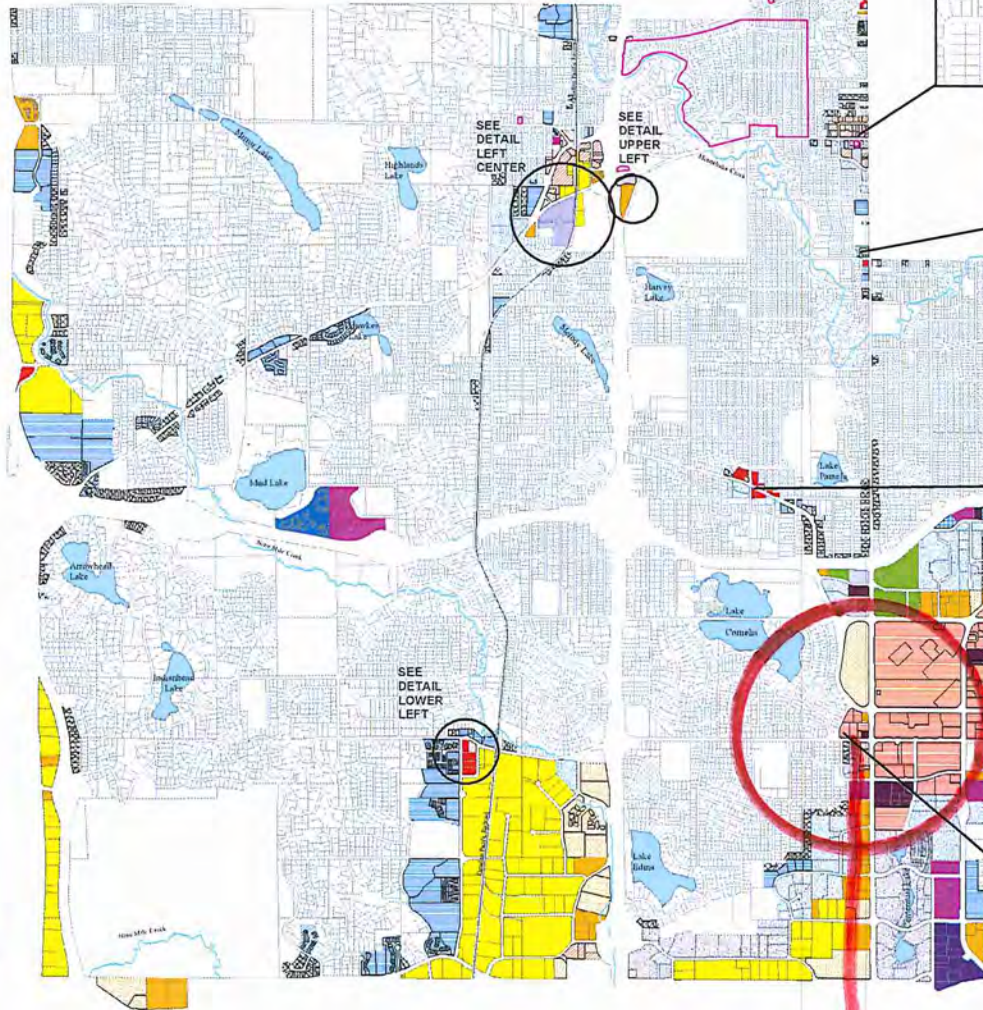
GRANDVIEW DETAIL



CAHILL RD & 70TH DETAIL



Zoning Map
City of Edina
Hennepin County, Minnesota



44TH & FRANCE DETAIL



50TH & FRANCE DETAIL



54TH & FRANCE DETAIL



VALLEY VIEW & WOODDALE DETAIL



SOUTHDALE DETAIL



70TH & FRANCE DETAIL



Legend

R-1 Single Dwelling Unit Dist.	Church
R-2 Double Dwelling Unit Dist.	City Building
PRD-1 Planned Residential Dist.	Private School
PRD-2	Public School
PRD-3	
PRD-4	
PRD-5	
PRD-6	
PCD-1 Planned Commercial Dist.	
PCD-2	
PCD-3	
PCD-4	
POD-1 Planned Office Dist.	
POD-2	
RMD Regional Medical Dist.	
PID Planned Industrial Dist.	
PID	
PUD Planned Unit Dist.	
APD Automobile Parking Dist.	
ELD Edina Heritage Landmark Dist.	
PCDD Planned Center Cities Dist.	
UDD-1 Use and Development Dist.	
UDD-2	
UDD-3	

Planning Dept
April 2015

A6

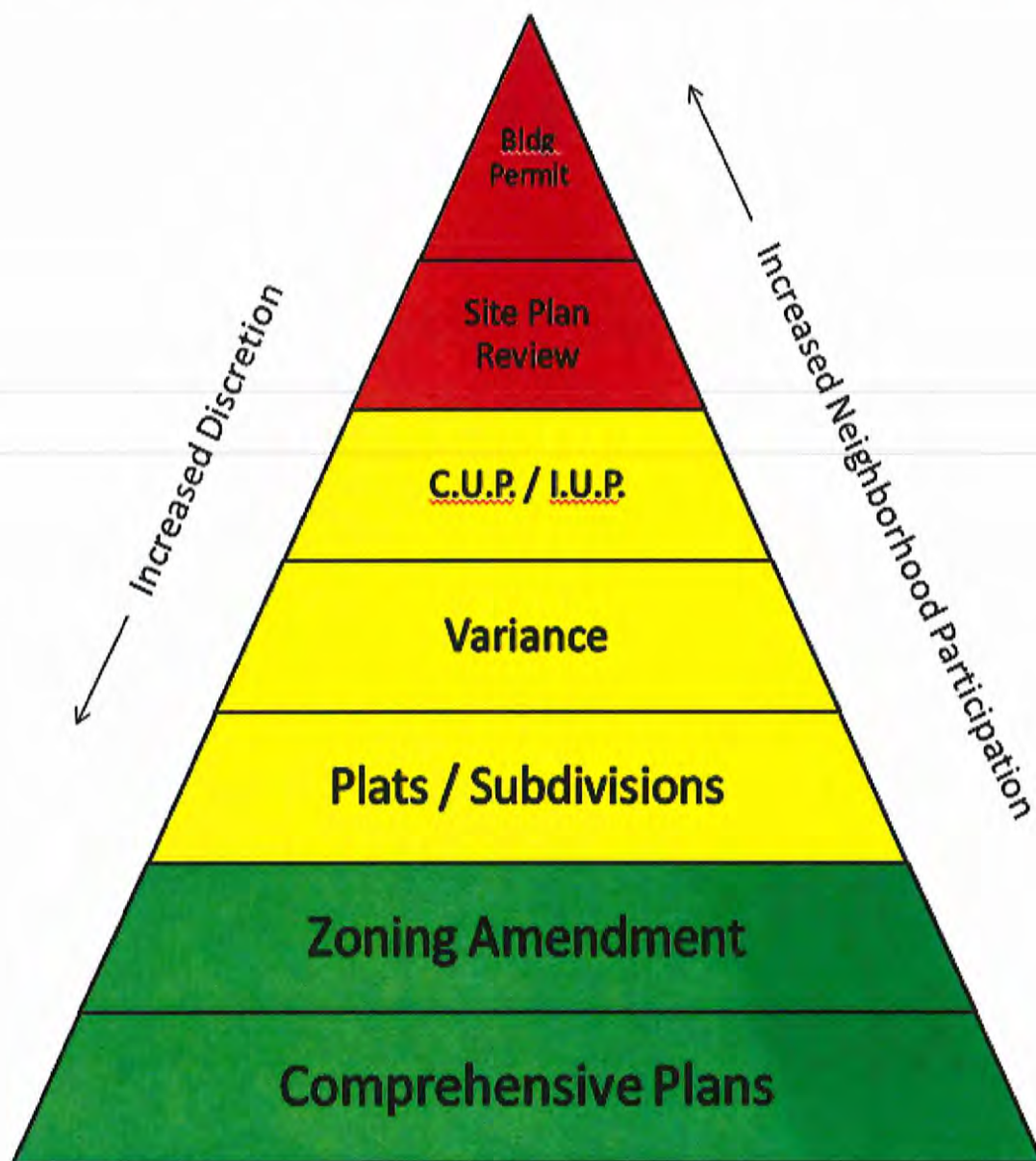
Site
PCD-3 + POD-1

MINNESOTA STATUTES

462.355 ADOPT, AMEND COMPREHENSIVE PLAN; INTERIM ORDINANCE.

Subd. 3. Adoption by governing body. A proposed comprehensive plan or an amendment to it may not be acted upon by the governing body until it has received the recommendation of the planning agency or until 60 days have elapsed from the date an amendment proposed by the governing body has been submitted to the planning agency for its recommendation. Unless otherwise provided by charter, the governing body may by resolution adopt and amend the comprehensive plan or portion thereof as the official municipal plan upon such notice and hearing as may be prescribed by ordinance. Except for amendments to permit affordable housing development, a resolution to amend or adopt a comprehensive plan must be approved by a two-thirds vote of all of the members. Amendments to permit an affordable housing development are approved by a simple majority of all of the members. For purposes of this subdivision, "affordable housing development" 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.

Public Discretion in the Land Use Process



Roger N. Knutson
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860 Blue Gentian Road, Suite 290
Eagan, Minnesota 55121

RYAN



Estelle Edina Project Narrative

September 13, 2017

INTRODUCTION

Luigi Bernardi, a Lake Cornelia neighborhood Edina native, has partnered with Ryan Companies, a national developer, architect and design builder based in Minneapolis, to present a project that signals an important new direction for the Edina community and Southdale district.

Estelle Edina builds upon the Lake Cornelia neighborhood and Southdale area's existing assets while introducing a walkable, connected, mixed-use, and architecturally-varied development of extraordinarily high quality. The first of its kind in a decade, Estelle will be home to luxury owner-occupied condominium residences including 20% affordably priced units, six brownstones, a public plaza, a fountain surrounded by seating, and neighborhood retail, including a signature restaurant at the corner of France and 69th Street

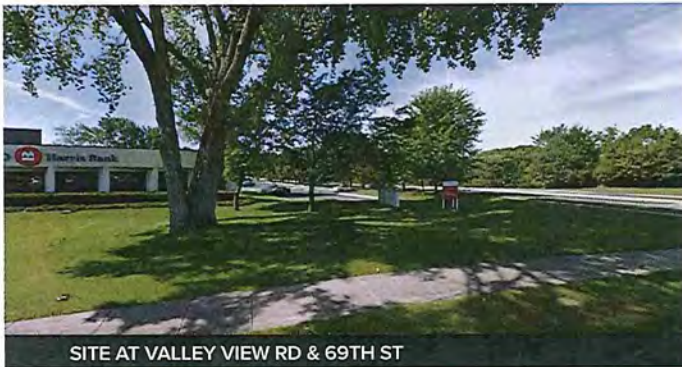


A8



WHY APPROVE ESTELLE EDINA:

- 1 \$250 million total value is one of the most significant investments in the history of Edina
- 2 Overwhelming citywide resident and business community support for the project; substantial neighborhood support
- 3 Compelling affordable housing solution
- 4 Provides a living option currently not available to Edina residents who are looking to downsize. Without projects like Estelle, those residents will leave the City.
- 5 Inspired by the guiding principles of the Greater Southdale Area Work Group and realizes Victor Gruen's original vision for density on this block and others surrounding Southdale
- 6 Enables the creation and continuation of the 'Promenade West'
- 7 Unprecedented levels of green space, landscaping and pedestrian-oriented experience
- 8 Will not be detrimental to nearby property values, in fact it may enhance them (see Shenehon report)
- 9 Does not create a meaningful traffic challenge (see Spack report)
- 10 Significant net new City tax base and Edina schools tax base
- 11 Replaces unattractive buildings and surface parking lots with new, distinctive, and iconic architecture
- 12 Creates new opportunities for stunning public art



SITE AT VALLEY VIEW RD & 69TH ST



VIEW OF EXISTING SITE

EXISTING AREA

The Greater Southdale Area is an iconic district in the Minneapolis / St. Paul region. As the first enclosed shopping center in the United States, Southdale holds a special place of pride in the hearts of not only Edinans, but of Minnesotan's at large. Building upon the success of this shopping destination, the Galleria was built in 1976 and has served as the preeminent luxury shopping destination of the upper Midwest. Beyond a retail destination, the area is also home to the Fairview Southdale Medical campus, which offers best-in-class medical care ranging from outpatient clinics to a full service hospital as well as Centennial Lakes, a notable mixed-use district offering a range of housing, retail and recreational uses.

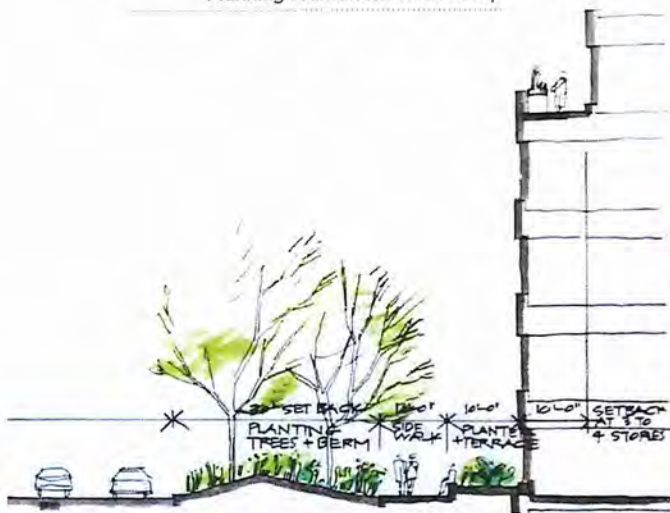
Beginning in Centennial Lakes and working its way north, The Promenade is a linear park that includes seating and activity destinations along its route. The Promenade provides a much needed break to the large "superblocks" that span from France Ave to York Ave, as it currently connects the southern end of Centennial Lakes to the Galleria. There is a desire to continue The Promenade further north to further break down the superblocks of the area and provide better connection between the Southdale district assets.

As The Promenade has become an important north/south thread through the greater Southdale district, an opportunity emerges to reimagine activity and connections west of France Ave.

With the right economic forces and a planning vision for the future, properties west of France now have the opportunity to continue the momentum of successful development in the area and build a new network of activity and connections. France Ave is ripe with opportunity for a re-imagined streetscape, one that promotes pedestrian and bike activity, a greater mix of active uses and an enhanced landscape that offers beauty, quality and vitality for decades to come. Furthermore, with changing demographics and the increasing desire to live in active, mixed-use environments, market forces are suggesting that France Ave could become the next owner-occupied neighborhood in Edina; an owner-occupied district that elevates the quality of life in the area throughout the week and year.

Estelle Edina elevates the currently underutilized parcels southwest of the France Avenue/ 69th street intersection by introducing a higher density mix of uses in a manner that help to shape the France Ave of the future. The project is a collection of owner-occupied residences and retail to create activity and beauty along the street as well as internal to the block, providing connections to neighboring blocks and offering enhanced environments to live, work, shop, dine, walk, bike... or just to pause and enjoy the moment, day or night. Estelle Edina plants a flag at perhaps the most prominent intersection in Edina. It is a development that celebrates the success of the district's assets as it sets a new direction of vitality, beauty and quality.

Conceptual street section from Greater Southdale Area Planning Framework Work Group



THE GREATER SOUTHDAL AREA WORK GROUP

Purpose: The Greater Southdale Area Work Group was created by the city of Edina in 2015 to establish what Edina of the future should look like, as a 21st century first ring suburb. The work group is composed of individuals appointed by the city who collectively represent leadership in the realms of civic, commercial, and residential interests. Through a process of research, discussion, collaboration, and interaction, this group established a set of guiding principles to be considered as part of the comprehensive development plan for the Greater Southdale Area.

Vision: 9 guiding principles were established, which in turn distilled down to very brief statements that convey the overarching vision through tangible reference points. Those vision points are:

- Build upon existing assets
- Improve access
- Walkable
- Human-scaled
- Architecturally varied
- Mixed-use
- Family-friendly
- Green
- Summer City
- Winter City
- Connected
- Destination

RESPONSE TO VISION PRINCIPLES:

Build upon existing assets

- Connections to Galleria, Southdale, Promenade, Lake Cornelia, Bike Trails

Improve access

- Better connection from Cornelia neighborhood to France Avenue and associated amenities

Walkable

- Pedestrian-friendly setback and landscape along France and 69th
- Pedestrian-friendly internal streets and motorcourt
- Open green spaces with publicly accessible walkways

Human-scaled

- Pedestrian scaled plinth at base of residential

Architecturally varied

- Multiple masses with varied heights, separated by streets

Mixed-use

- Residential, retail, public uses in and around site

Family-friendly

- Pedestrian scale, traffic calming measures, public plaza, and variety of uses on site make project great location for users of all ages

Green

- Significantly enhanced landscape buffer along France Ave and 69th Street
- Stormwater management shift from currently being fed into city system to fully maintained within site boundary

Summer City

- Water features and landscape to engage street life and encourage public use and interaction
- Outdoor restaurant seating at corner for vibrancy and activity

Winter City

- Restaurant activity visible from exterior

Connected

- Easy access to Galleria and Southdale
- Vehicular access from 69th, Valley View, and France
- Bike trail directly accessible on 70th
- Great pedestrian connection experience for residents of Cornelia Neighborhood

Destination

- Builds on Galleria as luxury destination / location
- Mix of uses brings a diverse mix of residents, customers, and visitors to site throughout day/night and weather cycles
- Visibility of project as landmark serves as an orientation device and point of reference for geographic area

PROGRAM SUMMARY (PHASE 1)

- 11,000 SF of retail (Restaurant, Office, Bank)
- 6 Owner Occupied Townhomes
- 92 Owner-Occupied vertical residences (including 20 affordable units)
- France avenue vegetation and landscaping improvements
- Public plaza amenity on hard corner of 69th and France

The project design intentionally eases the transition in scale and density from the Cornelia Neighborhood to the west toward France Avenue by building up in scale in the east/west direction.

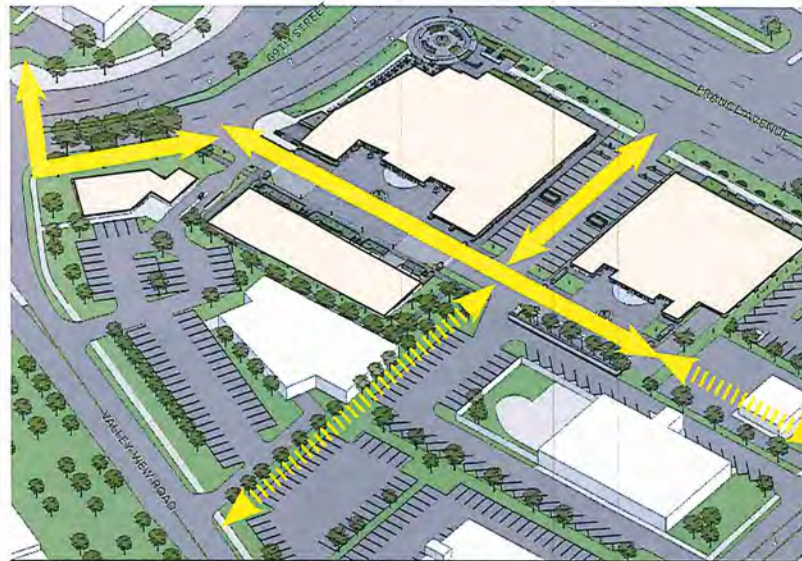
The podium of the building extends out from the residential floorplates at the ground floor to embrace the sidewalks at a pedestrian scale with single-story retail storefronts that interact with the landscaped planters between the building and the sidewalk. Inside the site, but to the east of the BMO Harris site, the architecture steps up to 4 story owner-occupied townhomes. These have enclosed parking at grade that is kept out of site from the pedestrian experience. Across the motorcourt from the townhomes and stepped in from the podium is the residential volume that extends upward. This mass includes 24 inhabitable floors, which have been intentionally kept small for a slender, elegant form to the building. At several levels the massing steps further away from the edge of the building to add character and drama to the skyline, as well as reduce shadow impact on the surrounding area.

As an owner-occupied use, this project has a lasting benefit to the community in terms of extended connection to the area, and owners that invest long-term in their community and the area around them. Unlike apartments, which have frequent turnover and lack the permanence of a traditional neighborhood, these owner-occupied homes will be actively lived-in and used on an ongoing, consistent basis.

This project is an attractive relocation option for current Edina residents that want to stay in the community without the maintenance concerns of a single family home, but are unwilling

to accept the current apartment offerings that are available. By freeing up existing single-family housing stock, this opens up new opportunities for population growth by providing existing homes for families looking to move to Edina.

As the first project in the Southdale area to be approved and entitled with the new comprehensive plan in mind, this dramatic project with very intense effort put on an attractive, inspiring design that sets the right tone for how future developments can embrace the tenets set forth by the Greater Southdale Area Work Group.



BREAKING DOWN THE SUPERBLOCK



TRANSITION

Estelle offers a unique and relevant transition between the Cornelia neighborhood to the west and the commercial intensive uses east of France Ave. With owner-occupied residences and retail on the ground floor, Estelle transitions the residential to commercial districts with a pedestrian-friendly mixed-use environment. Height transition also occurs within the proposed development, with townhomes to the west and a one story retail base extending to the north and east of the tower.



SURROUNDING NEIGHBORHOOD

In response to concerns expressed during the Sketch Plan Review, Shenehon and Spack Consulting were asked to analyze the impact of the Estelle Edina development on the adjacent neighborhood. The findings of the study indicate minimal or positive impacts for all areas.

Property Values:

Shenehon conducted market research on single-family property values near recently constructed large developments in the West Metro and discovered that, in a majority of cases, the property values were not negatively impacted within four years of the new development.

In fact, the property values could be positively impacted by the increased offerings and improvement in amenities in the local marketplace, especially considering the adjacency to an already vibrant commercial district.

Traffic:

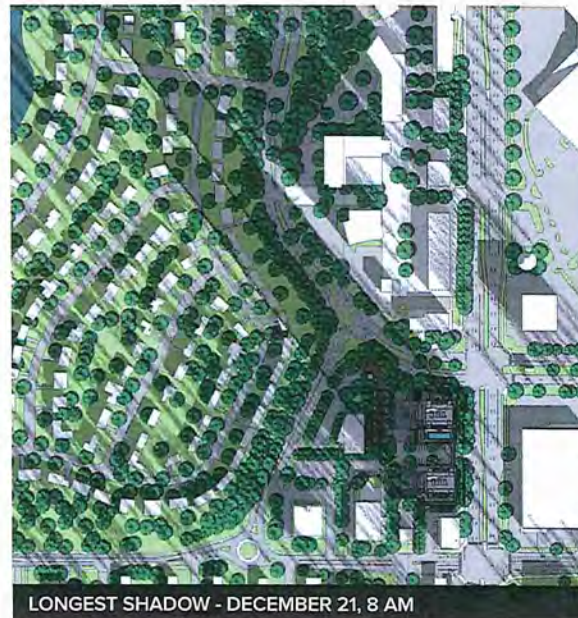
The development proposal shows the main vehicle access point on France Avenue, with two smaller driveways on West 69th Street and Valley View Road. As a result, the majority of the traffic would remain on France Avenue.

The analysis concluded that the proposed development is in keeping with the surrounding commercial district, and neither noise nor traffic concerns would severely alter the existing nature of the neighborhood and nearby homes.

Views & Shadows:

The nearest single-family homes are approximately 450 feet away across Valley View Road, with existing mature vegetation as a natural buffer. Even in winter, the woody parts of the trees and brush will provide screening.

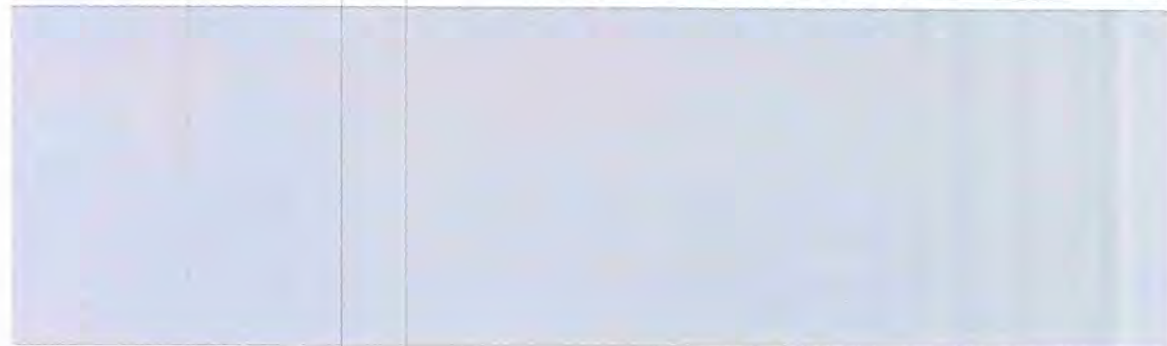
The towers have been designed to taper as they rise, to limit shadows on surrounding properties. Both the tower massing and the intermediate vegetation result in a minimal impact on neighboring homes.

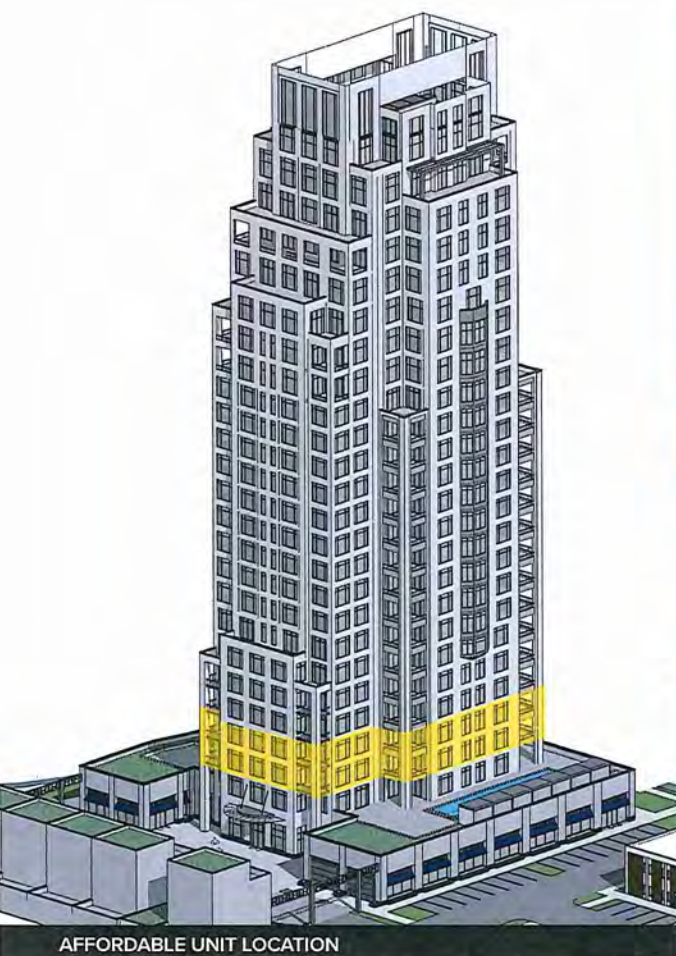


LONGEST SHADOW - DECEMBER 21, 8 AM

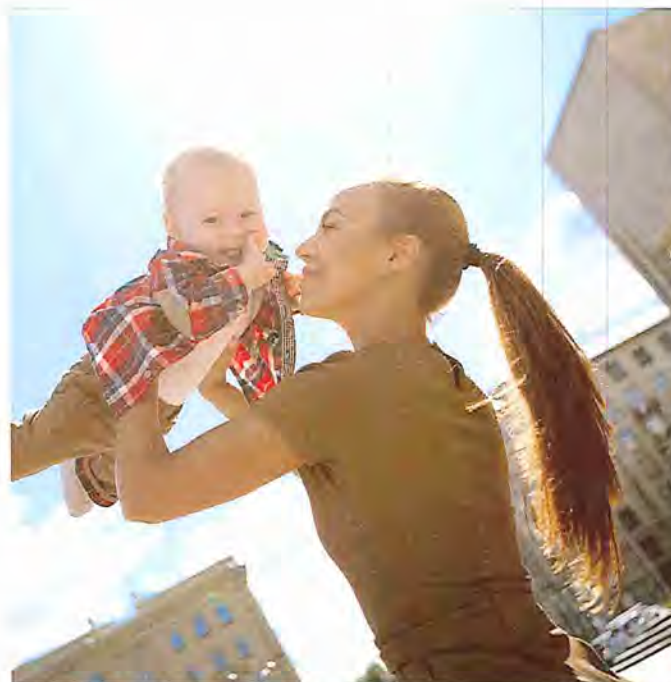


SHORTEST SHADOW - JUNE 21, 8 AM





AFFORDABLE UNIT LOCATION



Estelle Edina's integration of 20% affordable for-sale units presents a once-in-a-generation opportunity to offer new choices to thousands of Edina residents who are increasingly priced out of the city.

AFFORDABLE HOUSING

More than 98% of Edina's 23,000 housing units are considered unaffordable for a four-person family making \$48,840 a year or less¹. Increasingly, Edina's teachers, police officers, firefighters and medical workers are unable to live in the city they serve. Jobs may go away if workers cannot find housing nearby.

Further, Edina seniors ages 65+ with incomes under \$50,000 represent more than 3,700 households¹. Options for them to downsize to affordable and maintenance-free owner-occupied housing are extremely scarce within the city. As a result, longtime Edina residents are increasingly leaving the city for metro area communities with more choices.

Estelle is pleased to provide 20% of its units (2x the City Policy requirement) to be affordable to residents earning \$48,840 and less. A combination of 2 bedroom and 1 bedroom units will be integrated within the towers. 20 units are incorporated in Phase 1, and 15 will be planned for Phase 2.

No other luxury Twin Cities condo towers (including Westin Galleria, The Carlyle, Grant Park, Phoenix on The River, and The Landings in Wayzata) offer affordably priced units at restricted sales prices. Not since Edinborough Park of Edina has there been such a forward-thinking, innovative housing solution in the market that solves a real need, present and future.

¹Source: Marquette Advisors

SUSTAINABILITY

Estelle Edina addresses all three aspects of sustainable development by adding community amenities, boosting the local economy, and minimizing environmental impacts.

- Multifamily housing is inherently more energy-efficient than single-family detached housing.
- High density developments near public transit and amenities create a strong community network and reduce transportation resource usage
- Proposed landscaping is heavily vegetated, reducing stormwater runoff and urban heat island effect.
- All stormwater will be treated on-site, reducing demand on existing stormwater systems.
- The public plaza and street-level amenities encourage pedestrian activity.
- High-quality exterior materials like stone and architectural precast are low-energy, low-maintenance, and long-lasting. They will create a durable and energy-efficient building shell, suitable for the Minnesota climate.



COMMUNITY SUPPORT

The Ryan/Bernardi team has been deeply engaged in community outreach in the Southdale Corridor, Lake Cornelia Neighborhood, and with residents and business owners throughout greater Edina.

Prior to Sketch Plan Review, concept plans were presented and discussed with over 50 neighborhood residents on May 11th and May 18th at Think Bank, Edina.

Estelle Edina was presented to the Economic Development Commission of the Edina Chamber of Commerce and discussed. The team also met with the Greater Southdale Area Work Group and had an on-going dialogue with several key members.

Over the summer, the team knocked on the doors of more than 50% of the homes in the Lake Cornelia Neighborhood, with a focus on the homes closest to the proposed development site.

- 67 signatures from Edina residents on a petition supporting the Estelle development
- 45 signatures of support from Lake Cornelia residents
- 95 letters of support have been sent to the city by Estelle supporters in Edina
- By September 27th our goal is to have knocked on the doors of more than 75% of homes in the Lake Cornelia neighborhood

"I feel that the Estelle project is exactly the type of development that is appropriate and needed to enhance the Southdale area and our greater community's sustained growth and dynamic viability into the 21st century... We have always wanted to provide a suitable buffer between commercial and single-family homes and I believe in the case of Estelle through its amenities the project does provide the intended buffer, especially when tempered by the need to help ensure a dynamic future for the the Southdale commercial district... While the Estelle project is just one project for consideration, it signals an important new direction for our Edina community."

- Dennis Maetzold
Former Mayor of Edina



"I have been following the Estelle Edina project and the worry of some about the height of the two proposed towers. The height of buildings can be an issue in an historic district or when tall buildings get constructed immediately adjacent to people's backyards, but neither is the case here. This project replaces a lot of surface parking and some low-rise buildings and is far enough away from any residential area that might be unduly affected by any shadows cast by the two towers. Tall buildings when well designed and well situated, as is the case with Estelle Edina, are a great testament to the confidence people have in the future of a community. Rather than see the height of these two towers as a problem, I think the people of Edina should be proud that there exists that much demand among potential condominium owners to want to live in the community. Estelle Edina will greatly enhance the Southdale district and greatly benefit the City of Edina. I urge the city not to miss this opportunity. I know that Victor Gruen would strongly support Estelle Edina as the kind of development that will help ensure the financial health of the mall, especially in an era in which online shopping has begun to threaten the viability of bricks-and-mortar retail."

*- Thomas Fisher
Metropolitan Design Center
University of Minnesota*

"As Edina homeowners who live on Southdale Road directly next to the proposed Estelle Edina development, we are writing to express our support for the project.

We have met with members of the Ryan Companies and their support staff, they have thoughtfully and kindly been meeting with us and other neighbors near the proposed development. I have appreciated the time they have taken to answer our questions and listen to our concerns.

We believe Estelle Edina will transform a block that currently is ugly looking bank drive-through lanes into a community asset that is walkable. This is what we are most excited about. We love the idea of being able to walk to more local restaurants and shops. This is one of the reasons we decided to move to our current house.

Neighborhood concerns are understandable and we had a number of them ourselves, but we believe the development team is listening to those concerns and doing everything possible to address them. While this project would be taller than any buildings currently in Edina, the combined towers have a smaller footprint than the Westin, which has now been open for more than 8 years. We believe that Estelle Edina has the potential to be a prestigious building/complex that will offer more to people of the Lake Cornelia neighborhood than the Westin with all the proposed shopping, restaurants and public spaces.

We have been told the slender, "needle" towers will help minimize the impact of shadows on homes including ours. This was a big concern of ours. After hearing the engineers were able to shave 30ft off the top of the building, seeing perspective renderings and downloading an app that shows the Sun's path during different times of the year we don't see this posing much of an issue.

We are hopeful that you will work with the developers to move this project forward and turn the France Ave, Southdale and Galleria area into the shopping and restaurant hub we want it to be."

*- Cole & Brandi DeVries
6900 Southdale Road*

"This is exactly the kind of development that Edina needs to maintain our community as a forward looking, exciting place to live, work and raise of children! As the former Chairman and CEO of Wells Fargo, Minnesota, I was involved when we chose Cesare Pelli to design the Wells Fargo Center in downtown Minneapolis. I am thrilled that the design of Estelle Edina looks a bit like the iconic tower that identifies the Twin Cities as one of the most progressive cities in the world. I have looked at the economics of this project and they appear to be outstanding from a Edina taxpayer's perspective. Please move forward with Estelle Edina. This is one of the most exciting projects that Edina has ever considered."

*- James R. Campbell
5521 Woodcrest Drive*

"In approving this project it would, in my judgement, provide in a most positive fashion more owner occupied housing choices for people who now desire to move from a single family detached housing environment. This in turn makes available that housing stock which has proven to be most desirable for young families which in turn greatly benefits our Edina School system, which, as we all know, is one of the cornerstones of our community. Additionally, I believe vertical growth is essential to capture the dynamics of the future as our city continues to move forward into the 21st century."

*- Fred Richards
Former Mayor of Edina*



FRANCE AVENUE ENTRY

I wanted to send you this e-mail as an interested citizen who has lived in the Cornells neighborhood for the past 32 years. I have been actively involved in our community, including being a part of Edina Federated Women's Club – its president in 2014.

I think you have already heard from a very vocal minority of folks in my neighborhood expressing opposition to an upcoming project that I'm looking forward to seeing. I feel it is important for you to know that in my opinion, the majority of my neighbors welcome the proposed Estelle condo project and see it as a major improvement for that site and are happy about the significant benefits it brings to our great city. Clearly we need more empty nester condo housing options so we can free up the single family homes so that younger and growing families can continue to live and flourish in our city. Further, the number of units being proposed on this project will significantly increase the tax base and will support both our City and School district for many years to come. I have been told this is about \$4M per year of additional local property tax revenue.

I also want to tell you that this is the most beautiful development I've seen proposed in Edina for as long as I've lived in the city – which has been since 1970. I love the park-like feeling I got when I saw the drawings. It felt so warm and welcoming. This is the kind of beauty – architecturally and aesthetically – that we'd love to see in Edina.

I'd like to conclude by saying that the height of the proposed condo buildings seem to be just fine with me – much better than a box-like structure. I love how slender and attractive they are – would love to live there myself. It would be an easy move as I live but three or four blocks west.

I've talked with a realtor friend and a near-by neighbor, who's a developer, and they're both in favor of cheering this project on. Please, as leaders of our great city, give it all the support you can."

*- Arlene Clapp
6925 Cornells Drive*

"I believe the Estelle project provides an opportunity akin to the one presented in the late 50s and 1960s when Southdale Center and the Fairview Southdale complex were created by future-looking and bold community business and government leaders. The Centennial Lakes development of the late 1980s and the creation of the Promenade represent more recent aspirational projects that required strong and forward-looking leadership and direction. An exceptional opportunity exists with the proposed Estelle project for today's community leaders to exhibit a similar bold and future looking commitment to the long-term health and quality of our uniquely endowed community.

An excellent community such as ours can go one of two directions. It can solidify and improve upon an existing strong base – or it can gradually drift towards the norm or the average, or worse. Once a community becomes mediocre and average one can only imagine how difficult if not impossible it would be to regain the former luster and appeal that once made it distinctive and appealing. Estelle would be the kind of addition to our community that would strengthen and build upon our strong base and maintain positive momentum."

- Don Hutchison

7260 York Ave. S #403



69TH & FRANCE AVENUE PLAZA

"As part of a family with a long history in Edina, and Edina resident I am sending this letter in support of the Estelle Edina Residential proposal from Arcadia and Ryan Companies. I believe a project such as this is just what the Southdale area and Edina needs. As my wife and I look beyond single family living there are very few choices for ownership that will keep us in Edina.

My parents in their late 80's live above the Westin hotel and this condominium life style has greatly enhanced their quality of life.

In addition, the Southdale area needs bold projects to enhance the area and maintain its vibrancy. The Art Deco style and 24 stories is a bold classic statement that would be an Iconic addition to the City. When completed it would provide a long term solution for we, who wish to remain in Edina after the single family home time of our life. In addition it would add tax revenue, and provide walkability to residents in adjacent neighborhood areas, who may enjoy the accessible retail, restaurants, and coffee shops. In conclusion, it is my hope you will support this project."

*- Stephen J. Hedberg
Edina*

"I believe that a plan as unique and of such high quality design and intelligent land use deserves recognition for what it offers as a major step forward. Edina's Greater Southdale area is experiencing an active period of redevelopment and transition of Edina's most highly valued properties. Over the past five to seven years, several new and redeveloped projects of multi-family residential, retail, hospitality, and other commercial uses have replaced buildings that responded to the original Southdale Center, built in the mid-1950's as the first enclosed mall retail center in the country.

Its bold and forward thinking developers not only created the centerpiece itself, but fostered a variety of projects that complemented and shared the success of Southdale Center. It truly identified Edina in the '50's and '60's as a forward thinking, high quality, progressive community with excellent schools, high quality neighborhoods, centrally located library and county service center, and an excellent regional hospital which gave life to active medical services located in its surrounding area. A great variety of businesses, both new and existing, sought to locate in the areas near Southdale extending their reach west to Highway 100 and south to Interstate 494. All of which served to create the laudable financial balance between Edina's residential areas and its strong and diversified commercial base.

We are now offered an opportunity by a team of developers who's prior generations have contributed to the preceding 50-60 years of growth and development in Edina. The unique design of the Estelle project, with its 10,000 square foot footprint that facilitates 4 units per floor, each a corner unit, will be a very desirable marketing feature of the property. But rather than offer a rectangular mid-rise block structure, the exterior will offer a tall, more slender and graceful presence on a corner, offering light and views between the towers. The smaller floor plate also creates opportunity for more green space and landscaping rather than a shorter building requiring much more ground coverage and restricted ground level views.

The possibility of a skyway-type connection to the Galleria Center across France Avenue addresses the often expressed desire for more "walkability" and "connectivity" in an area such as Southdale. The development team has created possibilities for those qualities as well as having been responsive to the City Council's initiative to foster diversity in the housing options in Edina by committing to offer 20 units of workforce housing within the structures of the Estelle project.

Edina's bold and forward looking leadership has traditionally seized the opportunity to create and foster innovation in property uses and design quality, and those who have followed through the years have generally tried to encourage similar results. However, in the past decade, many critics of what has been built in the Southdale area have cited some of the multi-family projects as lacking the quality that has been characteristic of Edina's previous high standards. Specifically that most of the projects look the same with little distinctive about their appearance or design uniqueness.

While judgment and opinions of appearance and quality are individual, Edina has always valued excellence in every aspect of the community's life and activities. To strive for continuing improvement in many areas of Edina's life is a continuing tradition, there is no reason not to encourage proposed projects that reflect bold and excellent design rather than reduce them to something acceptable, but less than outstanding, or even worse, lose them altogether when they challenge us to embrace high quality in "something new".

*James Nelson
7790 Lochmere Terrace*

"Change is hard. As leaders in our community, you get to help guide and direct change in Edina. Thank you for your service to our community!"

The development known as Estelle Edina introduces height into a commercial area formerly dominated by smaller buildings. Allowing height into this area will be challenging because there will be many who would prefer things to stay the same.

We've dealt with these issues before. We have consistently allowed more height into our commercial and retail areas to gain density that allows new resources and amenities for our citizens. These new buildings often provide living solutions for older citizens looking to "downsize". People love Edina and they want to be able to stay in Edina after their children have grown. As an older community, these types of facilities allow us to recruit younger families into our residential neighborhoods while giving the outgoing owners options as well.

In addition to housing diversity, density tends to allow for additional transportation resources and amenities such as restaurants and hotels. Our community in the aggregate benefits from these types of amenities.

I encourage you to be open to the benefits the Estelle Edina project can provide for Edina. "

- Scot Housh

Former Edina Council Member

Why Here? Why Now?

Since 2008, Edina has seen:

- 668 single family tear downs & rebuilds
- 0 New condos (despite pent-up demand)
- Loss of residents to downtown and Wayzata projects that offer more choices
- 98% of the city's 23,000 housing units are considered unaffordable to families earning under 60% of AMI

Aging of baby boomers/empty nester growth:

- Projected +80,000 persons ages 55-74 in Twin Cities 2016-2021
- Seeking housing / lifestyle balance – attracted to high-end multifamily ownership product that offers amenities, walkability, and connectivity
- New rental apartments are not providing quality and unit sizes that match current housing demand
- Edina has 3,700+ households over age 65 earning less than \$50,000 per year; affordable condos are in scarce supply

Best condo location in the Twin Cities:

- 110% corner of Edina that needs revitalization and new tax base
- Walkability to Southdale medical services, Galleria, Centennial Lakes, Promenade
- Good neighborhood use that acts as transition from commercial to residential

Community Support:

- 67 signatures from Edina residents on a petition supporting the Estelle development
- 45 signatures of support from Lake Cornelia residents
- 95 letters have been sent to the city by Edina residents, business leaders, and former City officials supporting the Estelle Edina project

KEEP EDINA ON TOP

APPROVE ESTELLE EDINA



RYAN



WE
BUILD
STORIES



Estelle Edina
Concept Floor Plans
Edina, Minnesota
9.13.2017