



ARDEN HILLS  
MEMORANDUM

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**DATE:** November 9, 2016

PC Agenda Item **3.C**

**TO:** Planning Commission

**FROM:** Eric Zweber, AICP, Interim City Planner

**SUBJECT:** Planning Case #16-029 – Public Hearing Required

**Applicant:** Bremer Bank, Frauenshuh, Inc.

**Property Location:** 4061 Lexington Avenue North

**Request:** Preliminary Plat, Final Plat, Master Planned Unit Development (PUD),  
Final PUD and Conditional Use Permit (CUP)

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**Requested Action**

The applicant is requesting approval of a Master Planned Unit Development (PUD) and Final PUD for the redevelopment of the Bremer Bank property at 4061 Lexington Avenue North. The proposed project also requires Preliminary and Final Plat approval to split the original parcel into three (3) new lots. A Conditional Use Permit is also requested to allow for a restaurant use within the multi-tenant commercial building on Lot 3.

**Background/Overview of Request**

Bremer Bank presently occupies the approximately 18,000 square feet two story bank/office building upon the 4.8 acre subject site, located at the southwest intersection of County Road F and Lexington Avenue. The majority of the parcel (approximately three acres) is undeveloped, and is forested and partially covered by wetlands. The existing Bremer Bank building has a footprint of approximately 6,000 square feet. The site includes a teller drive-up lane on the south side of the building and an ATM with a drive-up lane on the north side of the parking lot. There are two access points to the property: one on County Road F and the second on Lexington Avenue. The Lexington Avenue access is a limited, right in, right out access.

Bremer Bank has owned and operated at this location since 2001. According to the applicant, the building design and functions have become obsolete by today's operational standards. Bremer Bank indicates it would like to remain in Arden Hills as one of the community's long term employers and corporate citizens, and re-energize the site with a new bank branch and complementary commercial development.

## 1. Project Description

The applicant is requesting approval of a Planned Unit Development that would include demolition of the current Bremer Bank building, to be replaced with a new 2,750 square-foot bank facility. The PUD application also proposes an 11,500 square-foot (approximate) daycare facility and a 7,500 square-foot multi-tenant commercial building. It is planned that the multi-tenant building would include office, health care, restaurant, retail and other commercial uses. Drive-up lanes are proposed for both the bank and the multi-tenant building. A total of 112 parking stalls are proposed for use between the three buildings.

Phase 1 of the redevelopment would include the new bank and multi-tenant commercial buildings. The applicant expects construction on the bank to begin in June or July of 2017 and be completed by late 2017 or early 2018. Construction on the multi-tenant building would likely begin later in 2017. Phase 2 would be comprised of the daycare facility. A Final PUD application for Phase 2 is expected to be submitted in the spring of 2017.

The application also includes requests for Preliminary and Final Plat approval. This process will subdivide the current parcel into three separate lots for the three proposed buildings. However, since the site is being developed as a Planned Unit Development, it would function as a whole and have a reciprocal easement agreement between the parcels to govern access, parking, maintenance, and other items. A separate outlot is also being created for stormwater management and drainage purposes.

The redevelopment of a site with a bank is unique because FDIC rules do not allow for a bank to close for construction. The applicant has proposed a plan where a temporary trailer will be installed within the northern most parking stalls of the parking lot (along with leaving nine parking stalls) while the existing bank is demolished and the new bank is constructed. The temporary bank facility will use only the existing County Road F access. This temporary facility is shown on Exhibit B of the plans and the phasing of the improvements to allow the new bank to open is shown on Exhibit C.

The applicant has submitted a project narrative explaining the proposed project in further detail, where flexibility is being requested, and why the overall proposal is within the public interest (Attachment A). A complete plan set has been submitted for the Preliminary Plat, Final Plat Master PUD for all three lots; Final PUD for Lot 1 and Lot 3; and a CUP for the possibility of a restaurant within the multi-tenant retail building on Lot 3 (Attachment B). The submitted plan set includes the existing conditions, preliminary plat, demolition plan, site plan, grading plan, erosion control plan, utility plans, tree inventory, tree preservation plan, landscaping plan, photometric (lighting) plan, final plat, fire truck turning exhibit, temporary bank operating exhibit, phase 1 construction exhibit, floor plans and proposed building elevations.

## 2. Planned Unit Development (PUD) Process:

The Planned Unit Development process is a tool that provides additional flexibility for development that an underlying zoning district would not otherwise allow. For example, a PUD may make exceptions to setbacks, lot coverage, parking requirements, signage, building materials, or landscaping requirements. It is intended to overcome the limitations of zoning regulations and improve the overall design of a project. In this case, the PUD will allow the property to retain almost half of the existing trees on the site, as well as allow much of the existing slope of the property to remain. While the PUD process allows the City to negotiate certain aspects of the development, any conditions imposed on the PUD must have a rational basis related to the expected impact of the development.

The first step in the PUD process is the Master PUD, which is a detailed concept plan for the entire development proposal, often outlining individual phases for development over a specified period of time. The second step is the Final PUD for each phase, which is a more detailed review as each development phase moves forward. During the Master PUD stage, the City works with the applicant to set an overall design framework or standard for a proposed development. These standards are then written into a development agreement which generally includes the design standards, a list of conditions, the size of the development, and what, if any, deviations from the underlying zoning district will be permitted. Once the Master PUD is approved, the applicant then creates a development that conforms to the development agreement for each subsequent Final PUD phase. This application is requesting the concurrent approval of a Final PUD for Lot 1 and Lot 3. The level of detail is guided by the type and scale of the development as well as the guidance or flexibility within the Zoning Code.

## 3. Surrounding Area:

Direction	Future Land Use Plan	Zoning	Existing Land Use
North	Light Industrial and Office	I-1 Limited Industrial District	Light Industrial/Office
South	Light Industrial and Office	I-1 Limited Industrial District	Light Industrial/Office
East	Business Park (Shoreview)	Planned Unit Development	Light Industrial/Office
West	Light Industrial and Office	I-1 Limited Industrial District	Light Industrial/Office

## 4. Site Data:

<b>Future Land Use Plan:</b>	Light Industrial and Office
<b>Existing Land Use:</b>	Light Industrial (office space, manufacturing, and warehousing)
<b>Zoning:</b>	I-1 Limited Industrial District
<b>Lot Size:</b>	4.86 acres
<b>Topography:</b>	The developed portion of the site contains the current bank building and parking lot. The three undeveloped acres are forested and partially covered by wetlands.

## **Plan Evaluation**

### **1. Site Design & Layout**

#### **Overall Design**

Although there are three parcels, there are only two vehicle access points to the development. A reciprocal easement agreement will be put in place to guarantee cross-access between the parcels. The main access will be from County Road F. The access is through Lot 1, to the west of the bank building and directly in front of the daycare building. An interior circulation route runs to the east of the daycare building and to the west of both the bank and the multi-tenant commercial building. The other, limited access is off of Lexington Avenue. Due to the median on Lexington Avenue, this access is limited to right-in/right-out. Entering through this access brings patrons through between the bank and the multi-tenant commercial buildings, heading directly toward the eastern side of the daycare building.

Currently, the plan shows three pedestrian access points. The access points connect to a network of sidewalks and crosswalks. Each building has a sidewalk that runs along the front of the building. This network can be accessed from three pedestrian access points. The first is off of County Road F. This access runs along the drive-thru lane at the back of the bank. Pedestrians can either turn and walk along the north side of the bank, or connect to the sidewalk that runs in front of the daycare. The other two access points are both off Lexington Avenue. The first is directly in front of the bank, and runs across the parking lot, in line with the main entrance. The second is directly in front of the multi-tenant commercial building, and also runs across the parking lot, in line with the main entrance.

In order to enhance pedestrian safety, staff recommends that crosswalks be provided at each sidewalk connection. While there are several crosswalks identified on the Site Plan, there currently are not any shown at the sidewalks of the vehicle access points to the site.

#### **Bremer Bank**

The front (east side) of the bank will face Lexington Avenue. There are eighteen (18) parking stalls proposed immediately in front of the bank, two (2) of which are handicap accessible. There is a drive-thru lane for access to a bank teller that runs around the back (west side) of the building. PUD approval will be required in order to allow the drive-up window. All of the mechanical equipment, as well as trash storage will be contained within the building. The space for these items includes an exterior door, and there appears to be adequate space for maintenance vehicles to access the area.

#### **Multi-tenant Commercial**

The multi-tenant building will also face Lexington Avenue. There are fifty-four (54) parking stalls proposed around the building. There is a drive-thru lane proposed that goes around the back of the building. The trash enclosure areas are located at the back of the building on the northwest side. There appears to be adequate space for collection trucks to access the enclosure. The mechanical equipment for this building will be housed on the roof. The applicant has stated that the parapet design will screen the equipment. Further, the renderings

show that the equipment will not be visible to someone standing at ground level. (See northeast corner and southeast corner elevation renderings.) Flexibility is requested through the PUD to allow for a drive-up window and to allow retail as a principal use, as the City Code lists retail as an allowed accessory use in it I-1 District. CUP approval will be required to allow a restaurant(s) within the building.

Daycare Facility

The daycare facility is unique, in that it does not have frontage on a public road, which will require approval within the PUD. The front of the daycare will face County Road F, technically through the Bremer Bank lot. There are forty (40) parking stalls proposed immediately in front of the daycare. The grading plan shows adequate space for an outdoor play area on both the west and south sides of the building.

Zoning and Subdivision Requirement Summary

	<b>Bank</b>	<b>Commercial</b>	<b>Daycare</b>
<b>Lot Area</b>	MR	MR	MR
<b>Lot Dimensions</b>	MR	MR	MR
<b>Min. Public Road Frontage</b>	MR	MR	PUD
<b>Setbacks</b>	MR	MR	PUD
<b>Building Coverage</b>	MR	MR	MR
<b>Landscape Coverage</b>	MR		
<b>Floor Area Ratio</b>	MR	MR	MR
<b>Building Height</b>	MR	MR	N/A
<b>Tree Preservation</b>	PUD		
<b>Tree Plantings</b>	MR		
<b>Perennials &amp; Shrubberies</b>	MR		
<b>Parking</b>	MR	MR	MR
<b>Signage</b>	MR	MR	N/A

MR: Meets requirements

PUD: Flexibility requested through the PUD

N/A: Not applicable

**2. Chapter 13, Zoning Regulations Review**

As noted, this project is being reviewed through the Planned Unit Development (PUD) process. The following sections review the project based on the I-1 Limited Industrial District and general regulations and notes where flexibility is being requested.

*Section 1320 – District Provisions (I-1 Limited Industrial District)*

A. Lot Area – Meets Requirements

The Zoning Code requires a minimum lot size of 30,000 square feet in the I-1 Limited Industrial District.

<b>Parcel</b>	<b>Proposed Lot Area</b>
Proposed Lot 1	45,890 square feet
Proposed Lot 2	43,305 square feet
Proposed Lot 3	47,148 square feet
Proposed Outlot A	76,849 square feet

As proposed, all three lots meet lot area requirements.

B. Lot Dimensions – Meets Requirements

The Code requires parcels within the I-1 Limited Industrial District to have a street frontage of at least 100 feet and a lot depth of at least 130 feet. Lot frontage is measured at the minimum front yard setback, which allows buildings to be constructed on a radius, such as on a cul-de-sac or curve.

Lot 1 is a corner lot with 345.81 feet of frontage on County Road F and 166.74 feet of frontage along Lexington Avenue. The lot width is measured along Lexington Avenue, and lot depth is measured along County Road F. These dimensions meet the zoning district requirements.

Lot 2 is unique, in that it has no frontage on any public road. This will be permitted as one of the deviations from the subdivision requirements allowed by the PUD. Lot 2 has a width of 152.03 feet and a depth of 288.75 feet. This meets all requirements except the lot frontage requirement.

Lot 3 has 228.0 feet of frontage on Lexington Avenue. The depth for this parcel is 199.6 feet. These dimensions meet district requirements.

C. Building Coverage and Landscaped Lot Area – Meets Requirements

The applicant has submitted a comprehensive site plan for the Master PUD. As indicated, site improvements to be completed during Phase 1 include the demolition of the existing bank and the construction of the new bank building, and the construction of the multi-tenant commercial building. The daycare building and associated parking facilities will be constructed in a future phase. The landscaping around the access points to the entire PUD site, as well as all landscaping on the bank and multi-tenant properties will need to be installed as part of Phase 1. Landscaping for the daycare building will be completed in Phase 2.

Within the I-1 Limited Industrial District the City Code permits maximum structure coverage of 30%, a minimum landscaping coverage of 35%, and a total maximum impervious coverage of 65%. Because the site is being developed as a Master PUD, the site as a whole is expected to conform to the structure and landscape coverage requirements for the I-1 District while individual lots within the PUD may exceed the underlying requirements. The plan proposed is under the maximum allowable structure and impervious surface coverage for the entire site and is over the landscape coverage minimum.

	<b>Permitted</b>	<b>Master PUD</b>
<b>Structure Coverage</b>	30% Max. (63,9527 sf)	13.39% (18,250 sf)
<b>Landscaping Coverage</b>	35% Min. (63,957 sf)	44.46% (94,794 sf)
<b>Total Impervious Coverage</b>	65% Max. (138,574 sf)	38.0% (80,965 sf)

**D. Floor Area Ratio (FAR) – Meets Requirements**

The FAR is the sum of the gross horizontal area of all floors of a building as measured in square feet from the exterior sides of the exterior walls, but not including covered porches; decks; any space where the average floor-to-ceiling height is less than six feet; attached or detached garages; and other detached accessory structures. FAR is calculated by dividing the sum of all gross horizontal floor areas by the square footage of the lot.

Within the I-1 – Limited Industrial District a total FAR of up to 60% is permitted for structures in this district. Each of the buildings individually, as well as the PUD as a whole, are far under the maximum allowable FAR.

	<b>Permitted</b>	<b>Bank</b>	<b>Multi-tenant</b>	<b>Daycare</b>	<b>TOTAL</b>
<b>Building S.F.</b>		2,750	7,500	11,500	21,750
<b>Lot Area</b>		45,890	47,148	43,305	136,343
<b>FAR</b>	60%	5.99%	15.91%	26.56%	15.95%

**E. Building Height – Meets Requirements**

The maximum building height within the I-1 – Limited Industrial District Zoning District is 35 feet.

<b>Building</b>	<b>Proposed Height</b>
Bank	20' 2"
Multi-tenant commercial	20' 2"
Daycare	Future Phase

As proposed, all buildings meet the maximum building height requirement.

F. Setbacks – Meets Requirements

The minimum building setbacks in the I-1 – Limited Industrial District include a 55 foot front yard setback, 20 foot rear yard setback, 20 foot side yard setbacks, and a 50 foot side yard corner setback where applicable. As proposed, all buildings except for the daycare side yard setback will meet all setback requirements. Setbacks from internal lot lines are less of a concern since the site will operate as an integrated PUD.

	<b>Permitted</b>	<b>Bank</b>	<b>Retail</b>	<b>Daycare</b>
<b>Front Yard Setback</b>	55'	~90'	~90'	~65'
<b>Rear Yard Setback</b>	20'	~62'	~55'	~115'
<b>Side Yard Setback</b>	20'	~55' (South)	~30' (North)	~15' (East)
<b>Side Yard Setback</b>	20'	N/A	~75' (South)	~85' (West)
<b>Side Yard Corner</b>	50'	~60'	N/A	N/A

*Section 1325 – General Regulations*

A. Tree Preservation – Requesting Flexibility

The applicant submitted a Tree Survey and Tree Replacement Plan as part of their tree preservation and mitigation requirements (Attachment B). The following table outlines these numbers and the additional requirements of the tree preservation ordinance pertaining to tree removal and tree mitigation regulations.

Development of the site as proposed in the Master PUD requires extensive tree removal. The applicant has stated their intent to redevelop the site in such a way that preserves as many high quality trees as possible, knowing that many of the significant trees will have to be removed in order for the property to accommodate the new development. Based on the proposed tree removal for the project, the City’s Tree Preservation Ordinance requires 468 caliper inches of tree plantings. At this time, the applicant is proposing 45 caliper inches, or 18, replacement trees.

<b>Entire Site</b>	<b>Cal. Inches</b>	<b>Trees</b>
Existing Significant Trees	2,228	142
10% Permitted Removal	223	14.2
Proposed Removal	1,159	76
Total Trees Preserved	1069	66
Replacement Trees Required*	468	188 (@ 2.5 cal. inches)
<b>Replacement Trees Proposed</b>	<b>45</b>	<b>18 (@ 2.5 cal. inches)</b>
* Replacement trees are calculated by subtracting the ten percent permitted removal from the proposed removal and dividing by two.		

A variety of trees species and tree sizes are proposed including White Oak, Red Oak, Red Maple and Black Cherry.

In exchange for flexibility in this requirement, the City is requesting a fee in lieu of tree replacement. There are only 18 replacement trees proposed, while 188 trees are required. At retail price, the 170 replacement trees would cost about \$42,500. The PUD allows for flexibility in the City Code requirements for tree preservation. Staff recommends that the fee-in-lieu is reduced by a third because the City would likely buy 170 trees at a wholesale price and to recommend reducing the by an additional third because of the building meeting the architectural requirements of the B-2 zoning district. The remaining third would equate to a fee-in-lieu amount of \$14,150.

**B. Tree Plantings – Meets Requirements**

Tree planting requirements for new development in the I-1 Limited Industrial district are determined by dividing the gross square footage of all floors of the building by three hundred twenty (320). Tree planting requirements have been determined for Phase 1. Additional tree plantings will be required as part the daycare development in Phase 2.

	<b>Square Footage</b>	<b>Cal. Inches Required</b>	<b>Proposed</b>
<b>Bank</b>	2,750	9	<b>60 cal. inches</b>
<b>Commercial Building</b>	7,500	24	
<b>Daycare Building</b>	Future Phase	Future Phase	
<b>Total</b>	<b>10,250</b>	<b>33</b>	

The Ordinance requires one tree be planted per every fifty (50) linear feet of road frontage. For the entire project, there is 906 linear feet of public road frontage. This would require 19 trees, spaced fifty (50) feet apart. There are unique circumstances, as trees cannot be planted along County Road F due to an easement. The applicant has proposed to plant 12 trees, spaced at forty (40) feet apart on Lexington Avenue.

**C. Perennials and Shrubberies – Meets Requirements**

The City Code requires that at least ten (10) percent of the total landscaped area be covered with perennials and/or shrubbery. The total landscaped area proposed is 17,945 square feet. The plan far exceeds the zoning code requirement.

	<b>Zoning Code Requirement</b>	<b>Proposed</b>
Percent (%) of Plantings	10% Min.	46.2%
Square feet of Plantings	1,795 s.f.	8,294 sf.

**D. Planting Islands – Meets Requirements**

At least ten (10) percent of a parking and driving area must be occupied by planting islands that are at least 150 square feet in size and have at least one tree. The total area of the parking lot is 64,453 square feet. As proposed, the total is slightly under the zoning code requirement. Staff is recommending a condition of approval that the Applicant meet this requirement, as there is flexibility to do so on this site. Staff would suggest the south east corner of the parking lot (south east of the commercial building) be landscaped as a planting island. That location would satisfy the requirement; however any location the applicant chooses to add planting island landscaping would be sufficient.

	<b>Zoning Code</b>	<b>Proposed</b>
Percent (%) of Planting Islands	10% Min.	9.9%
Square feet of Planting Islands	6,445 sf	6,334 sf

**E. Off Street Parking Spaces – Meets Requirement**

The number of parking stalls required by the City Code is determined based on the type of land use proposed for a site. Phase 1 of the project will include the parking spaces for the bank parcel. This includes eighteen (18) spaces, two of which are handicap accessible. In this case, the bank is classified as an office use and is required to provide one (1) parking space for each 250 square feet of gross floor area.

The remaining spaces included in the Master PUD for the other two parcels will be constructed in a later phase. The requirement for the multi-tenant commercial building is based upon the retail use which is required to provide one (1) parking space for each 150 square feet of gross sales floor area. The sales floor space has not been outlined yet, but using the total square footage of the building, fifty (50) spaces would be required. Thus, the proposed parking exceeds that requirement.

For daycare uses, the Zoning Code requires one (1) space per each teacher or employee, and one (1) space per every five (5) individuals receiving care. Because the daycare is proposed in a later phase, we have not received plans for exactly how many employees and participants the daycare will serve. Assuming the ratio of daycare employees to children is one (1) to six (6), there could be eighteen (18) employees caring for one-hundred-eight (108) children. This would require eighteen (18) parking spaces for the employees, and twenty-two (22) spaces required for the children, totaling the forty (40) spaces proposed.

	<b>Building Square Feet</b>	<b>Parking Ratio</b>	<b>Required Parking</b>	<b>Proposed Parking</b>
<b>Bank</b>	2,750	1 per 250 sq. ft.	11	18
<b>Multi-tenant</b>	7,500	1 per 150 sq. ft.	50	54
<b>Daycare</b>	11,500	1 for each teacher or employee plus 1 for each 5 children	Future Phase	40

#### F. Area and Dimensions of Each Parking Space – Meets Requirements

The Zoning Code requires individual parking stalls to be at least 9 feet in width and 18 feet in length. All parking stalls shown on the Site Plan conform to this standard.

#### G. Location of Parking Spaces – Meets Requirements

Off-street parking stalls must be located a minimum of 20 feet from the public right-of-way line and 5 feet from any side or rear property lines. All proposed parking areas meet the setback requirements from the public right-of-way. The proposed parking area for the daycare does not meet the setback from the east property line. Setbacks from internal lot lines are less of a concern since the site will operate as an integrated PUD. Both the bank and commercial building parking areas meet all side and rear property line setback requirements.

### 3. Chapter 12, Sign Code Review

#### A. **Freestanding and Wall Signage**

This property is located within Sign District 6. District 6 allows 60 square feet of wall signage and 45 square feet of freestanding signage provided that the freestanding sign is not taller than 12 feet in height.

##### Bremer Bank Wall Signage

Two wall signs are proposed for the bank building each measuring 35.17 square feet for a total of 70.34 square feet of wall signage. Flexibility is requested through the PUD process for additional signage on this building.

##### Commercial Building Wall Signage

The multi-tenant commercial building has wall signage for each tenant proposed for the front of the building. Each tenant wall sign would measure 17'-8" in length and two (2) feet in height for an area of 35.33 square feet. The Sign Code allows each tenant to have the 60 square feet of signage.

##### Daycare Building Wall Signage

Wall signage for the future daycare building will be evaluated at the time a Final PUD application is submitted for Phase 2.

##### Freestanding Signage

There is an existing freestanding pole sign for the Bremer Bank located at the corner of Lexington Avenue and County Road F on the proposed Lot 1. This sign is proposed by the applicant to remain in place as part of the redevelopment.

Two additional multi-tenant monument signs are also proposed adjacent to the County Road F and Lexington Avenue entrances. Each monument sign would be eight (8) feet in height and 12'-4" in length. The sign area is ten (10) feet by five (5) feet, totaling fifty (50) square feet. Both signs meet all setback requirements. The Sign Code limits the freestanding signage to 45 square feet. Staff recommends that the applicant reduce the freestanding signage to no more than 45 square feet.

#### **4. Chapter 11, Subdivision Code**

##### **A. Park Dedication**

Section 1130.08 of the Subdivision Code (Public Use Dedications) states that the City may require as a condition of approval for a Planned Unit Development the dedication of land, or payment in lieu, and park improvement fees if it is determined the project will result in an increased demand for park land or improvements. In establishing the amount required the City is to take into consideration previous payments or dedications for park purposes.

The PUD is not anticipated to result in increased demand for park land or improvements. The daycare building will provide its own space for children receiving care to play. The nearest Arden Hills park, Cummings Park, is about ½ mile away making it unlikely that the children would walk to the park. Thus, staff is recommending that park dedication not be required for this project.

#### **5. Traffic Study**

The applicant provided the traffic counts for the proposed uses on the site (Attachment C). These may not be the exact businesses that are located at completed development, but staff and the County feel that they represent some of the largest traffic generators that could be allowed in the zoning district.

The traffic counts show 372 a.m. peak hour trips and 274 p.m. peak hour trips. Ramsey County reviewed the traffic counts and provided no comment regarding the increase in traffic (Attachment D). Ramsey County has provided comments regarding the design of the accesses that is discussed in Section 6.B. below.

#### **6. Additional Review**

##### **A. Building Official, City Engineer, and Fire Marshal**

The Building Official has no comments regarding this development.

The City Engineer requests the construction detail for the sidewalk ramps to ensure that they are constructed in compliance with ADA standards. Additionally, the City Engineer notes that a City grading and erosion control permit will be required and the Rice Creek

Watershed District will need to issue their permit before the City grading permit would be issued.

The Fire Marshal has been provided a copy of the fire truck turning exhibit. The Fire Marshal requests that the exhibit be revised to show the fire truck entering from Lexington Avenue as well.

**B. Ramsey County Review**

Ramsey County requests that the applicant revise both access locations on the site. The County requests that the County Road F access be moved to the west to line up with the Gradient access to the north and that the Lexington Avenue access be moved to the south to allow for a right turn lane into the site. The 100-foot long right turn lane with a 60 foot taper would begin 50 feet south of the corner radius of the County Road F and Lexington Avenue.

Staff has concerns about both requests. Staff is concerned about the change to the feel and context of the site by moving the County Road F access to the west. This move will result in the loss of about 8 additional significant trees and the filling of at least part of the existing 10 foot deep gully.

Staff also has engineering and design concerns of moving the Lexington Avenue access. The access would need to be moved about 100 feet south to meet the County's request. Doing so would construct the access at a location where the existing Lexington Avenue is about 4 feet lower than the site. To construct the turn lane and reconstruct the trail to ADA and engineering standards, the access drive would be constructed at a grade of more than 12% slope. The City Engineer does not advise any commercial drive to be constructed at a grade any steeper than a 5% grade.

Staff did not prepare conditions of approval to address the County's concerns. The applicant has been forwarded the County comments and asked to evaluate the impact of addressing the County's concerns. That evaluation may be provided at the Planning Commission meeting. The Planning Commission should consider these comments when making the required motions.

**C. Rice Creek Watershed District**

Rice Creek Watershed District will need to issue their permit before the City's grading permit will be issued.

**Findings of Fact:**

Staff offers the following fourteen (14) findings of fact for this proposal:

*General Findings:*

1. The applicant is requesting approval of a Preliminary Plat, Final Plat, Master Planned Unit Development (PUD) Plan, Final PUD Plan and Conditional Use Permit for the Bremer Bank redevelopment project at 4061 Lexington Avenue North.
2. Phase 1 of the plan includes the demolition of the existing bank building, and the construction of the new bank and multi-tenant commercial building.
3. The PUD process allows for flexibility within the City's regulations through a negotiated process with a developer.
4. Bremer Bank property is comprised of 4.86 acres.
5. The Bremer Bank property is located at 4061 Lexington Avenue North.
6. The Bremer Bank property is located in the I-1 – Limited Industrial District.
7. The bank and daycare uses are permitted uses in the I-1 – Limited Industrial District.
8. Flexibility through the PUD is requested to allow retail as a principal use on Lot 3, as it is currently only allowed as an accessory use in the I-1 District.
9. The Preliminary Plat, Final Plat, Master Planned Unit Development (PUD) Plan, Final PUD Plan and Conditional Use Permit are in substantial conformance with the requirements set forth in the City's Zoning Code and design standards.
10. Where the plan is not in conformance with the City's Zoning Code, flexibility has been requested by the applicant.
11. The applicant is requesting approval of a Preliminary and Final Plat to split the existing lot into three new lots.
12. The applicant is requesting Conditional Use Permit approval to allow a restaurant use in the multi-tenant commercial building on Lot 3.
13. Ramsey County reviewed the traffic counts expected for the development and the County does request adding a right turn lane to Lexington Avenue and no changes to County Road F.
14. The proposed plan is in conformance with the City's 2030 Comprehensive Plan. The property at 4061 Lexington Avenue North is guided for Light Industrial and Office (I/O). The IO area is designated for a broad range of light industrial uses such as warehousing with manufacturing and office.

### **Recommendation**

Based on the submitted plans and findings of fact, staff recommends approval of Planning Case 16-029 for a Preliminary Plat, Final Plat, Master Planned Unit Development (PUD) Plan, Final PUD Plan and Conditional Use Permit at 4061 Lexington Avenue North. If the Planning Commission recommends approval of this request, staff recommends that the following twenty-five (25) conditions be included with the approval:

1. The project shall be completed in accordance with the submitted plans as amended by the conditions of approval. Any significant changes to these plans, as determined by the City Planner, shall require review and approval by the Planning Commission and City Council.
2. The applicant shall obtain the required building permits for Phase 1 within one year of the PUD approval or the approval shall expire unless extended by the City Council

- prior to the approval's expiration date. Extension requests must be submitted in writing to the City at least 45 days prior to the expiration date.
3. The Final PUD application for Phase 2 of the redevelopment shall be submitted no later than December 31, 2018, or at least forty-five (45) days prior to such date, an extension of time to apply for the Phase 2 Final PUD shall be requested.
  4. A Master PUD Agreement and Phase 1 Development Contract shall be prepared by the City Attorney and subject to City Council approval. The Master PUD Agreement and Phase 1 Development Contract shall be executed prior to the issuance of any development permits for Phase 1.
  5. The applicant shall file the Final Plat with Ramsey County within 180 days of the approval from the City.
  6. The applicant shall provide a construction phasing plan that includes plans for fire access throughout construction, subject to the approval of the Fire Marshall and Public Works Director prior to the issuance of any development permits.
  7. The Developer shall submit a financial surety in the amount of \$200,000 for site improvements, including grading, utilities, and paving, prior to the issuance of any development permits. Upon completion of required Developer improvements, and acceptance by the City, the City may reduce the amount of security for the improvements still to be completed. The financial surety shall be in the form of a letter of credit issued by a FDIC-insured Minnesota bank, and be in a form acceptable to the City. The purpose of the letter of credit is to ensure that private site improvements stabilized in the event that the Developer defaults on the Master PUD Agreement and Phase I Development Contract.
  8. The Developer shall submit a cash escrow for site improvements, including grading, utilities, and paving, in the amount of \$20,000 prior to the issuance of any development permits. The escrow will be used for City costs related to review, approval, and inspection of site improvements or any costs incurred by the City in the event of a developer default. If at any time during the course of construction on the project the amount in the account is reduced to below \$5,000, the Developer shall replenish the account to not less than \$20,000. In the event there is a failure to replenish the account in accordance with the terms of the Agreement, the City has the right to withhold the issuance of a Certificate of Occupancy until the deficiency is paid. Upon completion of the project, payment of all outstanding bills and satisfaction of this Agreement, the City shall refund the remainder of the account to the Developer.
  9. The Developer shall submit a financial surety in the amount of 125 percent of the estimated costs of landscaping prior to the issuance of any development permits. The financial surety shall be in the form of a letter of credit issued by a FDIC-insured Minnesota bank. The letter of credit shall automatically renew for successive one-year terms unless at least sixty (60) days prior to the next annual renewal date, the issuing bank delivers notice to the City that it intends to modify the terms of, or cancel, the letter of credit. A partial reduction in the letter of credit may be granted by the City in the event that landscaping improvements are installed over successive

- growing seasons. The purpose of the letter of credit is to ensure that landscaping is completed in the event that the developer defaults on the Development Agreement.
10. The Developer shall submit a cash escrow for landscaping improvements in the amount of \$15,000 prior to the issuance of any development permits. The escrow will be held by the City for two years after installation of landscaping and used for City costs related to review, approval, and inspection of landscaping, or developer default.
  11. The Developer shall make a cash payment of \$14,150 as fee-in-lieu of tree replacement.
  12. The proposed project may require permits, including, but not limited to, MPCA-NPDES, Rice Creek Watershed District, Minnesota Department of Health, Ramsey County and City Right of Way, and City Grading and Erosion Control permits. Copies of all issued permits shall be provided to the City prior to the issuance of any development permits.
  13. The final plans for Phase 1 shall be subject to approval by the City Engineer, Building Official, and Fire Marshal prior to the issuance of a grading and erosion control permit.
  14. Final grading, drainage, utility, and site plans shall be subject to approval by the Public Works Director, City Engineer, and City Planner prior to the issuance of a grading and erosion control permit or other development permits.
  15. Upon completion of grading and utility work on the site, a grading as-built and utility as-built shall be provided to the City for review.
  16. Add crosswalk striping to all locations where the sidewalks cross an access drive or public street.
  17. All sidewalk crossing ramps shall be constructed to ADA standards
  18. Wall signage on the multi-tenant retail building shall comply with City Code Section 1250.01.
  19. The sign copy area for the two freestanding monument signs shall be reduced to no more 45 square feet total.
  20. The retail principal use shall be restricted to the multi-tenant commercial building on Lot 3.
  21. Restaurant or restaurant-fast food uses shall be restricted to the multi-tenant commercial building on Lot 3 and shall not occupy more than 2,500 square feet of the building.
  22. The developer shall install all landscaping for Lot 1 and Lot 3 and the landscaping at the County Road F and Lexington Avenue entrance drives as part of the Phase 1 improvements.
  23. The developer shall modify the Landscape Plan to include a minimum of ten (10) percent parking lot island coverage within the parking lot area.
  24. The applicant shall submit an agreement for shared management and maintenance of the parking areas, landscaping, stormwater facilities, and common areas prior to the City executing the Final Plat.
  25. The applicant shall conform to all other City regulations.

### **Proposed Preliminary & Final Plat Motion Language**

1. **Recommend Approval with Conditions:** Motion to recommend *approval* of Planning Case 16-029 for a Preliminary and Final Plat at 4061 Lexington Avenue North, based on the findings of fact, submitted plans, and the twenty-five (25) conditions outlined in this report.
2. **Recommend Approval as Submitted:** Motion to recommend *approval* of Planning Case 16-029 for a Preliminary and Final Plat at 4061 Lexington Avenue North, based on the findings of fact and the submitted plans in this report to the Planning Commission.
3. **Recommend Denial:** Motion to recommend *denial* of Planning Case 16-029 for a Preliminary and Final Plat at 4061 Lexington Avenue North, based on the following findings of fact.....

### **Proposed PUD Motion Language**

1. **Recommend Approval with Conditions:** Motion to recommend *approval* of Planning Case 16-029 for a Master Planned Unit Development (PUD) Amendment for the entire site & Final PUD for Lot 1 and 3 include drive-thru windows, retail as a principal use, no public frontage on Lot 2, reduced east side yard setback for Lot 2, and fee-in-lieu of tree replacement at 4061 Lexington Avenue North, based on the findings of fact, submitted plans, and the twenty-five (25) conditions outlined in this report.
2. **Recommend Approval as Submitted:** Motion to recommend *approval* of Planning Case 16-029 for a Master Planned Unit Development (PUD) Amendment for the entire site & Final PUD for Lot 1 and 3 include drive-thru windows, retail as a principal use, no public frontage on Lot 2, reduced east side yard setback for Lot 2, and fee-in-lieu of tree replacement at 4061 Lexington Avenue North, based on the findings of fact and the submitted plans in this report to the Planning Commission.
3. **Recommend Denial:** Motion to recommend *denial* of Planning Case 16-029 for a Master Planned Unit Development (PUD) Amendment for the entire site & Final PUD for Lot 1 and 3 include drive-thru windows, retail as a principal use, no public frontage on Lot 2, reduced east side yard setback for Lot 2, and fee-in-lieu of tree replacement at 4061 Lexington Avenue North, based on the following findings of fact.....

### **Proposed CUP Motion Language**

1. **Recommend Approval with Conditions:** Motion to recommend *approval* of Planning Case 16-029 for a Conditional Use Permit to allow for restaurants at 4061 Lexington Avenue North, based on the findings of fact, submitted plans, and the twenty-five (25) conditions outlined in this report.

2. Recommend Approval as Submitted: Motion to recommend *approval* of Planning Case 16-029 for a Conditional Use Permit to allow for restaurants at 4061 Lexington Avenue North, based on the findings of fact and the submitted plans in this report to the Planning Commission.
3. Recommend Denial: Motion to recommend *denial* of Planning Case 16-029 for a Master Conditional Use Permit to allow for restaurants at 4061 Lexington Avenue North, based on the following findings of fact.....

### **Public Notice**

A public hearing notice was mailed to all properties within 1,000 feet of the subject property and published in the *Shoreview-Arden Hills Bulletin* on October, 26 2016.

### **Resident Comment**

Staff has not received any letters, e-mails, or telephone calls from property owners or residents in regards to this planning case.

### **Deadline for Agency Actions**

The City of Arden Hills received the completed application for this request on October 21, 2016. Pursuant to Minnesota State Statute, the City is required to act on this request by December 22, 2016, (60 days), unless the City provided the petitioner with written reasons for an additional 60-day review period.

### **Attachments**

- A. Land Use Application and Project Narrative
- B. Development Plan Set
- C. Traffic Study
- D. Ramsey County Comment Letter
- E. Aerial Site Map