

**MINUTES
PLANNING COMMISSION MEETING
CITY OF WHITE BEAR LAKE
FEBRUARY 4, 2019**

The regular monthly meeting of the White Bear Lake Planning Commission was called to order on Monday, February 4, 2019, beginning at 7:00 p.m. in the White Bear Lake City Hall Council Chambers, 4701 Highway 61, White Bear Lake, Minnesota by Chair Jim Berry.

1. CALL TO ORDER/ROLL CALL:

MEMBERS PRESENT: Jim Berry, Ken Baltzer, Peter Reis, Mark Lynch, and Erich Reinhardt.

MEMBERS EXCUSED: Mary Alice Divine and Marvin Reed.

MEMBERS UNEXCUSED: None.

STAFF PRESENT: Anne Kane, Community Development Director, Samantha Crosby, Planning & Zoning Coordinator, Tracy Shimek, Housing & Economic Development Coordinator & Ashton Miller, Planning Technician.

OTHERS PRESENT: Trevor Martinez, Maureen Michalski, Laura Kunde, Noah Young, Peggy Van Sickle, Diane Bennett, Julie Decoster, Mark Smith, Dierck Oosten, Tom Snell, Jason Stonehouse, Jim Gilles, Marcia Jesinski, Michael Amundsen, Nicole Schultz, and Karen Bushee.

2. APPROVAL OF THE FEBRUARY 4, 2019 AGENDA:

Member Reis moved for approval of the agenda. Member Baltzer seconded the motion, and the agenda was approved (5-0).

3. APPROVAL OF THE NOVEMBER 26, 2018 PLANNING COMMISSION MEETING MINUTES:

Member Reis moved for approval of the minutes. Member Baltzer seconded the motion, and the minutes were approved (5-0).

4. CASE ITEMS:

A. **Case No. 19-1-PUD:** A request by **Schafer Richardson** for concept stage approval of a Planned Unit Development, per Code Section 1301.070, in order to construct a new 189 unit multi-family apartment building at the northwest corner of County Road E and Linden Avenue.

Crosby discussed the case. Staff recommended approval of the case, subject to a number of conditions outlined in the staff report.

Member Reinhardt wondered if the parcel earmarked for parking is the only available park space or if there is another outlet. Crosby stated there is no area in terms of making new space and acknowledged that the closest park is across County Road E.

Member Reis asked about the proposed Hy-Vee development and the Bruce Vento trailhead, and whether they were factored into the traffic study. Crosby informed the Commission that the Hy-Vee development was taken into consideration when the traffic study was conducted. The Bruce Vento trail was not, however, not a lot of vehicle traffic is expected from the trail access.

Member Lynch sought to clarify the difference between concept plan approval and development stage approval. Tonight, at the concept phase, is when the Commission decides if we want this project. The general development stage is when we discuss how we want to do the project. Crosby affirmed this was the process, emphasizing that it will be more difficult to pull back after saying “yes” and having the applicant spend much time and effort on the application.

Member Lynch then asked if the \$30 million quoted by staff in the report is the investment or value of the project after the fact, what that impact is on the City, and whether TIF financing will be involved. Crosby reported that is the value afterwards, which translates into \$450,000 a year in tax rolls, \$75,000 of which will go to the City. There is no TIF financing; it is all coming from private investment.

Finally, Member Lynch asked what else could go in the B-4 zoning district. Crosby listed a number of businesses including a bar, gas station or fast food restaurant with a drive-thru.

Member Berry questioned, and Crosby confirmed, that all the rental units will be market rate. Member Berry expressed concern over how the only open green space disappears if more parking is needed. Crosby explained that because the area is 20,000 square feet there is potential for a hybrid solution where the 22 parking stalls are created, and some green space is preserved.

Member Berry asked about the parking ratio used by staff for this project. Crosby replied that it is based on the number of bedrooms. She explained that two parking stalls per unit is excessive for smaller units. Staff looked at other cities and the proposed ratio is a little more nuanced.

Member Berry suggested the apartment could be three stories in one or more of the building segments.

Member Lynch inquired about changing the parking requirements as a part of the Comprehensive Plan update. Crosby stated that after the Comp Plan is updated, the Metropolitan Council requires the City to update the zoning code to align with the update, which is when the parking requirements will be reviewed.

Member Reinhardt asked how the number of parking stalls at White Bear Woods matched the number of units, as it appears there is some wasted space on the site. Unsure of the exact number, Crosby assumed it was the two stalls per unit.

Berry opened the public hearing.

Maureen Michalski, Vice President and Trevor Martinez, Project Manager, Schafer Richardson. Michalski explained how the development company is interested in White Bear Lake. This project will provide an increase in investment and an increased tax base for the community and will fill a need for a product type that is not widely available in the community.

Martinez explained, within the primary market area, there has been a 20% increase in renter households, less so for single-family homes. Studios and one bedrooms are highest in demand in the company's other suburban area properties. He described how parking is best based on a bedroom ratio, not unit ratio, because needs vary greatly.

Member Reinhardt asked about the number of stalls at the company's other properties and what the stall vacancy rates are. Martinez replied that parking is mostly the same ratio elsewhere with stall occupancy rates around 93 to 97%.

Member Lynch requested an update to the neighborhood meeting that occurred in November.

Martinez described various issues that were brought up during the meeting. Light pollution was addressed by adding a berm to shield the townhomes across the street. They looked at moving the parking to another side, but that pushed the building closer to the townhomes. They added stone elements to create a more lakeshore type exterior. They also reexamined the slope of the roof to fit the neighborhood better.

Michalski added that while current renderings show a lack of landscaping along Linden Avenue, there are plans to place trees and other plants between the road and the apartment, these graphics are intended to highlight the building elevations.

Laura Kunde, 3692 Linden Place, Linden Place Townhome Association President. She acknowledged that the developers did ask for feedback from neighbors, but the homeowners on Linden Avenue do not want this development project. Those directly across from the building will no longer be able to see the sky. There is not enough outdoor space and the green space that does exist to the north abuts townhomes on two sides, impeding the privacy of those residents. She pointed out that staff does not address the possibility of this project turning into low-income housing.

She voiced concern with parking, stating that it is already an issue in the neighborhood, and this project will only make it worse. Similarly, traffic will increase to unsustainable levels from this and Hy-Vee going in, with few people using the bus line. Increased foot traffic will also be an issue. She asked about utilities and the potential to bury the power lines. Crosby replied that there may be a possibility along County Road E in the future. Kunde concluded by reinforcing that the neighbors along Linden Avenue do not see this as a positive experience and urged the Planning Commission to think about what current residents want – we don't want this.

Tom Snell, Executive Director of Chamber of Commerce, declared that the Chamber Board unanimously supports this project. This will give a lot of our older residents an opportunity to stay here and give young people ability to move here.

Jim Gilles, 3730 Big Linden Curve, stated he has been a resident of his townhome since 1993. He feels that what the developer is doing is not an issue as he understands this type of development is inevitable. His concern is with a second twin building going in where the Stadium Bar is now. If the two parking lots are connected along the north side, it would cause even more parking issues along Linden. He questioned whether the increased tax revenue is worth it if there are increases in police calls, fire, etc. He asked where boats and recreational vehicles will be

stored. If this project is so good, why don't we split it up and put five buildings all over the City? He wants to see the project scaled down a story or two.

Marcia Jesinski, 3652 Linden Avenue, has been a resident here since 1994. She discussed the traffic issues that will impact her as a resident next to the proposed Linden Avenue entrance. There is not enough room to turn right and left at the same time at the Linden and County Road E intersection, causing backups. No one is going to use the County Road E entrance. Increased parking along Linden Avenue will take away the townhomes' guest parking. This area is not walkable. More people bring more security issues. Kids play around this area, and this project is concerning for their safety.

Dierck Oosten, 3720 Big Linden Curve, is a fairly new resident to White Bear Lake. He described the project as urban scale project planning squeezed into a suburban lot environment. Quality of life versus economic development is a balance. He believes that the City has white washed some facts and the residents have brought up legitimate concerns. Home values will decrease and the curb appeal will not add to quality of life. He asked the Commissioners what kind of community they envision for White Bear Lake. He added that green space is always an issue, Boatworks Commons is an eyesore, the proposed development is too big, and parking is inadequate. He worries this will become low-income housing, which will bring down land values. He recommended that the building be no more than two stories and provide more setbacks and green space.

Diane Bennett, 3726 Linden Avenue, is totally against the building. She asked that the developers consider three stories, or something not as high. She asked about moving the parking to the west. Member Berry reiterated that this pushes the building closer to the townhomes.

Peggy Van Sickle, 3835 Linden Avenue, President of Cedar Cove Townhome Association, echoed concerns of traffic, indicating that several accidents have occurred because of erratic drivers along Linden. She asked if the County has approved the access off County Road E. Why can't there be a road accessing Hoffman? Crosby replied that there is a condition that if the County does not approve of the access, it will trigger the City to reevaluate the project. Further, the current project does not have access to Hoffman Road.

Noah Young, 3744 Linden Avenue, just purchased his home last June and wants to stay in the area. As a millennial, he feels many in his generation want to buy, not rent. He wondered what the possible market price will be. He is now paying less in mortgage than when he was renting. He recommended putting in townhomes in this location. He would rather have people purchase equity in the City.

Michael Amundsen, 1880 Ivy Lane, is excited to see something like this going in as White Bear Lake needs more development. He agrees with the City's approach to the parking and thinks the bus line and trail will be an asset. He does not view this as a high rise and the setback is more than ample. He believes that the mature trees could be saved and used to draw people to live at the apartment. He stated that this property is not good as a commercial use and residential will be much more beneficial.

Nicole Schultz, 3145 Manitou Drive, chose a townhome in White Bear Lake as opposed to Saint Paul because of the environment. More apartments bring more people and cause more problems. There are plenty of apartments here for people.

Karen Bushee, 3614 Linden Avenue, lives at the corner of County Road E and Linden Avenue and people use her turn around driveway all the time. She moved in 24 years ago and traffic was not as bad back then. She described how the noise is so bad now that residents cannot open their patio doors to enjoy the fresh air. She explained that this proposal will have a dramatic effect on her quality of life and decrease her property value. She mentioned how difficult it is to turn left from County Road E onto Highway 61, which will become even more difficult after this apartment is built. She suggested that the left turn lane from County Road E to Linden Avenue be lengthened to avoid backups.

Trevor Martinez, Schafer Richardson. Member Berry asked if pets, campers, trailers, or other toys will be allowed at the property. Martinez responded that pets are allowed, but they have not seen demand for recreational vehicles at their other developments. The management company has rules pertaining to these things, which Schafer Richardson does not have on hand, but can obtain.

Member Berry then asked if Schafer Richardson held or sold their properties. Martinez stated that it depends on the situation, as the company has done both.

Member Lynch asked about the life cycle of the apartment. What happens 10 years from now? Martinez described how capital investments are made to keep properties marketable, through aesthetic upgrades and by responding to market demands.

Member Berry asked what the potential market rates would be. Martinez listed the following price points: studio \$1100-\$1300, one bedroom \$1400-\$1600, two bedroom \$1800-\$2000, and three bedroom \$2200-\$2400.

Member Lynch inquired as to how a new apartment affects current apartment rates in the City. Martinez replied that different classes of products are independent, so rates at the older buildings may not be affected.

Karen Bushee, 3614 Linden Avenue, asked what alternatives there are for roadway access. Member Berry explained there are no other options because the site does not front on any other roads. Kane added that directing traffic to Linden Avenue is preferred because it has a traffic light, so traffic can be controlled. The Hoffman Road and County Road E intersection does not have a signal.

As no one else came forward, Berry closed the public hearing.

Member Reinhardt commented that with one percent vacancy, there is no downward pressure on rent. The proposed rent is well over average mortgage rates for the area. This is not “poor people” housing.

Member Lynch discussed the condition that the timing of the traffic signals be studied, noting that changes to timing may improve traffic. He asked what efforts can be made to reduce speeding along Linden Avenue.

Kane explained how parking was reduced to one side of Linden Avenue based on homeowners desire to increase safety. A study regarding speed had previously been conducted by the City's Traffic Committee, which found a speed change was not warranted at the time. She indicated this is a matter that can be looked at independent of the current proposal.

Member Lynch asked if the recent road assessment for Linden Avenue residents was the same as other resurfacing assessments throughout the City. Kane replied that yes, everyone is assessed every 15-20 years. Next time, the apartment will also be assessed its fair share.

Member Lynch spoke of how he likes the project and wants more people to move into White Bear Lake. He thinks that this will help people eventually buy houses within the City. He supports market rate, but wishes there was a way to sprinkle affordable housing throughout the City. He believes that County Road E is a really good place to provide this type of living experience in the City and it is a perfect buffer between commercial and residential districts.

Member Berry stated that the parking originally provided along Linden Avenue for the townhomes was inadequate and this project cannot solve it. This site has been zoned commercial and will eventually change into something other than single-family homes. He expressed concern with the number of parking stalls, the lack of green space, and the size of the building. He felt he was at an impasse at being completely supportive of the proposal.

Member Baltzer explained that he understood the concerns of those who spoke against the project as he had been in a similar situation when he lost his view of the lake. He did not like it, but his neighbor had the right to build. Someone new is buying this property and has the right to make this change. Change is hard, but it keeps coming at us.

Member Reis stated that the property is owned by private individuals and they have the right to maximize the result they receive when they sell it. It has been commercial for the past 20 years, and as he noted in the last meeting, an apartment is a fairly benign use as compared to what can be there. He surmised that in terms of size, this property would not cash flow at only two or three stories. He described his involvement with the Boatworks Commons project and how condos were originally marketed by real estate brokers and failed. Finally, he finds this to be a good segue from commercial to residential properties.

Member Reinhardt asked if traffic generated from a commercial use would be more than that from a residential use. Crosby confirmed that it would.

Member Lynch moved to recommend approval of Case No. 19-1-PUD. Member Reis seconded the motion. The motion passed by a vote of 5-0.

- B. **Case No. 19-2-PUD:** A request by **Lisa Stonehouse** for a Planned Unit Development, per Code Section 1301.070, to allow mixed-use development in the B-3 – Auto-Oriented Business Zoning District, in order to establish a catering business on the main floor and two apartment units on the second floor at 4466 Centerville Avenue.

Miller discussed the case.

Member Berry noted that in the letter the City received from the neighboring business owner, most of the issues raised were the result of a misunderstanding that the business would be more of a restaurant than a catering company. The proposed use will not exacerbate the current misuse of the easement by the neighboring property.

Kane stated that the City can reach out to the owner of the auto business to clarify that he does not have the right to park in the easement, but it is a separate issue from the current request.

Member Reis suggested a condition that the City communicate with the property owner at 4470 Centerville Road to rectify the parking and storage issues. Kane affirmed that such action could be directed to staff.

Member Lynch confirmed that a parking agreement could be entered between the applicant and either property owner to the north or south, but it would need to be in place before the additional parking was needed and changes to the catering facility implemented.

Berry opened the public hearing.

Mark Smith, 4444 Centerville Road, has owned the property for 12 years and has been fighting with the auto shop owner since he purchased the land. He is afraid that this will become an issue with the new business as well. He asked whether the PUD would run with the person or the land. Kane responded it runs with the land, so future owners would be held to the conditions of the PUD if they wished to continue operating a catering company.

Mr. Smith stated that another issue is snow removal and that is often ends up on his property. He asked if a condition of approval could be added that prohibited snow from being plowed into the easement. Kane responded that condition could be included that snow either be stored onsite or be taken offsite, so long as it did not end up in the easement or street.

Jason Stonehouse, informed the Commission that his wife is very excited to be a part of White Bear Lake. He explained that Lisa's dream is to have scheduled events, and will never intend to operate the site as a restaurant. He noted that the former owners had two units in the building illegally, and they are working to make those units legal.

As no one else came forward, Berry closed the public hearing.

Member Reis moved to recommend approval of Case No. 19-2-PUD with the two additional conditions, one for staff to work to declutter the easement, and one on the applicant regarding snow removal. Member Baltzer seconded the motion. The motion passed by a vote of 5-0.

5. DISCUSSION ITEMS:

A. 2040 Comprehensive Plan Public Hearing Preview

Kane discussed the 2040 Comp Plan. She explained how during the process, City Staff asked the question, what is the appetite for density in the City? She presented some potential changes in residential densities and several new land use categories that will be proposed in the Draft 2040 Comp Plan that will be scheduled for a Public Hearing at next month's Planning Commission meeting.

B. City Council Meeting Minutes of January 8, 2019.

No discussion

C. Park Advisory Commission Meeting Minutes of November 15, 2018.

No discussion

6. ADJOURNMENT:

Member Baltzer moved to adjourn, seconded by Member Lynch. The motion passed unanimously (5-0), and the February 4, 2019 Planning Commission meeting was adjourned at 10:19 p.m.