

CITY OF APPLE VALLEY  
PLANNING COMMISSION MINUTES  
MARCH 3, 2010

**1. CALL TO ORDER**

The City of Apple Valley Planning Commission meeting was called to order by Chair Churchill at 7:00 p.m.

Members Present: Jeannine Churchill, David Schindler, Keith Diekmann, Ken Alwin and Paul Scanlan

Members Absent: Tim Burke and Tom Melander

Staff Present: Community Development Director Bruce Nordquist, City Planner Tom Lovelace, Associate City Planner Margaret Dykes, City Attorney Sharon Hills, Assistant City Engineer David Bennett and Department Assistant Barbara Wolff

**2. APPROVAL OF AGENDA**

Chair Churchill asked if there were any changes to the agenda. Hearing none she called for a motion.

MOTION: Commissioner Schindler moved, seconded by Commissioner Diekmann, to approve the agenda. The motion carried 5-0.

**3. APPROVAL OF MINUTES OF FEBRUARY 17, 2010**

Chair Churchill asked if there were any changes to the minutes. There being none, she called for approval of the minutes.

MOTION: Commissioner Diekmann moved, seconded by Commissioner Alwin, to recommend approval of the minutes of the February 17, 2010, meeting. The motion carried 5-0.

**4. ANNUAL BUSINESS MEETING**

The Commission nominated and elected officer positions amongst themselves. The officers, given only one nomination for each office, were accepted by unanimous consent under Robert's Rules of Order:

MOTION: Commissioner Diekmann moved, seconded by Commissioner Schindler to accept the following positions:

- Jeannine Churchill will continue to serve another year as Chair.
- Thomas Melander will continue to serve another year as Vice-Chair.
- David Schindler will continue to serve another year as Secretary.

The motion carried 5-0.

Chair Churchill asked Community Development Director Bruce Nordquist if there were any other items the Commission should consider for the annual business meeting.

Nordquist stated that as part of the staff report, the Commission received a modified ordinance that is applicable to not only the Planning Commission, but all committees that make recommendations to the City Council. He said that an updated information handbook will be brought back at a later date.

Chair Churchill asked if there were any further actions that the Planning Commission needed to take this evening.

Nordquist replied no; all actions were adopted by the City Council and there is no further action needed by the Planning Commission.

Hearing no further discussion from the Planning Commission, Chair Churchill closed the annual business meeting.

## **5. CONSENT ITEM**

--NONE--

## **6. PUBLIC HEARING**

- A. Cobblestone Lake Commercial 3<sup>rd</sup> Addition/Think Bank – Consideration of rezoning of 1.6 acres from “PD-703/zone 8” to “PD-703/zone 6”, subdivision of approximately 84 acres into two lots and 15 outlots, and site plan/building permit authorization to allow for the construction of a 5,070 sq. ft. bank on a 1.6 acre lot.**

City Planner Tom Lovelace stated that the petitioners are proposing a subdivision that will plat the remaining 84 acres of property in the Cobblestone Lake development into two (2) lots and fifteen (15) outlots, a rezoning of the proposed Lot 2 from its current zone 8 designation to zone 6 and site plan/building permit authorization to allow for construction of a 5,070 sq. ft. bank with three drive-up teller and one ATM lanes, and 31 surface parking spaces on a 1.57-acre lot. Direct access to the bank site will be via Emperor Avenue and 158<sup>th</sup> Street West, two private streets.

Several outlots (Outlots A, D, G, J, L, and N) are being platted consistent with the Cobblestone Lake Park Land Sketch and many of those outlots have finished grading with trails and landscaping installed. Staff is recommending that Outlots A, D, G, J, L, and N be rezoned to “Planned Development No. 703/zone 7”, which is a zone within the planned development that has been designated for parks and playgrounds; recreational buildings, community centers and structures; and public utility buildings and structures. They also should be dedicated for public park.

The petitioners are also proposing to dedicate 85 feet of right-of-way for Pilot Knob Road and 33-50 feet of right-of way for 160<sup>th</sup> Street West, which will meet the right-of-way in accordance with most recent 'Dakota County Road Plat Review Needs Map'. Dakota County will likely raise an issue concerning the need for additional right-of-way for Pilot Knob Road and 160<sup>th</sup> Street West, which is based upon a recommendation in the "Dakota County CSAH 31 (Pilot Knob Road) Corridor Transportation Study". Staff and the petitioners will be meeting with Dakota County on March 2<sup>nd</sup> to discuss this issue. Staff will provide the Commission a summary of the meeting with the County on the night of the public hearing.

The private streets that provide access to the bank are constructed on lots and an outlot owned by others. The petitioners will need to provide the City with documentation that they are a party to the cross access easement and maintenance agreement prior to final plat approval between them and the adjacent property owners who have portions of the private street located on their property.

City code requires six stacking spaces for each drive-up window. The site plan shows six stacking spaces for the five drive-up lanes, which meets the minimum requirement. The City's Traffic Engineer has reviewed this proposal and has indicated that while the plan shows storage for six vehicles at each drive-thru lane, that the likely storage would be four vehicles for the lane closest to the building and five vehicles for the other three lanes. But because of new trends in banking such as internet and phone banking, he does not believe that the reduced number of stacking spaces will be a traffic problem. Lovelace stated that staff may need to look at city ordinance in regards to the stacking of vehicles considering the traffic consultant's recommendations.

The Assistant City Engineer and Water Quality Technician have reviewed the plans and have made some recommendations. This recommendation shall be incorporated into their final plans prior to submission of a Natural Resources Management Permit (NRMP) application. This includes the addition of a second infiltration basin to treat storm water for the east parking lot.

Plans indicate a building that will be constructed of clay tile with an overhang and the drive-up canopy constructed with a pre-finished metal panel. The east and approximately half of the north and south elevations will be 100% glass. The west side of the building, which abuts Pilot Knob Road, seems rather plain and staff would like to see the petitioner try to dress up that elevation and would also encourage the petitioner to incorporate elements of sustainable building design into their building.

The Natural Resources Coordinator has reviewed the landscape plan and has recommended several changes.

The Traffic Engineer has reviewed the site plan and has suggested that slight modifications to the radii of several parking islands be made to allow for better motor vehicle circulation.

No pedestrian connection is being proposed to the Pilot Knob Road pathway. Staff is recommending that a direct pedestrian connection from the site to the Pilot Knob Road pathway be constructed along the north side of the building.

Lovelace asked for questions or comments from the Planning Commission.

Commissioner Diekmann asked what the display frame is on the south exterior elevation and how that fits into the City's sign ordinance.

Lovelace stated that the petitioner has not submitted a sign application. Staff will have to look at that and see if it is a permitted use as part of any display.

Commissioner Scanlan asked how the trail and sidewalk system interact with each other for the bank, liquor store and senior center.

Lovelace responded that a sidewalk exists on the west side of the building along the private street, which continues north to 157<sup>th</sup> Street and the liquor store. This sidewalk will also extend south as development occurs. Also, a sidewalk exists along the south side of 158<sup>th</sup> Street to the senior facility. The expectation is that once development occurs to the north of the senior facility, the sidewalk will be extended also.

Commissioner Scanlan asked if the senior center will have a dedicated crosswalk on Cobblestone Lake Parkway to cross to the bank.

Lovelace said it doesn't currently, although that is a good point. He thanked Commissioner Scanlan for his observation.

Commissioner Scanlan stated that he has concerns with the building materials selected in comparison to the commercial buildings already completed. He said the existing buildings use 3-4 different types of building materials, including stone. He feels this design is a complete departure from that. He would like to see revisions to the exterior materials that better fit with the existing commercial properties.

Lovelace replied that the applicant can address that.

Chair Churchill asked for the developer to step forward.

Jacob Fick, representing South Shore Development stepped forward to address the Commission. He said that the platting of Lot 2, Think Mutual Bank, is a small part of the preliminary plat of the undeveloped land in the western portion of Cobblestone Lake. He stated that the preliminary plat will clean up the outlots for ease as they move forward and create future development.

Fick addressed Commissioner Scanlan's concerns regarding pedestrian paths. The connection at the intersection makes the most sense. He doesn't think it is necessary to make a connection from Pilot Knob Road to the bank. The businesses that are currently there are not connected to Pilot Knob Road. Pedestrian traffic is directed towards the corridors of 155<sup>th</sup>, 157<sup>th</sup> and 160<sup>th</sup> Streets.

In regards to building materials, Fick stated that as developers, South Shore Development does have architectural control. They do understand that the building is not the same as everything else that is built out there but they are comfortable with the materials. There has been a theme within Cobblestone Lake, but they do realize that there will be different materials, facilities, architecture and styles in Cobblestone Lake, especially within the commercial area. The design of the bank does

incorporate similar brick material of the liquor store, although it has more glass and more of an aluminum look. As the developer, they feel it is a good thing to have a different type of architecture. In his opinion, it is an attractive building.

Commissioner Diekmann asked what Fick's opinion is of the west elevation.

Fick said it is the most plain side. It is the back side of the building and backs up to a road. It does have traffic, movement and a landscaping plan so it is not as visual. He said that they are open to suggestions, although it's not an issue for them.

Commissioner Scanlan clarified his statement in regards to his comments of the materials, stating that he doesn't believe that is a personal opinion but that it is well established within the community on the types of material selections that are in place. He believes that theme should be carried through the design of the proposed bank.

Fick said he respectfully disagrees. He thinks it adds to the overall characteristic of the neighborhood.

Chair Churchill asked the architect to step forward.

Russ Schramm with HGT Architects stepped forward to address the Planning Commission. He stated that HGT worked with Think Mutual Bank when they built in Rochester. He stated that the design is a prototype of the brand development that Think Mutual Bank would like to maintain as they move into the metro area. The branding of the colors and finishes that are seen on the exterior elevations are part of their corporate logo.

Mr. Schramm stated that the intent of the design is to be simple, clean and crisp, yet open. The glass allows visibility from both the exterior and interior. The display frame on the south elevation is intended to be an item potentially added in the future. The west elevation that faces Pilot Knob Road will contain a trash enclosure that will provide depth to the view. He said their intent is to maintain this look if at all possible, although he does want to work with the City to come up with a successful solution for everyone.

Commissioner Diekmann asked where the mechanicals are located.

Mr. Schramm replied that the mechanicals are located within the exterior trash enclosure on the west elevation. The enclosure would contain residential style dumpsters and a grade mount mechanical system.

Commissioner Diekmann commented that he likes that the business looks to the neighborhood and is more focused to that direction, although he doesn't believe the west elevation is at all attractive.

Chair Churchill agrees that the west elevation needs to be dressed up, especially since it faces a busy street. She explained to Mr. Schramm that the City has a long standing policy that when the side of a building faces a public street, that side of the building needs to be dressed up. It cannot be treated like the back of a building facing an alley. She said the west elevation needs attention with more detail.

Commissioner Scanlan stated that he is sensitive to the business maintaining a brand and an image, although he would like to see a common ground between maintaining that brand and also incorporating the types of materials that have been used in the Cobblestone Lake development without detracting from the image that Think Mutual Bank is presenting.

Chair Churchill asked if Commissioner Scanlan had any objection to the blue on the design.

Commissioner Scanlan said no.

Hearing no further questions for the architect, Chair Churchill asked for the representative of Mutual Think Bank to come forward.

Daryl Karsky, representing Think Mutual Bank, approached the Planning Commission. He said that the Twin Cities market is large and they've taken some time to research where they wanted to be and where to expand their prototype. He's worked in the area for about 20 years and is very fond of Apple Valley. He stated that on behalf of the bank, they're excited to be here and working with the City through this process.

Chair Churchill stated that even though the Commission is addressing some of the design elements, they are excited to see the activity in Cobblestone Lake.

Mr. Karsky said he appreciates the comments. They want to do the project right and be able to fit into the community.

Chair Churchill commented that the City and South Shore Development have worked hard on the Cobblestone Lake community to achieve the look and feel of a neighborhood. She said that the City doesn't ever want to destroy any businesses' brand, but it has been their past experience that there is a middle ground where the business can look like its an integral part of the community and yet everyone recognizes who the business is.

Mr. Karsky said that they have been working with the developer for quite some time and have talked about the integrity of the development and the look that needs to be there so they do understand and respect that.

Chair Churchill thanked Mr. Karsky. She asked Mr. Fick if he had anything to add.

Mr. Fick stated that they will work with staff on the issues raised and continue to move forward. He said they are excited to have Think Mutual Bank into the neighborhood. He said that the representatives of Think Mutual Bank understand what they're striving to achieve and the pride the City takes in the neighborhood. He said that they fit into that without a corporate feel.

Chair Churchill asked if the public would like to speak to this item.

Alan Kohls, 15634 Early Bird Circle, commented that he would also like to see the west elevation dressed up. He believes that Cobblestone Lake development has an image to protect and he also wants the building to enhance the neighborhood.

Ron Kohls, 15564 Eagles Nest Way, commented that it is a good location for the bank. He also commented that he would like to see the elevation facing Pilot Knob Road be dressed up. He asked if the tiles on the outer walls are painted or a finish surface.

Mr. Schramm stated that it is a fired brick and the color goes through the entire structure of the brick.

Chair Churchill hearing no further comments closed the public hearing.

## **7. LAND USE/ACTION ITEMS**

### **A. Consideration of Proposed Master Development District Modification.**

Associate City Planner Margaret Dykes stated that the City of Apple Valley began using Tax Increment Financing (TIF) as an economic development tool in 1982. In order to create TIF districts, state statutes require local governments to create a Master Development Program and Master Development District so that a municipality may acquire, construct, reconstruct, improve, alter, extend, operate, maintain, or promote developments aimed at improving the physical facilities, quality of life, and quality of transportation. The City's Master Development Program was established to do the following: (1) provide impetus for commercial development and redevelopment; (2) increase employment; (3) to provide means and facilities to protect pedestrians from vehicular traffic and inclement weather; (4) to provide linkage from parking areas and facilities to serve places of employment and shopping; (5) to provide off-street parking for shops and employees; (6) to provide open space; (7) to provide other facilities as approved by the Economic Development Authority (EDA) from time to time; (8) to provide sufficient supply of adequate safe, and sanitary dwellings; (9) to clear and redevelop blighted areas; (10) to remedy the shortage of housing for low and moderate income residents.

The Master Development District (MDD) is the area in which the City intends to promote development or redevelopment, and protect the desirable development that has already occurred. The MDD defines the geographic boundaries in which TIF Districts can be created and TIF resources used. The boundaries of Apple Valley's current MDD include the Downtown, and some of the undeveloped sand and gravel mining area.

Under certain circumstances, Minnesota statutes allow "pooling", which is the use of tax increments for activities located outside of the boundaries of the district from which they were collected, but the increments must be spent within the MDD. The increment must be spent on qualified projects such as road improvements, installation of public infrastructure (including extension of fiber optic), removal of substandard buildings, and site acquisition for manufacturing, warehousing, and R&D facilities.

In October 2009, the EDA met to discuss the possibility of expanding the City's existing MDD in order to fund certain projects with the use of existing TIF increment. The EDA asked staff to create different scenarios, which were brought to the EDA's meeting in January 2010. The EDA reviewed three different scenarios for a possible expansion of the MDD, and determined that the MDD should include significant commercial nodes, as well as the property ½ -mile from the Cedar Avenue right-

of-way, and some major right-of-ways including 138<sup>th</sup> Street West, 140<sup>th</sup> Street West, County Roads 42 and 46, and Johnny Cake Ridge Road. At its meeting of February 25<sup>th</sup>, the EDA adopted the expanded MDD and requested the City Council hold a public hearing on March 11<sup>th</sup> on the expansion, and act upon the expansion of the MDD.

The expansion of the MDD would allow the City to allocate funding for a variety of projects that would support the City's goals listed in the 2030 Comprehensive Plan. For example, the funding could be used to add missing sidewalk and trail links so that there are better connections from neighborhoods and commercial areas to Cedar Avenue and the Bus Rapid Transit stations; construct improvements on Cedar Avenue that will add to the safety of motorists and pedestrians on Cedar Avenue; and construct roadways that will allow for the development of vacant land guided for industrial development. The increment could also support transit-oriented development concepts shown in the Comprehensive Plan, as well as installation of conduit for fiber optic lines to allow for improved access to broadband. All of these programs would support the City's vision of remaining sustainable, livable, accessible, healthy and active, business oriented, employment focused with a strong Downtown.

Dykes stated that because the Planning Commission advises the City Council on planning and land use issues, and is charged with review of the Comprehensive Guide Plan, the Commission should determine if the expansion of the MDD is consistent with the Comprehensive Plan. If the Commission determines the expansion of the MDD is consistent with the Comprehensive Plan, and adopts the attached resolution, the City Council will consider action at its March 11<sup>th</sup> meeting.

Dykes asked for questions and comments from the Planning Commission.

Chair Churchill asked for clarification of the boundaries of the proposed new master development district.

Dykes explained that it is a half mile on either side of Cedar Avenue in order to create transit oriented development. It also includes the existing master development district as well as vacant areas, which are now sand and gravel. Also the significant smaller commercial nodes and the major right-of-ways; County Road 38, 140<sup>th</sup> Street, 160<sup>th</sup> Street, County Road 42 and a portion of Johnny Cake Ridge Road, which allows for the installation of any fiber, missing links to sidewalks or trails that may need to be installed.

MOTION: Commissioner Alwin moved, seconded by Commissioner Diekmann, to approve adoption of the draft resolution finding that the expansion of the Master Development District is consistent with the City's Comprehensive Plan. The motion carried 5-0.

## **8. OTHER BUSINESS**

### **A. Review of the Upcoming Schedule and other Updates**

Community Development Director Bruce Nordquist stated that there were no updates to report.

## **9. ADJOURNMENT**

Hearing no further comments from the Planning Staff or Planning Commission, Chair Churchill asked for a motion to adjourn.

MOTION: Commissioner Schindler moved, seconded by Commissioner Diekmann, to adjourn the meeting at 8:00 p.m. The motion carried 5-0.