

CITY OF APPLE VALLEY
PLANNING COMMISSION MINUTES
SEPTEMBER 16, 2015

1. CALL TO ORDER

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

Members Present: Tom Melander, Ken Alwin, Keith Diekmann, Angela Polozun and Paul Scanlan.

Members Absent: Tim Burke and David Schindler.

Staff Present: City Attorney Michael Klemm, Community Development Director Bruce Nordquist, Planner Kathy Bodmer, Planner Margaret Dykes, Assistant City Engineer Brandon Anderson and Department Assistant Joan Murphy.

2. APPROVAL OF AGENDA

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

MOTION: Commissioner Diekmann moved, seconded by Commissioner Alwin, approving the agenda. Ayes - 5 - Nays - 0.

3. APPROVAL OF MINUTES AUGUST 19, 2015

Chair Melander asked if there were any changes to the minutes. Hearing none he called for a motion.

MOTION: Commissioner Diekmann moved, seconded by Commissioner Alwin, approving the minutes of the meeting of August 19, 2015. Ayes - 4 - Nays - 0. Abstain - 1 - Melander

4. CONSENT ITEMS

--NONE--

5. PUBLIC HEARINGS

A. Amendments to "PD" (Planned Development) Zoning Designation - Public hearing to consider amendments to the "PD" (Planned Development) zoning district.

LOCATION: City Wide

PETITIONER: City of Apple Valley

Chair Melander opened the public hearing at 7:02 p.m.

Planner Kathy Bodmer stated the "PD" (Planned Development) zoning designation allows flexibility in terms of typical zoning standards including setbacks, densities and lot areas. PD zoning districts must comply with the Comprehensive Plan designation, but can otherwise be crafted to allow a project to be developed to more creatively and efficiently use the land.

The zoning code currently requires a project area to be a minimum of 20 acres in order to rezone to PD. No mechanism is available to rezone a smaller parcel to PD. With the City nearing full build-out, redevelopment of property would become more of an issue and fewer sites of 20 acres or larger would be available. A PD designation may be a helpful tool to provide flexibility with setbacks without diluting the requirements of the standard zoning district designations.

The proposed ordinance amendment would allow projects with an area of a minimum of 5 acres to be eligible to request a rezoning to PD. The ordinance would further allow a project with an area of less than 5 acres to request the PD designation, provided the City finds that a PD development would create a project that best meets the goals and policies of the comprehensive plan. At the same time, a PD designation would not be available for single family residential lots to avoid a variance procedure.

The draft ordinance also requires an applicant to provide a written statement stating how the planned development zoning designation benefits the public interest. When developers request a rezoning to PD, they would need to explain why relief from a standard zoning designation and the proposed development benefits the City.

Commissioner Diekmann asked how an applicant would go about asking for a change to a Planned Development.

Ms. Bodmer answered it would be treated the same as any other rezoning request.

Chair Melander asked if just because an applicant writes a request it does not mean it is a specious argument.

Ms. Bodmer commented that it must be a benefit to the City.

Commissioner Alwin said to put this in the context of reason and matters that came before the Planning Commission. He referenced the statement that the amendment could not be used to avoid other procedures more appropriately viewed as a variance. Such as they could not come in and ask for a new planned development to get around being under parked in a commercial lot or to reduce the size of stalls in an apartment complex.

Ms. Bodmer said some of those standards could be negotiated as part of a planned development. She said staff is thinking more of like in a R-1 zoning district where minimum lot sizes are 40,000 sq. ft. having one person say they want to rezone to a planned development and we want two lots out of this 40,000 sq. ft. We do not want this to be substandard. She commented that one good example that could have used this tool was Hunter Forrest because of the wooded nature of the site

we wanted larger lots on the north side and then where it was less wooded or less desirable we were comfortable having smaller lots. That would be the idea of the tool.

Commissioner Alwin commented that we would not have with the variance that showed practical difficulties and not the fault of the owner and where under a planned development they could negotiate something different rather than a variance. He asked if it could be made more clear that under 155.266 (D) that whole sentence applies to residential. He feels there really are two concepts.

Ms. Bodmer said she would work with legal staff for revision.

Commissioner Diekmann asked Commissioner Alwin if he thought the variance should include commercial lots as well as residential.

Commissioner Alwin said he would be more comfortable if both of those apply to only residential. If we are talking commercial then maybe we do want some relief related to the parking requirements and if applicants could build a good case. He said he would be comfortable if both conditions applied only to single family.

Chair Melander closed the public hearing at 7:14 p.m.

MOTION: Commissioner Alwin moved, seconded by Commissioner Diekmann, recommending approval of the draft ordinance amending the PD Zoning District zoning designation subject 155.61(D) that both conditions apply only to single family. Ayes - 5 - Nays - 0.

B. Zoning Ordinance Amendments – Alcoholic Beverage Production Establishments -
Public hearing to consider zoning ordinance amendments pertaining to alcoholic beverage production establishments. **(PC15-27-Z)**

LOCATION: City Wide

PETITIONER: City of Apple Valley

Chair Melander opened the public hearing at 7:15 p.m.

Planner Margaret Dykes stated that due to recent changes in Minnesota state law, the City Clerk's office has begun updates to the City Code to allow liquor licenses for alcoholic beverage production establishments, such as brewer taprooms, cocktail rooms, microdistilleries, and small breweries.

The City Code currently allows breweries in the "I -2" (General Industrial) district. To expand these uses to be consistent with State law and surrounding cities, the Zoning Code will need to be amended to allow for the above – listed uses in both the "I-1" (Limited Industrial), and "I -2" districts. These uses, due to their industrial nature, would not be permitted outside of these zoning districts. The City Attorney's office has drafted an ordinance amendment to address these uses. Larger breweries and distilleries are currently allowed in the I-2 district. The draft ordinance would allow small breweries and microdistilleries in the I-1 and I-2 districts as permitted uses. Taprooms and cocktail rooms would be allowed as conditional uses in the same districts.

It should be noted that brewpubs, which have small brewing facilities in addition to a Class I restaurant, are simply considered Class I restaurants and can locate in any districts where Class I restaurants are allowed. These districts include the "LB" (Limited Business — as a conditional use); the "NCC" (Neighborhood Convenience Center — as a permitted use); the "RB" (Retail Business — as a permitted use); the "I-1" (as a permitted use); the "I-2" (as a permitted use); and various Planned Development districts.

Commissioner Alwin asked if there are any requirements today where food sales has to be a certain percentage of alcohol sales or if this could be drinking only establishments.

Ms. Dykes answered that would need to be reviewed.

Chair Melander stated that Commissioner Alwin brought up a good point because he is aware there are some requirements with the percentage of alcohol sales versus food sales and they should find that out before the Planning Commission moves forward.

Commissioner Diekmann asked why the food is pertinent to this application as an "I-1" or I-2" zoning district for this type of use.

Chair Melander commented he did not want to read more into it than the City is intending but he believes this should not wind up being a bar in an industrial zone.

Commissioner Diekmann commented that it is his understanding that this would be a manufacturing facility, or distilled spirits or beer that would be in conjunction with a taproom and therefore not just have a bar.

Ms. Dykes confirmed that is correct. You must have a brewery or small brewery or a micro-distillery in order to have a taproom or a cocktail room. A bar cannot just be set up. It is a product that you have to manufacture on site to sell and they have tasting rooms.

Commissioner Diekmann inquired that in conjunction with that are they allowed to sell other things beyond what they are manufacturing.

Ms. Dykes answered that to her knowledge no. It would just be what they are manufacturing inside.

Commissioner Diekmann asked if there was any percentage of space that can be the taproom. He commented it should be the ancillary use and not the primary use.

Ms. Dykes answered yes but that the City does not have the percentage requirement in the ordinance. It is a conditional use and if you want to add that staff could take a look at it.

Commissioner Scanlan commented that this would just be for product for what is manufactured there and at a lot of other places that have manufacturing there is clothing. He asked if clothing would be an allowed item.

Ms. Dykes commented that there are a few outstanding issues and it would not move forward tonight.

Chair Melander closed the public hearing at 7:25 p.m.

C. Cobblestone Lake South Shore 9th Addition - Public hearing to consider Comprehensive Land Use Map amendments, rezoning, zoning amendments, and preliminary plat that will create 44 single-family lots and two outlots. **(PC15-30-PZS)**

LOCATION: SE corner of 157th Street W and Cobblestone Lake Pkwy S

PETITIONER: Cobblestone Lake Development, LLC

Chair Melander opened the public hearing at 7:26 p.m.

Community Development Director Bruce Nordquist presented the request by South Shore Development, LLC for amendments to the 2030 Comprehensive Plan Land Use Map, rezoning, and the subdivision by plat of two existing outlots totaling approximately 11.51 acres. The proposed development is located in the southeast corner of Cobblestone Lake Parkway South and 157th Street West.

The applicant is requesting amendments to the 2030 Comprehensive Plan Land Use Map that would re-designate the property from "HD" (High Density Residential /12+ units per acre) and "P" (Parks and Open Space) to "LD" (Low Density Residential /3 -6 units per acre) and "P" (Parks and Open Space).

The rezoning request would change the current zoning designation of "PD -703 /zone 6 and 7" (Planned Development), which allows for commercial and park uses to the following:

- Blocks 1-4, and Outlot A, COBBLESTONE LAKE SOUTH SHORE 9TH ADDITION "PD- 703 /zone 2A ", which allows for single- family dwellings as a permitted use.
- Outlot B, COBBLESTONE LAKE SOUTH SHORE 9TH ADDITION "PD- 703 /zone 7 ", which allows for parks /open space.

The applicant is requesting approval of subdivision by plat of the Outlots F and G, COBBLESTONE LAKE COMMERCIAL 3RD ADDITION into 44 single-family lots and two (2) outlots. Access to the platted lots will be via public streets that will intersect with Cobblestone Lake Parkway South.

The lots within the proposed development will have lots that vary in size from 4,289 sq. ft. to 7,687 sq. ft. and minimum lot widths between 46-76 feet. All the interior lots and six of the ten corner lots meet the minimum lot requirements. Lot line adjustments will be needed to bring the deficient corner lots into conformance or the minimum area requirement for a corner lot in zone 2A will need to be amended.

Drainage and utility easements will be established along the perimeter of each lot in conformance with the City's subdivision requirements. A drainage and utility easement should be established over and across all of Outlot A.

An access restriction easement shall be established over the one -foot of the lot line of all lots directly abutting Cobblestone Lake Parkway South, which will restrict direct driveway access to Cobblestone Lake Parkway South.

A raised center median in Cobblestone Lake Parkway South will restrict access to the site to a right in/right out turning movements only from Street A. That section of the median will be removed to allow for full movements at each location. Cobblestone Lake Parkway South has recessed parking that will be impacted by the Street A intersection.

The spaces located along the north side of Cobblestone Lake Parkway South, just east of the Street A will need to be removed. A combination of berms and landscaping should be incorporated in the front yards of Lots 5 and 6 of Block 1 to help reduce the impact of vehicles using the 157th Street roundabout.

Several lots abut Outlot B, which will be dedicated for public park purposes, and would be the location of pedestrian trails and a parking lot. Screening/softening elements such as earth berms and landscaping should be incorporated backyards of lots directly adjacent to Outlot B.

Commissioner Scanlan expressed concern for the driveway widths and commercial lighting on the back side of buildings that would face residential houses. He inquired who would maintain the extra berm/buffer areas along the back side. He thought we are trying to put a lot here into a small area as to what the original true spirit of Cobblestone is based on.

Rob St. Sauver, South Shore Development, commented he would look into driveway widths and said maintenance of the extra berm/buffer areas would be the responsibility of the homeowner and not the parks department.

Mr. Nordquist addressed the units per acre.

Commissioner Alwin said they want to be respectful of what is moving in the market and give the developer some ongoing flexibility but he was concerned that the original plan had high density tucked into a residential mix commercial area with a buffer of the park between that segment and the single family residential home. If we build this out now, single family residential, he can see the future Planning Commission meetings where the people who live in those single family homes are going to have huge objections as to any kind of commercial development that goes in those adjacent or across Cobblestone Lake Parkway. He commented that we are taking away commercial/high density mixed use and jumping into single family residential use.

Mr. St. Sauver, answered that they would have preferred the large senior unit but it has not worked. He feels that what is now proposed is a good product and it will fit in with Cobblestone and

understands some of the concerns. They hope to address some of those concerns with the berming and landscaping. He addressed trail connections.

Commissioner Scanlan commented that he thought the front face of the houses were to front the parkway.

Mr. St. Sauver stated that the houses actually do. There is an alley and the houses are rear loaded all along the parkway.

Commissioner Scanlan, referring to trail connections, stated that the important part is how they access the lake not the outside parkway area and that should be incorporated in here.

Mr. St. Sauver commented that they will try to look at that, need to put the right product out there and they will make it work.

Chair Melander closed the public hearing at 7:58 p.m.

6. LAND USE/ACTION ITEMS

--NONE--

7. OTHER BUSINESS

A. Zoning Amendment I-2 – Update on proposed ordinance amendments to “I-2” (General Industrial) zoning district concerning bulk fuel storage tanks and heavy industrial uses that may no longer be compatible with the City’s 2030 Comprehensive Plan. **(PC15-06-Z)**

LOCATION: City Wide

PETITIONER: City of Apple Valley

Planner Kathy Bodmer provided a summary of some of the edits that have been made to the proposed I-2 (General Industrial) Zone Ordinance concerning obsolete industrial uses and bulk fuel storage. At the Planning Commission's public hearing on March 18, 2015, representatives of the Magellan Midstream Partners property expressed concern with some of the ordinance provisions and requested a meeting with staff to discuss the ordinance in more detail. Several meetings have been held with Magellan since March. Staff received feedback from business and property owners of property zoned I-2. Next steps are that language is under review and this item will come back to the Planning Commission for future action.

Discussion followed.

B. Review of upcoming schedule and other updates.

Planner Margaret Dykes expressed her gratitude and thanked the Commission for all the years of service they shared over the years and allowing her to service with them.

Community Development Director Bruce Nordquist stated that the next Planning Commission meeting would take place Wednesday, October 7, 2015, at 7:00 p.m.

8. ADJOURNMENT

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

MOTION: Commissioner Alwin moved, seconded by Commissioner Scanlan to adjourn the meeting at 8:07 p.m. Ayes - 5 - Nays - 0.

Respectfully Submitted,

/s/ Joan Murphy
Joan Murphy, Planning Department Assistant

Approved by the Apple Valley Planning Commission on 10/7/15.