1. **Call to Order**: Commissioner Charles Nolan called the meeting to order at 7:00 p.m.

   **Present**: Planning Commissioners, Victoria Reid, Robin Reid, John Anderson, Kathleen Martin, Kent Williams, and Charles Nolan.

   **Absent**: Beth Nielsen

   **Also Present**: City Planner Dusty Finke

2. **Public Comments on items not on the agenda**

   No public comments.

3. **Update from City Council proceedings**

   Council member Weir presented City Council update.

4. **Planning Department Report**

   Finke informed the Commission that staff currently has three land use applications. One of the applications is Lennar, which the Commission has already seen but will have revised plans. The other two applications are land subdivisions within the Rural Residential Zoning District. The three applications will go to the Commission in September.

5. **Approval of July 13, 2010 Planning Commission meeting minutes**

   **Motion by R. Reid, seconded by Anderson** to approve the July 13, 2010 minutes with recommended changes. Motion carried unanimously. (Absent: Nielsen)

6. **Public Hearing – Zoning Map Amendment – An ordinance rezoning various properties to the Uptown Hamel 1 (UH-1) or Uptown Hamel 2 (UH-2) zoning districts.**

   Finke presented the request for the Zoning Map Amendment. He informed the Commission that staff had received a number of calls and comments (they were distributed to the Commission). The foundation for the discussion has already been
completed through the Comprehensive Plan through 2010-2030. Over the past two years staff has worked diligently to change the zoning ordinance to make it consistent with the newly adopted Comprehensive Plan. He explained both districts allow a mix of residential, but the UH-1 district requires any new development or redevelopment to have a net density of at least 10 units/acre. This distinction was made so that the City would be able to ensure that some of the property would develop with high density residential uses. Finke explained staff recommended 18.5 net acres of UH-1, which would result in a minimum of 185 units.

V. Reid asked if just a residential complex could be constructed in UH-2. Finke said yes. He said if the units per acre were to be under 7 units/acre then it would have to be combined with a Commercial use. The first floor would be Commercial and the upper units would be Residential. V. Reid asked if just Residential could be done and Finke answered yes, as long as the project is at least 7 units/acre.

Finke provided an overview of the proposed zoning map. He said there are only four Mixed Use Business parcels that are not in the Uptown Hamel area. He said staff is recommending these four properties be zoned MU-B, which will be discussed under a separate public hearing. He said these properties are different from the Uptown Hamel area. He said the four MU-B parcels and the UH-1 and UH-2 parcels together should help the City achieve their goals for housing. Staff feels there is some room to switch some parcels from UH-1 to UH-2.

Nolan stated the UH-1 requires High Density Residential, but doesn’t preclude Commercial. Finke concurred. Williams asked how it would work if all the initial development is Commercial; does it than mean the balance would have to be Residential. Finke said that is what they started with as an assumption. He said it was assumed no Residential would be in the UH-2. V. Reid asked if the properties currently in the UH-1 district were duplexes. Finke clarified on map that the areas were single family homes.

Public Hearing was opened at 7:35 p.m.

No public comment with public hearing left open.

Nolan asked the Commission if there are any particular parcels that should be changed from what is recommended. Finke explained no written comments were provided for this public hearing.

Nolan said it is not ideal for Commercial to be located along Comanche Trail and 29. Since the properties are already guided for UH, he asked what the City has in the way of tools to help protect the interests of the people living adjacent to Commercial in their back yard. Finke said the City has the objectives of the Comprehensive Plan; and a Site Plan Review approval would be a good practice to make the right decisions on transition locations such as this, which would also help applicants through the process.
Nolan explained the public hearing would remain open until the end of all the public hearings of the evening in case comments were requested by the public.

Public Hearing closed at 10:06 p.m.

**Motion by R. Reid, seconded by Martin** to approve the Zoning Map Amendment. Motion carried unanimously. (Absent: Nielsen)

7. **Public Hearing – Zoning Map Amendment – An ordinance rezoning various properties to the Commercial-Highway (CH), Commercial Highway-Railroad (CH-RR), Commercial-General (CG), or Rural Commercial Holding (RCH) zoning districts.**

Finke explained the hearing included the most properties, with five Commercial zoning districts to be matched up with the Comprehensive Plan. He said the maps identify the Commercial areas and where properties are proposed to be rezoned. The CH zoning district is for properties with highway frontage or easy access to the highway. The CH-RR district is for properties that front both a major highway and railroad tracks. The CH-RR district properties would have a lesser setback than the CH zoning district.

CG is a zoning district that allows more uses than just services and retail. It allows some warehousing and distributing. The CG district allows more warehousing and distributing than would the CH district. The RCH is to be applied for properties that have been identified for development, but the staging plan won’t be until 2016 or later. Two comments were received from Three Rivers Park District and Blue Water Partners. Finke said that a change in tenancy is allowed, but a nonconformity couldn’t be increased. He said staff is not recommending any properties be zoned into Commercial Neighborhood.

Finke said staff received two comments. Three Rivers Park District commented on parcels 246 - 250 located at 1432 and 1472 County Road 29 and Blue Water Partners sent a letter related to parcels 125 and 236.

A five minute recess was given for Commission to review comments from the Three Rivers Park District and Blue Water Partners.

R. Reid asked what was on the properties and why the Three Rivers Park District had concerns with the rezoning. Finke replied that there was a Holiday Gas Station and a strip mall, as well as two adjacent homes (parcels 246 and 247).

Finke said parcels numbers 125 and 236 would be legal nonconforming, but would be allowed to continue use or change of use as long as it wasn’t intensified. He further said he spoke with the property owner of the parcels and supported the rezoning.
Nolan asked about the property at the NW corner of 116 and State Highway 55. Finke said the area he was referring to was right-of-way for a future roadway. Finke stated the City was not proposing to rezone those parcels and they would be used for future roadway.

Nolan asked for clarification of properties in red along County Road 101 that were zoned PUD. Finke said the City was not proposing to rezone the PUD properties in this area.

Public Hearing opened at 7:56 p.m.

Reg Pederson of Hwy 55 Rental said he was at the meeting regarding parcels #235 and #234 and asked if there was anything different between the Comprehensive Plan land use and the Rezoning that’s happening. He also asked what the difference was between UC and CH zoning and what the timing of the rezoning would be. Finke explained the holding zones were to be applied to properties in future staging periods.

Nolan asked Finke about how properties are looked at related to assessed value and if the change would impact the Assessors view of value on the property. Finke said he contacted the City Assessor and he said zoning by itself doesn’t get factored into the calculation, but rather the potential future use and the existing use. Since the properties are within a holding zone, the Assessor would look at what could be there and what presently exists, with timing not part of the evaluation of value.

Neil Campion of 4585 Pioneer Trail asked for the difference between CH and CG and how it relates to the RBH district. He stated his property boarders parcel 81 and 82 and questioned if the properties could ever be zoned CH or CG. Finke explained that when the property is able to develop, approximately 2026, the City would evaluate either the Business District or the Business Park District.

A member from the public (unable to get name) asked why parcels #51 and #54 were RCH. Finke said it was vacant property and would be phased into developing in 2016.

Nolan asked the Commission if there are any parcels that should be flagged to be zoned something different than what is recommended by staff.

Kept public hearing open until end of all rezonings.

Public Hearing closed at 10:07 p.m.

**Motion by Martin, seconded by R. Reid** to approve the Zoning Map Amendment. Motion carried unanimously. (Absent: Nielsen)
8. **Public Hearing – Zoning Map Amendment – An ordinance rezoning various properties to the Business (B), Industrial Park (IP) or Rural Business Holding (RBH) zoning districts.**

Finke explained the reason for the rezoning process and why there are specific designations.

The land owners were requesting that their property be included in the Business District.

Public Hearing opened at 8:18 p.m.

Todd Rapp, representing the land owner of the property east of parcel #81, said the property should be rezoned to Commercial, rather than the Rural Residential it is zoned. He said the property sits between Pioneer Trail and State Hwy 55 which is prime for Commercial zoning. He said the property is currently a Commercial riding stable, yet zoned RR. The property owner he represents is Gary Kirt.

Finke explained the property is currently zoned PUD RR-2, and guided Rural Residential.

Rapp said he was present at the 2007 Comprehensive Plan review and requested the property be changed at that time. He said he clearly doesn’t see the property to be residential in nature and yet the future zoning of the property continues to be shown as Rural Residential. He looks at the MUSA line and it covers everything, with the exception of the Kirt parcel. He felt the City appears to be going out of its way to not change the zoning of the property and they have been inquiring since 2007 as to why, with no answers. He said the parcel is Commercial in nature and asks for consideration. He said the property has always been a Commercial horse facility since Mr. Kirt purchased it. He said in 2007 he asked for the property to be rezoned and doesn’t understand why nothing was ever done to make the requested change. He asked the Commission to do the right thing and to consider a change. Nolan said the Commission can’t make a zoning change at the hearing, since their objective through the process is to make the Comprehensive Plan and Zoning match. Nolan further stated that the property is clearly guided Rural Residential and in order for a change to occur at this point, the land owner would have to submit for a Comprehensive Plan Amendment.

Jack Hurley said he lived off of Rolling Hills Road and had questions regarding parcels #67-69 which abut up to residential and also parcels #79-80 which abut Corcoran. He asked if the zoning is consistent with Corcoran’s zoning. Finke explained the properties are Rural Commercial now, and would be Rural Business in the future. Finke said a Business zoning classification would be more consistent with Corcoran’s zoning.

Public Hearing closed at 10:07 p.m.
Motion by Anderson, Seconded by Williams to adopt the ordinance per staff’s recommendation. Motion carried unanimously. (Absent: Nielsen)

9. Public Hearing – Zoning Map Amendment – An ordinance rezoning various properties to the Mixed Use (MU), Rural Residential-Urban Reserve (RR-UR), or Rural Residential (RR) zoning district.

Finke explained the parcels within the proposed Zoning Map Amendment were more scattered throughout the City. He explained staff recommended the MU district for six properties at this time. Two of the properties, located in the 500 block of Hamel Road, are guided Mixed Use. Four of the properties are guided Mixed Use-Business and were discussed in the memo related to the Uptown Hamel-1 and Uptown Hamel-2 district. He said these properties are very different from the Uptown Hamel area, and staff does not feel the UH-1 or UH-2 district would be a good fit. The MU district would allow for a mix of uses in order to be consistent with the Comp Plan, but the required residential development is at a lower density. Staff felt an MU zoning would still be consistent with the Comp Plan, since the Mixed Use-Business density is averaged across all property in the land use.

He further stated staff recommended the RR-UR district for properties which have been guided for Mixed Use or sewered residential development, but are currently not served by City services. These properties were all previously guided for Business Park development, but changed during the recent Comp Plan update. Staff recommended the RR-UR district even for properties within the current Phasing period, because these properties are all currently utilized for agriculture or rural residential uses and could not be developed consistent with their future land use without being further subdivided. He said the current zoning map shows many other parcels which are already zoned RR-UR in the current Phasing period.

He said staff recommended the RR district for the seven properties which were re-guided to the Rural Residential land use in the updated Comp Plan. Three of the parcels had previously been guided Urban Reserve, and four of the parcels had previously been guided Agricultural Preserve.

V. Reid said she had concerns that the process of rezoning the properties doesn’t take into account the school districts needs. She said the Wayzata School district currently is struggling with the large number of students in the district.

Public Hearing opened at 8:50 p.m.

Joe Cavanaugh of 275 Lakeview Road said parcel #43 was 40.8 acres and guided mixed use and consists of two parcels. He said he would like to have the north piece zoned R2 and southern piece zoned HC. The southern parcel is bordered by Commercial. He said his request would be consistent with the Comprehensive Plan.
Finke said the 40.8 acre parcel had a lot split through Hennepin County which gave the property two different PID numbers.

R. Reid asked where the property was in the Staging Plan. Finke said the property was in the 2011 Staging Plan.

Martin asked for clarification of the lot split and the Commission discussed. Nolan asked about the Commercial part of a Mixed Use development. Finke explained 90 percent of the MU ordinance was taken from other district language created by staff and Commission.

Finke explained the MU district allows for more of a planned transition between uses, such as Commercial and Residential; and the district allows more discretion for those transitions. The Commercial uses may be similar to other zoning districts within the MU district, but does have a development process that is very different. The MU district requires a three stage process and helps to conceptually lay out both Residential and Commercial uses and how they will integrate or be separate from each other.

Nolan asked Finke which district would give the City better control, and Finke responded the MU district helps assure the City will be able to get the desired uses and have more control over the layout of the development.

Finke explained both parcels are guided MU. He said the text in the MU zoning ordinance requires the need for transitions between uses, so theoretically both parcels could have Commercial or Residential.

Williams said he thought the idea of the MU designation was to give more flexibility to the developer and the City. Cavanaugh replied by saying he originally liked the MU zoning designation prior to splitting the lot. He said now that there are two parcels, due to multiple family members involved, they would like to see the R2 zoning designation applied to the property to the north.

Williams asked Mr. Cavanaugh if he currently has plans for the northern parcel and would the two parcels develop at the same time or separately. Cavanaugh said they would develop separately and would like to develop the northern piece Residential and the southern piece Commercial, which is more consistent with what is out there today.

Nolan said he would have concerns with doing a straight zone on each property, rather than the MU district. Finke said the text of the MU speaks more to the transitioning. Nolan asked if both parcels would have to have Commercial. Finke said Commercial would not be required on both parcels. Finke said all of this is really development driven.
Nolan said if the Commission recommended the northern parcel be zoned R2, the middle parcel MU, and the southern parcel Commercial they would effectively satisfy the request of the Cavanaugh family. He asked if it would be acceptable to staff. Finke said staff would still recommend RR-UR for both parcels. He said any future R2 or MU zoning is being recommended to be RR-UR at this time.

Nolan thinks the MU gives the City more opportunity for transition. He said Cavanaugh is offering Residential on the north which is consistent. Cavanaugh said they would like the area to the south Commercial, so a large box user could develop there. Nolan said he only speaks for himself, but the MU allows for a lot of opportunity that appears to be similar to what the Cavanaugh’s are wanting.

R. Reid asked why not leave the properties RR-UR at the present time since it has sewer availability. Cavanaugh said the intention is to not put the Commercial to the north. They don’t want to be required to put Residential on the southern portion of the property near State Hwy 55 since it is too busy of a roadway for Residential and they’d rather capture Commercial in this area. Cavanaugh said they would put 100% Residential to the north. Cavanaugh explained the ownership is in the family, but the ownership is separated, which makes it more difficult to take the property lines away.

The Commission discussed with Cavanaugh which piece it was he wanted to sell now, and Cavanaugh said it was the northern piece for Residential.

Reg Pederson explained that he owned the two parcels addressed as 1472 State Hwy 55. He originally thought MU was the most appropriate zoning for his property. His thought was to develop a service station on the southern parcel and retail/apartments on the northern parcel, which would serve as a transition. He said his properties are the first two pieces when turning off Arrowhead eastbound. He said it seems the MU district makes the most sense since it’s not a large parcel and wouldn’t get as many units per acre. Finke asked for clarification on if he was talking about RR-UR; and he explained the RR-UR is really a holding district until the property is ready to develop and then it would be rezoned into MU. Pederson said the presumption is the northern parcel be MU zoning and the southern parcel be zoned Commercial.

Nolan asked what part of the piece is wetland. Pederson said the SW corner to the NE corner on the northern parcel, and the western portion of the southern parcel. He said he wasn’t sure why it was being recommended to rezone the properties into a holding zone. He requested he have the flexibility so he can develop.

Pederson also stated he really thought the southern portion of the Cavanaugh property should be zoned Commercial as requested. He felt the larger parcel is an important parcel to retain as Commercial. He felt the City has missed opportunities in the past and doesn’t want to see that happen again, especially since there aren’t other properties of this size along State Highway 55 in the City.
Nolan asked Finke if it really starts with MU and Residential being put into the RR-UR district. Finke said when each property develops they would be pulled out of the RR-UR district with a rezoning request. Nolan asked why have the properties go through rezoning if they are ready to develop. Finke said the parcels standing on their own can not conform to any of the physical confines of any of the zoning districts.

Finke said in the case of properties that are 5 acre homesteads, if rezoned we’d instantly make them legal nonconforming. He said vacant land areas would not be impacted the same as under-developed homesteads, rather it is in the interest of being consistent by putting all properties into the RR-UR zoning designation. Martin asked if a Comprehensive Plan Amendment would be required if the Commission agreed with what the Cavanaugh’s were requesting. Finke said staff’s opinion was that a Comprehensive Plan Amendment would not be required.

R. Reid felt it was a reasonable request of the Cavanaugh.

Martin disagreed with the request and didn’t feel it was appropriate at this time for lack of public notice. She would prefer to see a master plan completed and possibly a land swap may be in their best interest. She said she opposed the rezoning at this time, but agreed with what they were requesting, which isn’t much different than what the City envisions for the property. She said not properly notifying all property owners of the change in zoning was a concern. Cavanaugh explained his uncle was sick and in the hospital and couldn’t be present, but his uncle was agreeable to the rezoning. Martin said she would not be comfortable recommending a change without the proper notification to neighboring landowners.

Anderson shared Martin’s concerns. He said in the interest of the Cavanaughs property, he suggested the Cavanaughs have an attorney that represented all family members and their properties. Martin suggested a letter and map be submitted identifying their request, which could be provided at a future meeting.

Weir asked what the Cavanaughs request would do to Residential density. Finke said it would increase the amount of residential units in the City’s projection for residential units.

Martin said she would like to see a development plan be brought in prior to making a change. Williams said the Cavanaughs do have a plan. Nolan said this meeting was not the appropriate time to review their plan for the land.

Finke asked if the opinion of the Commission was to grant the request of the Cavanaughs if the City wasn’t giving up any residential units.

Public Hearing closed at 10:09 p.m.

**Motion by Anderson, Seconded by Martin** to adopt the ordinance per staff’s recommendation. Motion carried unanimously. (Absent: Nielsen)
10. **Discussion of additional Planning Commission meetings**

   Finke requested the August 24, 2010 meeting be cancelled.

11. **City Council Meeting Schedule**

   Martin to attend City Council meeting August 17, 2010.

12. **Adjourn**

   **Motion by Anderson, Seconded by Williams** to adjourn the meeting at 10:11 p.m. Motion carried unanimously. (Absent: Nielsen)