



Approved: July 6, 2016

**CITY OF ARDEN HILLS, MINNESOTA
PLANNING COMMISSION
WEDNESDAY, JUNE 8, 2016
6:30 P.M. - ARDEN HILLS CITY HALL**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, Chair Roberta Thompson called to order the regular Planning Commission meeting at 6:30 p.m.

ROLL CALL

Present were: Chair Roberta Thompson, Commissioners Angela Hames, Steven Jones, James Lambeth, and Clayton Zimmerman.

Absent: Commissioners Brent Bartel (excused), Nick Gehrig (excused), and Phillip Neururer (excused).

Also present were: City Planner Ryan Streff; Senior Planner Matthew Bachler; and Council Liaison Grant.

APPROVAL OF AGENDA – JUNE 8, 2016

Chair Thompson stated the agenda will stand as published.

APPROVAL OF MINUTES

April 6, 2016 – Planning Commission Regular Meeting

Commissioner Zimmerman moved, seconded by Commissioner Jones, to approve the April 6, 2016, Planning Commission Regular Meeting minutes as presented. The motion carried unanimously (5-0).

PLANNING CASES

- A. Planning Case 16-015 – Variance – 1494 Keithson Drive –*No Public Hearing Required***

Senior Planner Bachler stated that the property 1494 Keithson Drive was developed by Pulte Homes as part of the Fox Ridge subdivision approved by the City in 2011. The lot area measures 32,736 square feet, however, a wetland area covers a large portion of the lot and limits the area

that can be developed. As part of the Fox Ridge subdivision approval, Pulte was required to dedicate a drainage and utility easement that covers the wetland and a five-foot buffer along the wetland's edge. The City Code restricts the placement of any structures within a drainage and utility easement. The property also includes a public walking path that traverses the lot on the south side of the existing house connecting Keithson Drive to the north-south City trail that runs between the Fox Ridge subdivision and the townhomes to the east. A trail easement across the walking path was dedicated on the Fox Ridge plat.

Senior Planner Bachler commented that due to the environmental constraints on the property, the existing house was placed in the far northeastern corner of the lot close to the 30-foot rear yard and 10-foot north side yard setback lines. The dwelling also required a setback of approximately 73 feet from the front property line to avoid the drainage and utility easement and conform to structure setback requirements. In comparison, most of the homes in the Fox Ridge subdivision as well as those on Keithson Drive to the north of the subject property are setback approximately 40 feet from the front property line.

Senior Planner Bachler reported that the applicants have requested a rear yard setback variance in order to construct a 216 square foot three-season porch and a 211 square foot deck addition to their house. Both the porch and deck would be constructed on the rear side of the house with the deck being accessed through the new porch addition. In this case, a variance is only needed for the porch addition as the deck encroachment in the rear yard setback is allowed under the permitted encroachment provisions in Section 1325.03, Subd. 2 of the Zoning Code. The porch addition would encroach 3 feet – 6 inches into the required 30-foot rear yard setback, creating a setback of 26 feet – 6 inches from the rear property line. No other variances from the Zoning Code are needed for this project and the property would otherwise be in compliance with all aspects of the Zoning Code.

Site Data

Land Use Plan:	Very Low Density Residential
Existing Land Use:	Single Family Detached Residential
Zoning:	R-1: Single Family Residential
Current Lot Sizes:	.75 Acres (32,736 square feet)
Topography:	Relatively Flat

Senior Planner Bachler reviewed the surrounding area, the Plan Evaluation and the Variance Evaluation Criteria.

Senior Planner Bachler provided the Findings of Fact for review:

General Findings:

1. The property at 1494 Keithson Drive is located in the R-1 Single Family Residential Zoning District.
2. The lot is in conformance with the minimum lot size and dimensions for the R-1 District.
3. The existing conditions on the property are in conformance with the setback and structure and lot coverage requirements for properties in the R-1 District.
4. The proposed porch addition would encroach 3 feet – 6 inches into the rear yard setback creating a setback of 26 feet – 6 inches from the rear property line. The minimum rear

yard setback in the R-1 District is 30 feet. The proposed porch addition would meet all other setback requirements for the R-1 District.

5. The proposed deck is in conformance with the Zoning Code as Section 1325.03, Subd. 2 (A) permits decks to extend six feet into the rear yard setback as long as the encroachment is not closer than six feet from the rear lot line. The proposed deck would be setback 26 feet – 6 inches from the rear property line.
6. All other aspects of the proposed porch and deck addition are in conformance with the Zoning Code requirements for the R-1 District.
7. The proposed addition would not encroach on any flood plains, wetlands, or easements.
8. The proposed addition is not expected to impact any significant trees on the property.

Variance Findings:

9. The variance would be in harmony with the purpose and intent of the City's Code because the impact of the addition on adjacent properties would be mitigated by the location of the addition at the rear of the house, the elevation change between the subject property and the adjacent property to the east, and the presence of several large trees along the rear property line that provide screening.
10. The variance would be consistent with the City's Comprehensive Plan because it meets the City's housing goal of encouraging property investment that complements and enhances the character of the City's established neighborhoods.
11. The proposed porch addition is a reasonable use of the property that would not be allowed under the rules of the Zoning Code without the requested variance.
12. The property is unique because of the wetland area that covers a large portion of the site. A drainage and utility easement covers the wetland area and a 5-foot buffer along the wetland's edge, limiting where additions to the home can be constructed. The unique characteristics of the property were not created by the property owners.
13. The proposed addition would not alter the essential character of the neighborhood because it would result in a structure that is consistent and compatible with other construction in the area.
14. The requested variance does not appear to be based on economic considerations alone.

Senior Planner Bachler stated that the findings of fact for this variance request support a recommendation for approval. If the Planning Commission chooses to make a recommendation for denial, the Findings of Fact would need to be amended to reflect the reasons for the denial. If the Planning Commission recommends approval of this variance, staff recommends the following five conditions:

1. The project shall be completed in accordance with the plans submitted 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. A building permit shall be required prior to commencement of construction.
3. The porch addition shall match the color and architectural style of the rest of the principal structure.
4. An encroachment of 3 feet – 6 inches shall be permitted for the porch addition into the 30-foot rear setback requirement. This will result in a setback of 26 feet – 6 inches from the rear property line.

5. The structure shall conform to all other regulations in the City Code.

Senior Planner Bachler reviewed the options available to the Planning Commission on this matter:

1. Recommend Approval with Conditions
2. Recommend Approval as Submitted
3. Recommend Denial
4. Table

Chair Thompson opened the floor to Commissioner comments.

Commissioner Lambeth explained that with the setback requirements and easements on this property, only 20% of the lot remained buildable. He believed the applicant's request was reasonable and stated he supported the 42-inch encroachment into the rear yard setback for the proposed porch.

Chair Thompson requested the applicant come forward for questions.

Steve Jytyla, 1494 Keithson Drive, introduced himself to the Commission.

Chair Thompson asked if the applicant had considered having a different design or layout for the porch.

Mr. Jytyla stated he looked at numerous options for the porch and deck addition. He explained that none of the options met his family's and the City's requirements. For this reason, he was requesting a variance. It was his hope to have a three-season porch attached to the house and not simply a deck.

Chair Thompson questioned if Mr. Jytyla had worked with Pulte Homes when the home was built.

Mr. Jytyla indicated he did not have a lot of input with Pulte Homes on where the dwelling would be located. He asked for the home to be moved forward but his request was not granted. He explained he moved to this neighborhood because he loved the area and the school district. He understood there were restrictions on the lot, but had hoped that the City would allow for a variance of 42 inches given the fact he would not be vastly encroaching on his neighbors.

Chair Thompson inquired if Mr. Jytyla had spoken to his neighbors regarding the proposed deck and porch. She noted the City had received objections from two property owners behind Mr. Jytyla's property.

Mr. Jytyla commented he had spoken to a number of his neighbors about the project and several were willing to attend this evening in support of the project.

Commissioner Jones asked if the porch would be glass or screen.

Mr. Jytyla explained the porch would have glass that could be raised over the screens. He reported the screen porch would have a fireplace in order for it to be used later in the fall.

Commissioner Lambeth questioned if the home was purchased on spec or if it was purchased to be built. He asked if Pulte Homes disclosed the fact that the rear property line had a restriction.

Mr. Jytyla reported he purchased the home to be built from Pulte Homes. He indicated the home came with no options and was basically bought on spec. He stated Pulte had made him aware of the setback constraints, but he was uncertain as to the specifics and conducted more research on this topic on his own.

Commissioner Hames asked if this request shed any light on the City Code regarding the differences between deck and porch setbacks.

Senior Planner Bachler described the differences between deck and porch rear yard setback requirements. He noted that in the R-1 District, decks can encroach up to six feet into the rear yard setback, but must not be closer than six feet from a property line.

Commissioner Hames discussed the importance of outdoor living space. She believed that the homeowner was bound by the home location and that this was not of his doing. It was her opinion that the homeowner was being penalized for something that was out of his control.

Commissioner Lambeth questioned if the porch would be constructed on piers.

Senior Planner Bachler reported this was the case.

Commissioner Lambeth stated this meant no additional impervious surface area would be added to the property.

Senior Planner Bachler clarified that although the porch and deck would be constructed on piers, they would both count as impervious coverage on the property. He noted that the property would still be in conformance with the lot coverage requirements with the proposed addition.

Commissioner Zimmerman moved and Commissioner Hames seconded a motion to recommend approval of Planning Case 16-015 for a rear yard setback variance at 1494 Keithson Drive, based on the findings of fact and submitted plans, as amended by the five conditions in the June 8, 2016, Report to the Planning Commission. The motion carried 4-1 (Chair Thompson opposed).

**B. Planning Case 16-013; CUP Amendment and Variance – Mounds View High School
–Public Hearing**

City Planner Streff stated that Mounds View High School currently operates under a Conditional Use Permit (CUP) that was approved in 1978. Any modification to the original CUP requires that a CUP amendment be processed. The original CUP has been amended from time-to-time as the school and campus have expanded over the past years. In this case, the School District is requesting an amendment to the existing CUP in order to replace the existing scoreboard and press box at the football stadium and to construct a new storage building adjacent

to the baseball field. A variance is also required in this planning case in order for the scoreboard and press box to exceed fifteen (15) feet in height.

City Planner Streff explained that Mounds View High School is located in the R-1 Single Family Residential Zoning District, which permits schools as a conditional use, however, any additions to the campus, or amendments to the original CUP must still meet the requirements of the underlying zoning district.

City Planner Streff indicated that the Mounds View School District is proposing a Conditional Use Permit (CUP) Amendment and Variance in order make the following improvement to the athletic field complex at their property located at 1900 Lake Valentine Road.

- 1) **Scoreboard** – Replace the existing scoreboard that was installed in the 1980s with a new scoreboard from Daktronics. The existing scoreboard is approximately 11-feet in height by 25-feet in width, or 275 square feet in size. The proposed scoreboard to be installed is 12-feet 11-inches in height by 23-feet 11-inches in width, or approximately 309 square feet in size. Both the existing scoreboard and the proposed scoreboard are elevated on posts that are 10-feet above grade. The new scoreboard would be positioned in the same location as the existing scoreboard.

Accessory structures are permitted to be up to fifteen (15) feet in height in the R-1 Zoning District. In this case, the scoreboard is considered an accessory structure and the new scoreboard is being proposed at a total height above grade at 22-feet 11-inches. In order for the new scoreboard to be constructed a Variance along with the CUP is required.

- 2) **Press Box** – Replace the existing press box located on the “home side” of the football stadium and positioned above the bleachers. The new press box would be 9-feet by 54-feet, or 486 square feet in size. The existing press box is approximately 9-feet by 30-feet, or 270 square feet in size.

Accessory structures are permitted to be up to fifteen (15) feet in height in the R-1 Zoning District. The press box is considered an accessory structure and is being proposed at a total height of 19- feet 4-inches above the grade from the back of the bleachers or 33-feet 4-inches above the grade of the playing field.

- 3) **Accessory Storage Building** – Construct a new 20-foot by 20-foot (400 sq. ft.) accessory storage building adjacent to the west side of the baseball field near batting cages on the west side of the field.

Accessory structures are permitted to be up to fifteen (15) feet in height in the R-1 Zoning District. The new accessory structure would be 10-feet in height and comparable in design and the materials used on other structures within the athletic field complex. The exterior finish of the structure would largely consist of rock faced block to match the block that was used to construct the dugouts. The structure would have one (1) service door entrance installed along with two (2) 10-foot wide by 8-foot height overhead doors.

Site Data

Land Use Plan:	Public and Institutional
Existing Land Use:	Public and Institutional
Zoning:	R-1: Single Family Residential
Current Lot Sizes:	56.34 Acres
Topography:	The elevation is generally flat and decreases toward the west.

City Planner Streff reviewed the surrounding area, the Plan Evaluation, Conditional Use Permit Criteria, and the Variance Evaluation Criteria.

City Planner Streff provided the Findings of Fact for review:

General Findings:

1. The property at 1900 Lake Valentine Road is located in the R-1 Single Family Residential Zoning District.
2. The applicant is requesting a Conditional Use Permit (CUP) Amendment and Variance in order to install a new scoreboard, press box, and storage building on the athletic field complex.
3. The Variance in this case, is being requested to allow the scoreboard and press box to exceed fifteen (15) feet in height.
4. Mounds View High School operates under a Conditional Use Permit in the R-1 Zoning District.
5. Athletic fields and accessory equipment are permitted under the original CUP for Mounds View High School.
6. The proposed application will not exceed the lot coverage limits for the property.
7. The proposed application meets all setback requirements.

Conditional Use Permit Evaluation Findings:

8. The proposed project is not expected to have any significant impact on traffic or parking conditions since no change in the school population is expected.
9. The proposed project will not produce any permanent noise, glare, odors, vibration, smoke, dust, air pollution, heat, liquid, or solid waste.
10. The proposed project will not impact storm water runoff since impervious coverage of the property is not being significantly increased.
11. The proposed project is not expected to have any impacts on school population or density.
12. The proposed project will not impact visual and land use compatibility with surrounding land because of the distance between the athletic field improvements and the nearest residential property.
13. The park dedication fee is not applicable to this application.
14. The proposed project does not conflict with the general purpose and intent of the Zoning Code or the Comprehensive Development Plan for the City.

Variance Findings:

15. The proposed project is in harmony with the purpose and intent of the Zoning Ordinance because scoreboards are permitted accessory uses with athletic fields.
16. The proposed project is consistent with Comprehensive Plan because the property in questions is guided for its current and proposed use as a high school.

17. The proposed project is reasonable because scoreboards, press boxes, and accessory structures are addressed in the Code as reasonable uses within educational athletic facilities.
18. The property is unique because of its size, the considerable setback from adjacent properties, and its use as a high school in a residential district.
19. The proposed project will not alter the essential character of the locality.

City Planner Streff stated based on the submitted plans and findings of fact, staff recommends approval of Planning Case 16-013 for a Conditional Use Permit (CUP) Amendment and Variance in order to install a new scoreboard, press box, and storage building on the Mounds View High School Athletic Field complex located at 1900 Lake Valentine Road. If the Planning Commission recommends approval of this request, staff recommends that the following nine (9) conditions be included with the approval:

1. That the project shall be completed in accordance with the plans submitted 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. That the applicant shall continue to abide by all previous agreements and Conditional Use Permits, as amended by the conditions of approval of this application.
3. That a Conditional Use Permit Amendment Agreement shall be prepared by the City Attorney and subject to City Council approval. The CUP agreement shall be signed by the applicant and approved by Council prior to the issuance of any building permits.
4. That a building permit shall be obtained for the proposed improvements to the athletic field complex.
5. That building permits for the proposed improvements shall be issued by June 27, 2017, or an extension shall be requested at least 45 days preceding this deadline.
6. That a minimum of one (1) tree shall be planted within the Mounds View High School property to meet the Zoning Code requirements. Each deciduous tree is required to be a minimum of two and one-half (2.5) caliper inches and coniferous trees are required to be six (6) feet in height.
7. That all building and setback requirements shall be met.
8. That an automatic dimmer module shall be installed to reduce the nighttime light output of the LED lighting of the scoreboard based on ambient light levels.
9. That the sound system being installed within the scoreboard shall meet all applicable standards set by the EPA and MPCA.

City Planner Streff reviewed the options available to the Planning Commission on this matter:

1. Recommend Approval with Conditions
2. Recommend Approval as Submitted
3. Recommend Denial
4. Table

Chair Thompson opened the floor to Commissioner comments.

Commissioner Zimmerman asked if the existing scoreboard required a variance.

City Planner Streff stated that the most recent scoreboard that was installed at the baseball field required a variance. He stated that the current scoreboard at the football stadium was approved as part of the original approval for the stadium construction.

Commissioner Hames understood the height of the new scoreboard would be higher. She asked if the structure holding the sign would be increased in size/height.

City Planner Streff described the height differences between the existing and proposed scoreboards in further detail with the Commission. He noted the scoreboard pole height would not be changing.

Chair Thompson requested the applicants come forward.

Bob Madison, Activities Director at Mounds View High School, appreciated the Commission hearing the school's request. He asked if the Commission had any comments or questions for him.

John Grabow, AIM Electronic and Daktronics representative, introduced himself to the Commission.

Eric Myer, Larson Engineering, introduced himself and stated he was working with the school on the press box.

Commissioner Hames asked how the scoreboard size and shape was selected.

Mr. Madison explained the scoreboard size was limited by cost and indicated he was working to keep the scoreboard as close to the same size as possible. He indicated the scoreboard was smaller than surrounding schools but would meet the needs of the school.

Chair Thompson requested further information regarding the LED lighting on the scoreboard.

Mr. Madison reported the existing sign had incandescent light bulbs that could no longer be replaced. For this reason, the school was requesting a new scoreboard to meet the changing needs of the stadium. He described how the LED lighting on the scoreboard could be controlled. He stated that Mounds View High School wanted to continue to be a good neighbor.

Mr. Grabow discussed the automatic dimming that could occur on the scoreboard for day time and evening hours. He noted there was a manual dimming feature as well. It was noted the lighting analysis was taken by staff with the light at its full capacity.

Further discussion ensued regarding the lumen and nit output of the scoreboard.

Commissioner Lambeth requested further comment on the sound system.

Mr. Grabel explained the sound system would be incorporated and mounted on the top of the scoreboard and was included in the proposed sign height.

Commissioner Lambeth asked why a bigger press box was required.

Mr. Madison stated the dynamic of high school sports has changed over the past 30 years. He discussed how students were highly engaged in high school sports. He reported Mounds View had the second smallest press box in the conference. He commented the press, year book students and media had to be turned away from the press box due to its small size.

Commissioner Lambeth questioned how the site would be impacted by construction traffic.

Mr. Madison expected construction traffic would travel along the gravel path or behind the press box.

Commissioner Lambeth requested further information on the construction timeline.

Mr. Madison reviewed the construction timeline in detail with the Commission stating work would begin immediately after receiving approval from the City. He wanted to have the scoreboard and press box in place by mid-August.

Commissioner Jones inquired what the sign would look like when it was off.

Mr. Madison stated the sign could be used as a large message board, noting Mounds View and MV were affixed. He did not anticipate the sign would be used for messages.

Chair Thompson questioned if the scoreboard would be used for advertising purposes.

Mr. Madison indicated advertising could assist with the cost of the scoreboard, however, the school district was not proposing to have advertisements on the scoreboard.

Commissioner Hames asked if the scoreboard would have to be further reviewed if it was used for advertisement in the future.

City Planner Streff explained that if small advertisements were conducted during a game, the City would not be concerned, however the scoreboard could not be used to display dynamic display messages or video.

Chair Thompson questioned if this sign would be allowed to flash messages.

City Planner Streff reviewed the City's sign ordinance requirements and noted the City of Arden Hills does not allow dynamic display signs.

Chair Thompson opened the public hearing at 7:25 p.m.

Chair Thompson invited anyone for or against the application to come forward and make comment.

There being no comment Chair Thompson closed the public hearing at 7:26 p.m.

Chair Thompson requested a condition be added (Condition 10) stating the sign will not be used to present dynamic display messages or videos.

Commissioner Hames supported this recommendation.

Commissioner Zimmerman moved and Commissioner Jones seconded a motion to recommend approval of Planning Case 16-013 for a Conditional Use Permit (CUP) Amendment and Variance in order to install a new scoreboard, press box, and storage building on the Mounds View High School Athletic Field complex located at 1900 Lake Valentine Road, based on the findings of fact, submitted plans, and the nine (9) conditions in the June 8, 2016, Report to the Planning Commission, with an additional condition (Condition 10) that the scoreboard shall not be used as a dynamic sign to display messages or videos.

Chair Thompson thanked the school district for working with the neighbors on this project. She anticipated that the noise and sound concerns of the past will be addressed through the new scoreboard and sound system.

The motion carried unanimously (5-0).

**C. Planning Case 16-014; Master PUD and Final PUD Phase 1 – Land O’Lakes –
*Public Hearing***

City Planner Streff stated that the Land O’Lakes corporate headquarters has operated in Arden Hills since 1981. The campus operates as a Planned Unit Development originally approved by Conditional Use Permit (CUP), previously known as a Special Use Permit (SUP), in Planning Case 79-004.

City Planner Streff explained that the Land O’Lakes campus is comprised of approximately 49 acres and is generally located north of Interstate 694, east of Hamline Avenue North, south of County Road F, and west of Lexington Avenue North. Currently, the site contains two principal buildings situated towards the center of the property: the corporate headquarter building and a research and development building. Between these two facilities, the campus includes 263,800 gross square feet of building space. Additional improvements on the site include a surface parking lot with approximately 931 parking stalls and regional stormwater facilities. The remainder of the property is covered by wooded and open lawn areas.

City Planner Streff indicated that the applicant is requesting approval of a major addition to their campus that would allow the company to consolidate their Arden Hills and Shoreview locations into one headquarters facility at their existing Arden Hills property. The proposal includes the construction of a four-story, approximately 155,000 gross square foot office building just to the north of the existing principal buildings. Land O’Lakes is incorporating sustainable best practices into the design of the building and will seek a minimum of LEED Gold certification for the project. Other site improvements would include the expansion of the surface parking lots to provide approximately 1,678 parking stalls and the provision of extensive native landscaping areas to enhance the overall character of the site.

City Planner Streff reported that Land O’Lakes currently leases office facilities in Shoreview at the southeast corner of Lexington Avenue North and County Road F. Approximately 900 employees now work at this location and would be relocated to the Arden Hills campus with the completion of the new building. The company estimates that 2,100 employees will work on the

site after consolidation in late 2018. It was noted Planning Case 16-014 includes two separate components:

1. Master Planned Unit Development Amendment
2. Final Planned Unit Development Phase 1

City Planner Streff stated that the Master PUD Amendment request would update the campus master plan. Land O'Lakes will be completing the new office building and site improvements over two phases. Phase I includes the expansion and reconfiguration of the visitor parking lot on the south side of the existing buildings. This phase is expected to be completed by late summer 2016. Phase II would comprise the remaining components of the expansion project, including the new office building and the expansion of the employee surface parking lot on the north side of the buildings. Construction on Phase II is expected to be complete by December 31, 2018. At this time, Land O'Lakes is requesting City approvals for the overall Master PUD and the Final PUD for Phase I of the project. The company expects to submit a Final PUD application for Phase II in June 2016.

City Planner Streff commented that 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. 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. A PUD cannot be used to permit uses that would not otherwise be permitted in the underlying zoning district.

City Planner Streff indicated that 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. 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.

Site Data

Land Use Plan:	I/O Light Industrial and Office
Existing Land Use:	OFC – Office
Zoning:	I-1 – Limited Industrial District
Current Lot Sizes:	47.37 Acres (2,063,577.7 square feet)
Topography:	Fairly Flat

City Planner Streff reviewed the surrounding area and the Plan Evaluation.

City Planner Streff provided the Findings of Fact for review:

General Findings:

1. The applicant is requesting approval of a Master Planned Unit Development (PUD) Agreement & Final PUD for Phase 1 of the Land O'Lakes Corporate Headquarters consolidation plan located at 4001 Lexington Avenue North.
2. Phase 1 of the Land O'Lakes Corporate Headquarters consolidation plan includes the expansion of the south parking lot on the campus and Phase 2 includes the construction of a new four-story office building along with the reconfiguration and expansion of the parking area on the north side of the campus.
3. The PUD process allows for flexibility within the City's regulations through a negotiated process with a developer.
4. The Land O'Lakes property is comprised of 47.37 acres.
5. The Land O'Lakes property is located at 4001 Lexington Avenue North.
6. The Land O'Lakes property is located in the I-1 – Limited Industrial District.
7. The proposed use is a permitted use in the I-1 – Limited Industrial District.
8. The Master Planned Unit Development (PUD) Amendment and Final PUD for Phase 1 are in substantial conformance with the requirements set forth in the City's Zoning Code and design standards.
9. Where the plan is not in conformance with the City's Zoning Code, flexibility has been requested by the applicant.
10. A traffic study has been completed for the expansion of the Campus and suggests that a 3/4 access be constructed during Phase 1 of the project.
11. The proposed plan is in conformance with the City's 2030 Comprehensive Plan. The property at 4001 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.

City Planner Streff stated that based on the submitted plans and findings of fact, staff recommends approval of Planning Case 16-014 for a Master Planned Unit Development (PUD) Amendment & Final PUD for Phase 1 at 4001 Lexington Avenue North. If the Planning Commission recommends approval of this request, staff recommends that the following sixteen (16) conditions be included with the approval:

1. That 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. That the applicant shall obtain a permit within one year of the Final Phase 1 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. That the applicant shall apply for a Final Phase II PUD within one year of the approval of the Final Phase 1 PUD 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.
4. That a Master PUD Agreement and Phase I Development Contract shall be prepared by the City Attorney and subject to City Council approval. The Master PUD

- Agreement and Final Phase I Development Contract shall be executed prior to the issuance of any development permits for Phase I.
5. The applicant shall provide a construction phasing plan that includes plans for fire and police access throughout construction, subject to the approval of the Fire Marshall, Public Works Director, and Ramsey County Sheriff prior to the issuance of any development permits.
 6. 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.
 7. 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.
 8. 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.
 9. 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.
 10. That 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.

11. That 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.
12. 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.
13. That 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.
14. That the final Lighting and Photometric Plan for Phase 1 shall be reviewed and approved by the City prior to the issuance of a grading and erosion control permit for Phase 1.
15. That the access onto Lexington Avenue North shall be revised to a 3/4 access to prevent left turns out of the site. A “pork chop” median shall be constructed to prevent the left turns out. That the 3/4 access shall be completed prior to the issuance of any development permits for Phase II of the Master PUD.
16. That the applicant shall conform to all other City regulations.

City Planner Streff reviewed the options available to the Planning Commission on this matter:

1. Recommend Approval with Conditions
2. Recommend Approval as Submitted
3. Recommend Denial
4. Table

Chair Thompson opened the floor to Commissioner comments.

Chair Thompson requested the applicant and their representatives come forward at this time.

Marcia Droege, Land O’Lakes, introduced herself and her team members to the Planning Commission. She thanked the City for their assistance in preparing her request and appreciated the Commission’s consideration. She provided the Commission with a high level overview of the proposed campus expansion. She described the long-term planning that had occurred at Land O’Lakes in order for the corporation to migrate to a single campus in Arden Hills. The principles and business drivers of the Land O’Lakes workplace strategy were discussed.

John Slack, Perkins & Will, commented on the complex plan and design for the single campus for Land O’Lakes. He explained the company was extremely tied to their land. He then reviewed the core aesthetic elements that would be included in the building expansions. He reported the proposed project would be completed in phases. The phases were described at length. He provided further comment on the parking available on site. He described the natural area and wetlands on site noting how they had worked to keep the unique wooded look and feel of the site. The landscaping and green belt on the site was discussed.

Mr. Slack reviewed the traffic study with the Commission noting Land O’Lakes had worked with the County on the site access plan. The three key recommendations from the plan were described in detail. It was noted an additional access point from the site would be made to County Road F. The courtyard area was described to the Commission.

Commissioner Zimmerman asked if the view of Land O'Lakes from I-694 would be altered.

Mr. Slack discussed how the property would be impacted by the proposed campus renovations and noted the site would be heavily landscaped in order to keep the site hidden from the freeway.

Commissioner Lambeth questioned when the groundbreaking would occur for the new building.

Mr. Slack noted that Land O'Lakes planned to break ground on the new building mid-October to early November of 2016. The parking and restriping plan for the parking lots was reviewed.

Commission Lambeth expressed concern with the number of parking spaces that would be lost during construction for staging purposes.

Ms. Droege stated Lake O'Lakes was leasing space in Shoreview for additional parking. It was noted a shuttle would be used to get employees from Shoreview to the Arden Hills campus.

Commissioner Jones questioned if the two buildings would be connected by underground tunnels or a skyway.

Mr. Slack reported the two buildings would have connections on Level 1 and Level 2.

Chair Thompson appreciated the detailed plans that were provided by Land O'Lakes. She requested further information on the storm water management plan for this site.

Mr. Slack described the storm water management plan in detail with the Commission. He noted this project would be LEED certified and therefore the project would have very high storm water standards.

Commissioner Zimmerman asked how snow would be managed on the Land O'Lakes campus.

Mr. Slack explained many conversations have occurred regarding snow removal and there may be a need to remove snow from the site. There was a potential that environmentally friendly deicing materials may be used on site. He indicated regional stormwater would be managed on this site and he wanted to be conscience of the chemicals used on site.

Chair Thompson opened the public hearing at 8:21 p.m.

Chair Thompson invited anyone for or against the application to come forward and make comment.

There being no comment Chair Thompson closed the public hearing at 8:22 p.m.

Commissioner Zimmerman moved and Commissioner Hames seconded a motion to recommend approval of Planning Case 16-014 for a Master Planned Unit Development (PUD) Amendment & Final PUD for Phase 1 at 4001 Lexington Avenue North, based on the findings of fact, submitted plans, and the sixteen (16) conditions in the June 8, 2016, Report to the Planning Commission.

Commissioner Hames thanked staff and the Land O'Lakes representatives for providing the Commission with highly detailed reports for this request.

Commissioner Lambeth wished the project manager best of luck on this project.

Chair Thompson was pleased to see that Land O'Lakes would be expanding and remaining in the City of Arden Hills.

The motion carried unanimously (5-0).

UNFINISHED AND NEW BUSINESS

None.

REPORTS

A. Report from the City Council

Mayor Grant updated the Planning Commission on City Council activities from the April 25, 2016, City Council Regular Meeting stating the City Council reviewed and approved the Master and Final PUD request for Arden Square at 1160 County Road E (Planning Case 16-003). The City Council included several conditions of approval for modifications to the proposed plans, including the relocation of the monument sign to the east side of the entrance driveway, increasing landscape coverage by approximately 320 square feet, and providing a sidewalk for pedestrian access to the adjacent Arden Plaza property. The Planning Commission reviewed Planning Case 16-003 at their meeting on April 6, 2016, and recommended approval of the Master and Final PUD proposal.

Mayor Grant noted that the City Council also approved Planning Case 16-006 for a Sign Standard Adjustment at Scherer Brothers Lumber Company, and Planning Case 16-008 for a Variance at 1865 County Road D. The Planning Commission recommended approval of both of these planning cases at their meeting on April 6, 2016.

Mayor Grant explained that at the May 16, 2016, City Council Work Session, the City Council discussed the scope and timeline for the City's 2040 Comprehensive Plan update. Staff provided an overview of the Metropolitan Council requirements for local comprehensive plan updates and the estimated costs for consulting services. The Planning Commission will be asked to participate in the comprehensive planning process and to provide input on goals, policies, and strategies to help address issues and concerns in the City. Preliminary work on the 2040 Comprehensive Plan is expected to begin in summer 2016.

Mayor Grant reported that the City Council also reviewed a draft Zoning Code amendment to the City's exterior lighting design standards. Staff drafted the amendment based on previous work completed by the Planning Commission on this item in 2014. The proposed amendment focuses on requirements that would limit light trespass across property lights, reduce glare, and restrict high-luminosity light fixtures. The Planning Commission will be asked to review the proposed amendment at a future meeting.

Mayor Grant was pleased to see the Land O’Lakes project moving forward as this was as Fortune 200 Company that was founded in the State of Minnesota over 95 year ago.

B. TCAAP Update

Mayor Grant reported on May 2, 2016, the Joint Development Authority (JDA) selected the Alatus Development Team to be the TCAAP Master Developer. The team is comprised of Alatus, Inland Development, and Robert Thomas Homes. Since that time, the JDA and City Council have met separately with the Development Team to discuss observations on the TCAAP Redevelopment Code and on how to achieve the Master Plan vision for the site. City and Ramsey County staff and consultants have been meeting regularly with the Development Team to review existing plans and data related to the site, required public improvements, and the TCAAP Redevelopment Code.

Commissioner Jones asked if staff had plans available for County Road H.

Mayor Grant anticipated that this information was available on the City’s and Ramsey County’s website.

Chair Thompson questioned when the market studies would be completed by Alatus.

Mayor Grant anticipated this work would be done in the next 60 to 90 days. He noted this information would be reviewed by the JDA on August 1st.

C. Planning Commission Comments and Requests

Chair Thompson requested each Commissioner forward to staff their availability in order to allow for a quorum of the Commission to be present in July.

Commissioner Lambeth questioned if the tax abatement issue had gone away for Land O’Lakes. He believed this project was not being very well received by the public.

Further discussion ensued regarding the tax abatement agreement between the City and Land O’Lakes.

Mayor Grant commented on the cost if the City was to do nothing and how Arden Hills would be impacted if it were to lose Land O’Lakes. He provided further information on how the Council came to the decision to offer a tax abatement to Land O’Lakes in order to keep this corporate campus and thousands of great jobs in the community. He believed it was a wise move for the City.

D. Staff Comments

None.

ADJOURN

Commissioner Hames moved, seconded by Commissioner Zimmerman, to adjourn the June 8, 2016, Planning Commission Meeting at 8:54 p.m. The motion carried unanimously (5-0).