

## **MEDINA CITY COUNCIL MEETING MINUTES OF FEBRUARY 16, 2010**

The City Council of Medina, Minnesota met in regular session on February 16, 2010 at 7:00 p.m. in the City Hall Chambers. Mayor Crosby presided.

### **I. ROLL CALL**

**Members present:** Crosby, Johnson, Siitari, Smith, and Weir.

**Members absent:**

**Also present:** City Attorney Ron Batty, City Engineer Tom Kellogg, City Planner Dusty Finke, Public Works Superintendent Steve Scherer, City Administrator Chad Adams, Planning Consultant Laurie Smith, and Recording Secretary Amanda Staple.

### **II. PLEDGE OF ALLEGIANCE**

### **III. ADDITIONS TO THE AGENDA**

*The agenda was accepted as presented.*

### **IV. APPROVAL OF MINUTES**

#### **A. Approval of the January 28, 2010 Special City Council Meeting Minutes**

*Moved by Smith, seconded by Weir, to approve the January 28, 2010 Special City Council meeting minutes as presented. **Motion passed unanimously.***

#### **B. Approval of the February 3, 2010 Regular City Council Meeting Minutes**

It was noted on page three, line 12, it should state, "...septic mound or system but would ~~may~~ put in a septic pipe that will connect to the existing system." On page, four, line 24, it should state, "...action since residential usage should not be..." On page seven, line two, it should state, "...in the parks, and that park dedication fees will not be sufficient funding." On page, seven, line 12, it should state, "...Association of Cities to get support legislation and financial flexibility to maintain City parks."

*Moved by Weir, seconded by Siitari, to approve the February 3, 2010 Regular City Council meeting minutes as amended. **Motion passed unanimously.***

#### **C. Approval of the February 3, 2010 Special City Council Meeting Minutes**

*Moved by Weir, seconded by Smith, to approve the February 3, 2010 Special City Council meeting minutes as presented. **Motion passed unanimously.***

### **V. CONSENT AGENDA**

#### **A. Accept \$500 Donation from Loretto Lions Club to be Allocated to Loretto DARE Program**

#### **B. Approve Raffle Permit to/at Holy Name of Jesus Church on March 13, 2010**

#### **C. Approve Temporary On-Sale Liquor License to/at Holy Name of Jesus Church on March 13, 2010**

#### **D. Approve First Amendment to License for Collection and Disposal of Residential Solid Waste, Recyclables and Compostables**

- E. Ordinance Amending the Regulations of the Rural Commercial Holding (RCH) Zoning District and Creating the Rural Business Holding (RBH) Zoning District; Amending Section 835
- F. Resolution to Publish the Ordinance by Title and Summary
- G. Resolution Granting an Amended Conditional Use Permit to the Three Rivers Park District to Construct an Office Building at the Near Wilderness Area Located at 4001 County Road 24
- H. Resolution Certifying Delinquent City Charges for Services to the Hennepin County Auditor for Collection in 2011
- I. Approve Letter of Intent to Provide Matching Funds for Minnesota City/County Management Association Internship Program

*Moved by Smith, seconded by Johnson, to approve the consent agenda. Motion passed unanimously.*

## VI. COMMENTS

### A. Comments from Citizens on Items not on the Agenda

There were none.

### B. Park Commission

Park Commissioner Bill Waytas stated that at the meeting this week the Commission would be reviewing the issues of park dedication in regard to the Open Systems International, Inc. (OSI) application, the creation of a plan for future park study areas, the Tomann management plan, and a hockey rink issue at Hamel Legion Park.

### C. Planning Commission

Planning Commissioner Victoria Reid reported that three public hearings were held during the meeting this past week, including the Lennar (Holasek) development. She summarized the issues and concerns that residents and the Commission had brought forward during the Lennar public hearing. The second item discussed was the OSI proposal and she reviewed the comments the Commission had in that regard. She advised that the last item discussed was a proposed ordinance amendment for site plans.

## VII. NEW BUSINESS

### A. Public Works Facility Project Update

Crosby stated that the City had outgrown the current public works facility, which was built in the early 1970's, and has since been exploring three alternatives. He reviewed the options under consideration including an addition to existing building, which could provide up to an additional five years of use; the use of an existing vacant industrial complex in the area, which would require the shared use from other jurisdictions; and the purchase of a piece of land located on the current Hennepin County site, which would be used to build a new facility. He advised that the options would be reviewed further and the Council would continue to provide updates as additional information is gathered.

### B. Lennar Concept Plan Review for "The Enclave of Medina" 3212 Hunter Drive

Crosby stated that this is not a formal meeting and simply a concept plan review, which means that a vote would not be taken, but the views and thoughts of the Council would be expressed during the meeting. He stated that the Council had been provided with

five pages of minutes in regard to the resident input received at the Planning Commission meeting.

Laurie Smith, City Planning Consultant, provided background information via a slide presentation on the 110-acre Lennar site and the proposed lot information for the concept plan, comparing the Lennar information to the comprehensive plan. She then reviewed the information in regard to the Metropolitan Urban Service Area (MUSA) and zoning regulations and displayed where certain amenities and access points would be located in the proposed development. She stated that comments made by the residents during the public hearing held by the Planning Commission were generally constructive, but most in attendance had some concerns with the proposal. She advised that the Planning Commissioners were in consensus overall in their comments, noting that the plan should generally coincide with the comprehensive plan.

Crosby summarized the comprehensive plan history for the parcel of property in discussion, going back to 1980 and stated that the plans for the property had been made public, including the MUSA line. He confirmed that the purpose of this meeting was for the Council to provide input and explained, that should the item continue to move forward, the public would be able to provide additional comment at that time through a public hearing.

Carole Toohey, Lennar, introduced other members involved in the development process including the landowner. She advised that Lennar was proposing amenities at this development unlike anything offered at other Lennar locations including grand monuments, decorated mailboxes and street lights, a swimming pool and clubhouse, and trails that connect the development throughout the City, including Hamel Legion Park. She reported that a landscaped berm would provide screening along Hunter Drive. She advised that two product series would be offered in a range of color options, the Landmark Series would range from 1,958 to 2,719 finished square feet and cost from \$300,000's to \$400,000's; and the American Heartland Series would range from 2,700 to 3,250 finished square feet and cost from the mid \$400,000's to mid \$500,000's. She explained that between the four different housing options for each series, the color options and elevation options there would be a total of 32 options for the development. She stated that Lennar would not require a variance regarding setbacks of the properties on the north side, as adjustments could be made to meet the ordinance regulations. She stated that Lennar cannot meet the requirements for the R1 zoning district in regard to the lot size because of the wetlands and suggested rezoning that portion of the property R2, which would also assist in compliance with the comprehensive plan. She advised that the flood plain had been revised and accepted by FEMA which caused additional area to be deemed buildable and explained that planning would be completed for that area. She stated that a second access point would be desirable but clear direction had not been received in regard to the second connection point for Hunter Drive. She stated that the five acres to the north is not included in the plan because the property is not owned by the Holasek family and Lennar is not going to purchase that parcel. She explained that only single family homes are shown in the proposed development due to the current market and over availability of townhomes. She advised that the proposed price range of the development provides opportunity that is not available in Medina currently and would be aimed towards young couples with small children. She explained that Lennar researched the area and surroundings during the planning consideration to ensure that the development would be successful. She advised that a public hearing was held at the Medina Entertainment Center, which was

well attended, and reported the main comments from residents were that they would like higher density in the northern portion of the development and lower density in the southern portion; as well as maintaining the characteristics of Medina. She questioned what was more characteristic of Medina, townhomes or single family homes. She also added that the development would provide additional customers to the local businesses, including the Uptown Hamel area.

Crosby questioned the ideal timing for the development.

Toohey stated that the development would occur in multiple phases and estimated the homes would be sold-out in three to four years, building from north to south. She confirmed that Lennar completes the construction in-house and the rate of building would depend on the market and velocity of sales.

Smith advised that she drives by the Lennar development on County Road 45 everyday and stated that she was curious as to why Lennar would be building multi-units in other neighboring areas but would not consider that option for Medina.

Toohey advised that the community Smith spoke of was planned in 2004 and built in 2005, when the market was much different. She reported that the sales of the townhomes have declined and although they are still being built, the production has slowed and the price has dropped.

David Netjes, 500 Navajo Road West, stated that although the development references two parcels it actually encompasses four zoning areas. He stated that the area south of Old Navajo Road should remain rural residential, as it is stated in the 2030 comprehensive plan; and he did not think the MUSA line should be pushed further south, as that would also change the zoning of the rural residential zoning area. He stated that although the homes proposed are beautiful, they would only be 15 feet apart from one another and he did not think that the aesthetics would be in character of Medina. He stated that he was not against a development but he did not think that the rural residential property should contain 25 houses.

Michael Fine, 550 Navajo Road, stated that during the comprehensive plan process he had contributed to the discussion regarding the planning for this property and how to best plan for the development. He commented that if the market is saturated right now then perhaps the builder should wait until the market becomes better. He did not think that the City should jump at the first plan for development and should instead wait until a development better matches the desires of the comprehensive plan. He stated that he did not think that 15 feet between homes fit within the guide for rural residential.

Jim Driscoll, 880 Navajo Road, stated that the largest issue that he saw during this process was the extension of the MUSA line and the impact that would have on the surrounding area. He stated that the main reason that the MUSA request was made was to fit additional homes onto the rural residential portion of the property. He advised that another impact would be the amount of traffic that would be increased on Hunter Road. He also did not believe that 40 percent of the trees on the property were currently dead. He did not think that the City should extend the MUSA line and reviewed the items that would be impacted because of that request. He questioned why the City of Medina would rush into this type of decision and not think about the impact the City of Plymouth has experienced because of rushed zoning decisions. He suggested that the

development be allowed to move forward with the lowest density allowed, which would be 179 homes in total.

Dean Herman, 855 Medina Road, confirmed that Lennar has planned 196 homes for the property and questioned what plan B is should that number not be approved.

Toohey stated that the lowest number of homes that Lennar would build in the development would be the minimum allowed by the comprehensive plan.

Laurie Smith explained that plan models in the past included lower density and were used for the comprehensive plan process.

Weir explained that the Metropolitan Council requires that a comprehensive plan be rewritten every ten years; the City of Medina completed the 2030 plan this past fall. She advised that the Metropolitan Council requires the City to meet density of three units per sewer acre and reported that internal roadways are included in the total area. She reported that the density numbers for the Holasek parcel changed after the comments from the Metropolitan Council were received.

Crosby stated that the previous comprehensive plan showed a density of 50 homes for that parcel, which was changed during the last comprehensive plan update from a higher density.

Scott Orr, 150 Navajo Road, stated that his property would neighbor this development and requested that the vegetation be kept in that area to screen his home. He confirmed that the trees were not dead in that area and stated that he was not against the development but simply wanted a buffer zone between his property and the development. He commented that the rural value of his property would most likely be devalued because he will be between this development and the development occurring in Plymouth.

John Jacob, 885 Navajo Road, agreed with the comments made by his neighbors but had his own question as well. He stated that there is not a lot of specificity to the drainage and handling of the wetlands and encouraged the City to review the watershed issues prior to the approval of the development.

Weir advised that this is a concept review of the plan and did not require watershed level reviews to be completed. She explained that additional work, such as engineering and traffic studies, would be conducted further in the process.

Susie Sween, 2112 Holy Name Drive, stated that she supports the development and the extension of the MUSA line. She also agreed that businesses need growth in order to succeed and that this development could help not only the Uptown Hamel area but would also add children to utilize the existing parks.

Kurt Ogren, 800 Navajo Road, confirmed that the Metropolitan Council and City Council would not accept a development plan with less than 170 units for this parcel of property.

Crosby used an example in Lake Elmo, where the City went against the density regulations of the Metropolitan Council and the City then lost when the Metropolitan

Council took them to court. He stated that the ultimate risk of going against the Metropolitan Council would be that the City could lose all control of the process.

Smith explained that if the Council were to allow the development to go below the 170 homes in this development, they would then need to fit that extra density into another area of the city, and still amend the comprehensive plan to reflect the change.

Batty stated that the requirement for sewer is that homes are built three per acre, to justify the installation of sewer services. He stated that in the case of the City of Minnetrista, the City repeatedly approved plats which did not meet the density, and explained that the Metropolitan Council stopped approving plats until a plan to make-up that density was completed. He stated that if the City were to approve a property that is not consistent with the comprehensive plan, ultimately it would end up in court with the court stating that the City needs to make the approved density match the official controls.

Finke stated that a fair amount of balancing has already been done within the City to allow for larger properties that do not meet the three-unit per acre requirements in the more rural areas.

Kurt Ogren stated that he believes that the City should try to allow for a development which only follows the comprehensive plan and does not exceed minimum number of homes.

Michael Fine questioned what the actual ramifications were to the City of Lake Elmo.

Crosby stated that the density requirements had to be met or sewer would not be provided.

Finke stated that there were additional ramifications for the City of Lake Elmo, explaining they were required to take sewer, as Lake Elmo would have gladly taken no sewer.

Dave Wessin agreed with the comments made by Susie Sween, that homes should be consistent all the way through the development, rather than a mix of single family and townhomes.

Larry Zilverberg, 820 Navajo Road, stated that he agreed with the comments made by his neighbors and requested that the development be limited to the amount of homes spelled out in the comprehensive plan. He also questioned what businesses would benefit in Hamel as there is only a bank and one other business; he did not think that the issue of business benefit should be considered in this request.

Toohey questioned the range of units allowed on the property per the comprehensive plan.

Finke reported that the density range for the property would begin at 172 homes, on the low end, and up to 325, on the high end, of the spectrum.

Crosby explained that if a City goes over the minimum density the Metropolitan Council does not give you credit for that amount of overage.

Finke clarified that statement explaining that while that is true in the planning process, actual credit would be given for the amount of homes in the future. He advised that a rezoning of the property would need to occur in the spring, whether this moves forward or not, just to meet the comprehensive plan guidelines.

Jim Driscoll stated that in Uptown Hamel there are junk yards found in the same area as businesses and commented that is one reason that businesses and customers do not choose that area. He advised that senior housing was also allowed into that area, which made sense for the changing demographics, and mentioned a failed development found in the area. He stated that the impact had not been mentioned to the homes on the east and south of the development, as he thought that the property values could be further depressed.

Siitari questioned why cul-de-sacs were discouraged.

Scherer stated that the City prefers straight through roads for plowing purposes and to avoid dead-end utilities.

Weir complimented the developer on the detailed concept plan and stated that she would be better able to provide specific feedback from her list of comments. She recommended that the property be rezoned as a PUD and discussed the plan for roadways and density within the development. She suggested additional housing variety be provided and noted that she visited existing Lennar properties in other communities that were beautifully constructed. She stated that she would be open to the MUSA line extension in exchange for two thirds of the woodland area being preserved. She summarized connecting roads to Brockton Road and Hamel Road that could decrease and share the amount of traffic that would be pushed onto Hunter Drive. She stated that with the support of the Fire Marshal she would also approve 28 foot wide roads, as it would present more of a neighborhood feeling. She also expressed and summarized other concerns and thoughts regarding the submitted concept plan, including discussion of the wetlands. Weir submitted her written comments to the City.

Siitari stated that he has only been on the Council for one year and advised that his main issue joining the Council was the desire to keep the rural feeling of Medina. He stated that he was in agreement with the comments of the Planning Commission. He advised that Lennar is a reputable developer wanting to build a nice looking development, which would also meet the density requirements of the Metropolitan Council. He stated that if townhomes are not selling he does not have a problem with not using that type of model in the development and commented that although not everyone would be happy with the outcome, he did hope that this development could match the comprehensive plan.

Smith stated that she thought that conservation design should have been addressed in this area prior to the discussion of development. She stated that she was concerned with moving the MUSA line, as the Council had already set the line and was not convinced that the development would need the extension and the additional housing units. She stated that she would also like a tree inventory done and did not believe that the density could not be moved further north with the use of townhomes. She also commented that an exit to Brockton Lane could be provided and advised that she would prefer that Lennar stay more out of the woodland area to preserve that portion. She believed that the City needed to yield on the width of the roads and trails. She stated

that she believed that Lennar was a great homebuilder and could be more creative in the actual plan, which she felt should include more affordable housing options to the north.

Toohey confirmed that road widths vary from city to city and even within a city. She advised that the proposed width of 28 feet would allow for parking on one side of the street and would help the development to not exceed the impervious surface requirements.

Johnson stated that he hoped the development would maintain the rural character of Medina and also meet the comprehensive plan guidelines for density. He complimented Lennar and thanked them for showing interest in the City of Medina. He commented that Lennar would most likely have the support of the residents, should the density move progressively lower going from north to south. He stated that he was glad to see another opportunity for affordable housing within the city, as he recognized the challenge of providing affordable housing, while meeting setbacks and maintaining rural character.

Crosby complimented those who came forward tonight to express their concerns articulately and also for avoiding the use of theatrics. He stated that he saw Lennar as a responsible developer and was glad to see their plans and interest in the City. He stated that he felt that the City needs to meet the minimum density of the comprehensive plan and would also like a connection to Hamel Road from the development. He stated that he would also be in favor of extending the MUSA line in exchange for preservation of the woodland area.

Weir commented that she would like to see bio-retention basins rather than raised islands for the access points.

Crosby briefly recessed the meeting at 9:00 p.m.

Crosby reconvened the meeting at 9:06 p.m.

Crosby questioned the best method for moving forward.

Adams stated that the minutes would accurately reflect comments made and there is no formal need to respond otherwise.

Finke stated that additional comments could be made by staff to the developer through discussions when a formal plat application is filed with the City.

Smith stated that by moving the MUSA line the development would be forced to meet additional Metropolitan Council density guidelines for that portion of the property.

Finke confirmed that the acres of woodland area would be counted against density if the MUSA were extended, but explained that there would be additional options, such as dedicating that area for open space or another form of public dedication.

Smith stated that while she would like to preserve a portion of the woodlands she did not see the need to extend the MUSA line, as that would require additional density.

Smith requested that staff not assume a PUD without negotiation for elements that better match the current comprehensive plan.

Michael Fine thanked the Council for their preparation and discussion in regard to this property and proposed development. He stated that the City has spent much time and effort in the planning for this development and the comprehensive plan, and he was amazed that the Council was ready to give away so much to this development in the concept review portion of the process.

David Netjes also thanked the Council for their time and discussion tonight. He stated that he has been a developer in this process and knows that Lennar put their most aggressive plan forward at this point to leave room for negotiation. He was certain that Lennar would be willing to decrease density of the development through this process and urged the Council not to give away too much and accept too little from the developer in return.

Joe Jablonski, Land Operations Director for Lennar, stated that if Lennar was coming forward with their most aggressive plan, the density count would be closer to 400, which would be the maximum density allowed per the zoning regulations. He thanked everyone for their time and comments and stated that Lennar would continue to work with the City and residents towards something that everyone would be satisfied with.

**C. Ordinance Amendment for Site Plan Review Applicability**

Finke stated that this item was more of a housekeeping issue, as the ordinance currently does not reference all of the needed zoning districts. He stated that staff views the site plan review process as highly important and explained that this would be a short-term fix that would solve the applicability of the site plan review and advised that the whole ordinance would be re-written within the next year.

*Moved by Smith, seconded by Weir, to approve the ordinance amendment for site plan review applicability. **Motion passed unanimously.***

**1. Resolution to Publish the Ordinance by Title and Summary**

*Moved by Weir, seconded by Johnson, to approve the resolution authorizing the publication of the ordinance by title and summary. **Motion passes unanimously.***

**VIII. CITY ADMINISTRATOR REPORT**

**A. 2010 Work Plan**

Adams questioned if the Council was comfortable with the goals, timeline and priority status given to the work plan items during the previous worksession.

Smith stated that she believed the work plan should allow for flexibility and may need to be reviewed quarterly or bi-annually.

*Moved by Smith, seconded by Weir, to adopt the 2010 work plan. **Motion passed unanimously.***

**B. Minnehaha Creek Watershed District – Memorandum of Understanding Update**

Adams stated that this item had been discussed in November and City staff had met with staff of the watershed and noted that all Council items had been discussed, as well as additional items brought forward by City staff.

*Moved by Johnson, seconded by Weir, to direct Staff to prepare a letter to the MCWD with the Mayor and City Administrator signatures. **Motion passed unanimously.***

#### **XI. MAYOR & CITY COUNCIL REPORTS**

Weir stated that she had noticed reductions in the Total Maximum Daily Load (TMDL) requirements for most other cities but not for Medina and noted that she and Adams met and discussed the TMDL load with Randy Lehr from Three Rivers Parks, who explained the changes were due to alternate drainage.

Smith stated that she would be out of town from March 4, 2010 through March 11, 2010 and would not be able to attend the March 10<sup>th</sup> meeting for the Northwest League. She confirmed that Weir would be able to attend the meeting, as the Hennepin County Assessor would be present.

Crosby stated that the State of the Cities meeting was canceled for lack of interest. He reported that he would be in California on March 2<sup>nd</sup> and in Canada on the 16<sup>th</sup> and would not be attending those Council meetings; he wanted to ensure that a quorum would be in attendance.

#### **XII. APPROVAL TO PAY THE BILLS**

*Moved by Weir, seconded by Siitari, to approve the bills, EFT 000666-000673 for \$28,581.96 and order check numbers 035104-035167 for \$104,123.09, and payroll check 020224 for \$226.63 and EFT 502570-502598 for \$42,757.15. **Motion passed unanimously.***

#### **XIII. ADJOURN**

*Moved by Weir, seconded by Johnson, to adjourn the meeting at 9:32 p.m. **Motion passed unanimously.***

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T.M. Crosby, Jr., Mayor

Attest:

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Chad M. Adams, City Administrator-Clerk