

MEDINA CITY COUNCIL MEETING MINUTES OF SEPTEMBER 18, 2018

The City Council of Medina, Minnesota met in regular session on September 18, 2018 at 7:00 p.m. in the City Hall Chambers. Mayor Martin presided.

I. ROLL CALL

Members present: Anderson, Cousineau, DesLauriers, Martin, and Pederson.

Members absent: None.

Also present: City Administrator Scott Johnson, City Attorney Ron Batty, City Engineer Jim Stremel, City Planning Director Dusty Finke, Public Works Director Steve Scherer, and Chief of Police Ed Belland.

II. PLEDGE OF ALLEGIANCE (7:00 p.m.)

III. ADDITIONS TO THE AGENDA (7:00 p.m.)

The agenda was approved as presented.

IV. APPROVAL OF MINUTES (7:00 p.m.)

A. Approval of the September 4, 2018 Special City Council Meeting Minutes

Martin stated that she has provided a few comments to be incorporated that were distributed at the dais.

Cousineau referenced the funding discussions and stated that perhaps the language read "...requesting donations as well as pursuing alternative options."

*Moved by Cousineau, seconded by Pederson, to approve the September 4, 2018 special City Council meeting minutes as amended. **Motion passed unanimously.***

B. Approval of the September 4, 2018 Regular City Council Meeting Minutes

Martin noted that she has provided suggested changes to be incorporated into the minutes which have been distributed.

*Moved by Anderson, seconded by Cousineau, to approve the September 4, 2018 regular City Council meeting minutes with the suggested changes. **Motion passed unanimously.***

V. CONSENT AGENDA (7:03 p.m.)

A. Call for Meeting on November 13, 2018 at 7:30 a.m. for Fall Business Tours

B. Resolution No. 2018-61 Adopting the 2018 Hennepin County All-Hazard Mitigation Plan

*Moved by Pederson, seconded by Anderson, to approve the consent agenda. **Motion passed unanimously.***

VI. COMMENTS (7:04 p.m.)

A. Comments from Citizens on Items not on the Agenda

There were none.

B. Park Commission

Scherer reported that the Park Commission will meet the following night to discuss the Baker Park Master Plan, park dedication related to the OSI rezoning and Preliminary Plat request, and the park donation program.

C. Planning Commission

Planning Commissioner Reid reported that the Planning Commission once again considered the Mixed Residential Zoning District Ordinance to review the changes the Commission had directed staff to make. She noted that the Commission also considered the rezoning request from OSI as well as Preliminary Plat and Site Plan, recommending approval of the rezoning to Business. She stated that three adjacent residents spoke to express concern over light spill and screening. She noted that the Commission asked OSI to review those concerns prior to when the Commission reconsiders the request for the Preliminary Plat and Site Plan requests, as those plans needed to be updated. She stated that the Commission also considered a Conditional Use Permit request for accessory buildings in excess of 5,000 square feet and recommended approval as the property is large and the building will not be visible from the road or adjacent properties.

Martin asked for background information on the preference of one Commissioner towards Business Park zoning.

Reid explained that the Commissioner preferred Business Park because of the lesser height allowed and believed that it would provide a better transition to the adjacent residential properties.

VII. PRESENTATIONS

**A. Resolution 2018-62 Recognizing Cec Vieau for Twenty-Eight Years of Dedicated Service to the City of Medina in the Police Department as She Retires
(7:11 p.m.)**

Martin stated that Cec Vieau has been a valued member of the Medina staff for many years and is retiring. She read aloud the draft resolution recognizing Mrs. Vieau for her years of service to the City of Medina.

*Moved by Martin, seconded by Pederson, to adopt resolution no. 2018-62 recognizing Cec Vieau for 28 years of dedicated service to the City of Medina in the Police Department. **Motion passed unanimously.***

Martin presented Cec Vieau with the resolution and thanked her for her years of service to the City of Medina.

Belland thanked Cec Vieau for her 28 years of service. He noted that he started one year after Mrs. Vieau and she helped to train him in. He stated that Cec Vieau comes to work early and stays late and goes above and beyond her regular duties. He stated that she has been an example of professionalism and teamwork and set the bar. He stated

that he cannot thank her enough for what she has done for him, the department, the community and the City of Medina.

Cec Vieau thanked everyone for the support that she has received over the years. She stated that it is hard for her to leave.

Belland noted that there will be a reception on September 28th from 3 to 5 p.m.

VIII. NEW BUSINESS

A. OSI – Rezoning, Preliminary Plat, Site Plan Review – PID 03-118-23-41-0005 (7:17 p.m.)

Finke presented a request from OSI for development of property owned north of its existing building. He stated that the building would be predominantly office and the consideration would include three separate requests: a rezoning of the lot for the new building from Mixed Use to Business; a Preliminary Plat to subdivide the existing outlot into a lot for the new building and a remaining outlot; and a Site Plan review for the building. He stated that at this time the Preliminary Plat and Site Plan are being updated to incorporate comments from staff. Therefore, the rezoning request is the only item requested for consideration tonight. He explained that the zoning change will drive the layout of the site. He reported that the Planning Commission held a public hearing the previous week and recommended approval of the rezoning to the Business District with a vote of 3-1 and tabled the remaining actions to allow updates. He reviewed the proposed site and described the proposed guiding for the adjacent properties. He provided renderings of the proposed building along with landscaping plans. He stated that the subject property was changed to the Business designation within the new Comprehensive Plan which was recently approved by the Metropolitan Council and will soon be adopted by the City as well. He stated that the property is currently zoned Mixed Use and the City will be required to update the zoning map to be consistent with the Comprehensive Plan within the next nine months. He explained that absent this request from OSI, the City would need to bring forward a rezoning request within the next nine months to make the zoning change. He stated that the two choices that would match the new Comprehensive Plan guiding would be Business and Business Park and summarized the differences between the two districts. He stated that the Site Plan as laid out is contingent upon having the allowed height of the Business district and therefore if that zoning is not approved, the Site Plan would not conform. He stated that staff recommends that the remaining outlot created to the north would be rezoned as Business Park in the future, as that parcel would be adjacent to a future residential development while the parcel under consideration tonight would be appropriate for Business. He provided a brief summary of the Preliminary Plat and the additional changes that will be made as suggested by staff comments. He noted that the Park Commission will be reviewing the request to discuss park dedication at their meeting the following night. He stated that the parking is proposed to be changed from the proposed request and provided additional details. He noted that part of the proposed building would be used for training and the applicant proposes that the full training space not be calculated into the parking requirement and that proof of parking be provided in lieu.

Cousineau asked if action is requested on the proposed lot and outlot tonight.

Finke stated that the only rezoning action requested tonight would be on the proposed lot. He stated that the remaining parcel would remain as an outlot and the City will need

to take action on that within the next nine months to match the guiding of the new Comprehensive Plan.

Pederson asked if the height of the existing building is near 45 feet.

Finke explained that building height is based on the average height of the building. He stated that the western façade of the proposed building is a three-story building but the side facing Arrowhead and facing north are two stories. He noted that there is a similar situation with the existing building for OSI, where a smaller portion of the building has an exposed lower level which would make that portion three stories, but the majority of that lower level is buried. He stated that practically the buildings are the same height, but this proposed structure is taller because more of the lower level is exposed on the western side.

Pederson stated that he would assume that the applicant has a need for this size facility and therefore if the Business Park zoning is chosen, he would then assume that the applicant would make the building wider and in essence bigger than what is proposed.

Finke confirmed that would be a good question for the applicant. He stated that the other option would be to have less of the lower level exposed.

Anderson referenced the parking and asked if the parking is projected to be to the west and north of the newly proposed building.

Finke replied that the building sits westerly, and the parking would be to the east and north.

Anderson asked if the applicant had addressed the lighting within the parking area.

Finke stated that specifications were included in the plans and there is a condition from staff included that the light be fully downcast and that the light not trespass beyond the property line.

Martin referenced the setback requirements, noting that Business Park has larger setback requirements and does not allow outdoor storage. She asked the difference in the setback requirements for Business and Business Park related to parking setbacks.

Finke stated that the parking setbacks are the same for both districts.

Martin asked the amount of outdoor storage that would be allowed with Business zoning, acknowledging that there is not outdoor storage proposed for this request.

Finke stated that the Business district allows up to 20 percent of the footprint to be used for outdoor storage, but it must be fully screened. He noted that the setback to the east would remain the same for both districts because of the adjacent residential use.

Martin stated that when this area of the city was discussed in the Comprehensive Plan process, the desire was to create a business campus which this is. She stated that there was discussion of attributes that would help to reduce the visual impact of a large building along with connections between the adjacent uses. She asked if the Park Commission should consider whether it would be appropriate to reserve space for trails

along Arrowhead or the northerly boundary for future trails that could provide connectivity. She recognized the enhanced architectural design of the existing building and she did not think that there was as much variation of materials in the newly proposed building. She asked the applicant to attempt to make the new building more elegant looking, to continue the aesthetic of the current building.

Anderson stated that OSI has been a great partner for the community. He stated that based on feedback from Bridgewater neighbors and future residential development, he would like to see a major focus on landscaping and screening to ensure that the buildings do not intrude on these neighbors.

Martin stated that there is proposed 70 percent opaque screen in return for a reduction in parking setback and asked for clarification.

Finke stated that the parking setback next to residential is 100 feet but can be reduced to 60 feet with opaque screening. He replied that if the parking setback remained at 100 feet the screening requirement would be minimal. He stated that because the applicant is proposing a 75-foot setback, 70 percent opaque screening will be provided.

Martin stated that her sense is that the greater screening is much better.

Pederson agreed that the reduced setback would be a good exchange in return for the greater screening.

Martin referenced the northerly entrance proposed on the Site Plan, recognizing that Arrowhead Drive becomes steeper at this point. She asked if it is necessary to have the curb cut or whether that could be limited to a right-in/right-out entrance. She noted that the north curb cut is a secondary access point and perhaps during peak traffic hours that could be marked to not allow traffic to cross.

Stremel commented that the second access is beneficial as it provides access for heavier vehicles to reach the truck dock as well as providing access for emergency vehicles. He noted that if that was a right-in/right-out that could pose challenges for those larger vehicles. He stated that engineering recommended the access in a slightly different location to meet the required site distance, noting that the access could be moved 95 feet to the south or 90 feet to the north.

Finke stated that the applicant is undertaking additional time to incorporate those changes. He stated that the intent would be to share this secondary access with the property to the north to avoid another access for that location.

Martin asked if the grade decreases as the property moves north.

Stremel confirmed that to be true, although not to the extent of the east to west change in elevation.

Martin stated that she appreciates the proof of parking. She wanted to ensure that the landscaping buffer would follow if there is an expansion of parking in the future.

Finke stated that the parking would need to be designed to meet code.

Pederson asked why the driveway would be 30 feet wide when the requirement is less than that.

Finke replied that the specifications would allow up to 32 feet wide in commercial and industrial settings.

Steve Oliver, representing the applicant, stated that there is about 18 to 20 feet of fall on the site from the eastern side of the site to the western wetland, which provides a challenge on the building location. He stated that they attempted to leverage that change in grade to tuck the truck docks in and make them not visible from Arrowhead or the residential properties. He noted that from three sides, the elevation will show a two-story building. He stated that they have tried to be creative to minimize the impact from the roadway and to the north. He stated that if the limited height of the building was provided under Business Park, they would need to compromise on other design elements in the building. He noted that they have attempted to match the design of the existing building. He stated that the lights proposed would meet the requirements of the no trespass requirement. He stated that OSI will also look at control elements to determine if additional changes could be made to reduce potential impacts to adjacent properties. He stated that OSI does not have a need for outdoor storage as the business is a data operation. He noted that there are trails within the existing site and there is intent to develop additional trails to continue the campus use. He stated that it is nice to hear the comments related to design and explained that they are attempting to not have this building be as dominant in form and features. They want it to be clear that building one is the primary building. He explained that the new building will be used for employee space and visitors should still be drawn to building one. He stated that there is a large computer lab that would not benefit from windows as it is a confidential space. He stated that they would attempt to keep the same level of detailing with brick and glass, although the glass would be scaled back a bit on the new building. He stated that as they respond to the City's request for the right-of-way change, the existing proof of parking would occur south of the access road. He stated that the buffer that would be put in along the northern drive would be there for the life of the building, until such a time when the northerly outlot is developed. He stated that he agrees that the 70 percent opaque screening in return for reduced parking setback is a great benefit. He stated that they would like to maintain the full access for the secondary access as described by the engineer. He stated that there is not a lot of truck traffic, but there is some truck traffic and therefore they would like to maintain that as a full access.

Anderson asked what are the plans for the additional outlet and when that outlet could possibly be developed.

Oliver replied that the intent would be to expand the office and computer lab environment in the future, should the market continue. He stated that the timeframe could be five years but more likely within ten years. He stated that the initial move would take a few hundred employees from the existing building into the new building and then infuse both buildings with new employees.

Keith Moeller, 4495 Bluebell Trail S, stated that he also spoke at the Planning Commission meeting. He stated that he does not have direct comments on the discussion tonight. He stated that when you move into a residential area, you have a certain anticipation of lifestyle and a fair amount of money is invested into the property. He stated that previously he had a significant decrease to the value of his property

because of changes that were made to adjacent properties. He stated that he is also a business owner and recognizes that OSI wants to be successful. He encouraged items which will minimize impacts to adjacent properties. He asked how far north business will be developed in the future. He stated that if Business is chosen for this property, could Business Park be committed for the outlot, as that parcel is closer to residential properties. He addressed opaque screening and stated that the screening between OSI and Bridgewater provides almost 100 percent opaque screening and requested that something similar be done in the other areas. He encouraged the use of berm and additional screening that would provide opaque screening year-round to minimize impacts to neighbors.

Martin stated that the Comprehensive Plan is updated every ten years, dependent on the number of residential properties that the City is designated to absorb by the Metropolitan Council. She provided information on the land use designations as proposed under the new Comprehensive Plan. She noted that the wetlands of Medina act as a natural buffer throughout the community and help to keep open space that could otherwise be developed.

Finke stated that the opacity requirement uses a calculation that provides additional points for coniferous plantings compared to deciduous.

Johnson stated that there was a question as to whether OSI pays property taxes and confirmed that OSI does pay taxes. In 2017 \$140,949.79 was paid in property taxes.

Pederson stated that the year-round screening is important for the adjacent residential properties. He agreed that the height requirement should be lessened when the additional outlot is developed but recognized that topic is not on the table tonight.

*Moved by Anderson, seconded by Cousineau, to direct staff to prepare an ordinance rezoning Lot 1, Block 1, Cavanaugh's Meadowwoods Park to the Business Zoning District. **Motion passed unanimously.***

*Moved by Anderson, seconded by Cousineau, to table consideration of the preliminary plat and site plan review to allow the applicant to update plans and Planning Commission to review. **Motion passed unanimously.***

B. Wayzata Schools – Lot Line Rearrangement (8:11 p.m.)

Finke stated that Wayzata Schools desires to purchase a portion of the property, noting that there are numerous properties included within the potential purchase. He stated that one of the properties is bisected by Hamel Road. He noted that the intent would be to divide the property by Hamel Road, noting that Wayzata Schools would purchase the portion of the property north of Hamel Road while the existing property owner would retain ownership of the property south of Hamel Road. He stated that both properties exceed the minimum standards of the zoning district. He stated that any future development would come back to the City for review dependent upon the zoning of the parcels. He noted that Wayzata Schools does not have any immediate plans for the land and is simply reserving land for possible future needs. He stated that staff recommends approval contingent on the conditions noted in the staff report.

Pederson stated that Hamel Road is a County road at that location and asked if sewer is being designated.

Finke stated that the northern property is within the MUSA while the southern property is not.

1. Resolution No. 2018-63 Granting Lot Line Rearrangement and Combination Approval Amongst PID 11-118-23-13-0001 (1152 Hamel Road), PID 11-118-23-42-0001, and PID 11-118-23-43-0001

*Moved by Cousineau, seconded by Anderson, to adopt resolution no. 2018-63 granting lot line rearrangement and combination approval amongst PID 11-118-23-13-0001 (1152 Hamel Road), PID 11-118-23-42-0001, and 11-118-23-43-0001. **Motion passed unanimously.***

IX. OLD BUSINESS

A. Comprehensive Plan Review – City of Corcoran (8:16 p.m.)

Martin stated that at the last meeting the Council reviewed the draft response to the draft Comprehensive Plan for the City of Corcoran. She noted that the Council suggested that staff strengthen the position and concerns of the City within the response letter. She stated that the redline version of the response letter has been provided to the Council.

Finke stated that this is the third rendition of the response letter which incorporates the comments that he has received from the Council thus far and provided a brief summary of the additional strengthened language.

Cousineau asked if Medina made an investment when CR 101 was done years ago.

Finke replied that road work was done before the City was a State aid community and therefore the cost share was different, and the City was not expected to contribute significantly. He stated that much of the costs were on the adjacent City streets but were done in connection with developers.

Anderson stated that the changes are quite good, and he is pleased to see the additional language. He referenced the last paragraph in relation to fire services, specifically the last sentence, and stated that he believes that to be assumptive and perhaps should not be included. He stated that in a recent discussion it seemed that Corcoran was unsure as to the fire service that would be provided for the development that will contain increased density.

Martin provided additional clarification that the concern was that additional development in Corcoran would strain the Loretto Fire Department services in both Medina and Corcoran and which is in need of significant capital improvements to its station. She stated that her concern is whether Loretto could adequately continue to service both communities if the Corcoran expansion was permitted as there is not additional capacity within that department.

Johnson noted that language would be clarified, and staff will submit the letter per Council direction.

X. CITY ADMINISTRATOR REPORT (8:22 p.m.)

Johnson thanked Klaers for her exceptional work coordinating Celebration Day along with all the people that volunteered for the event.

Belland also thanked the City Council for its assistance with the event. He stated that there were more businesses this year than ever before. He appreciated the help from staff and noted that the event was well run. He thanked everyone for the help with the event.

DesLauriers stated that it was great to see all the members of staff contributing to the event and acknowledged the amount of work that is required to make the event successful.

Pederson also thanked all the staff members that assisted.

XI. MAYOR & CITY COUNCIL REPORTS (8:25 p.m.)

Anderson stated that he and Pederson visited the Long Lake Fire Department the night before to see the new fire engine.

Pederson stated that the department was very happy that members of the Council were present to see the delivery of the new fire engine. He stated that the Assistant Chief did a great job of reaching out to thank everyone that attended.

Martin stated that she attended the recent mayors' meeting and learned that most cities are keeping their tax rates consistent but have increased growth to support an increased levy. She stated that she has been working with staff to find additional grant opportunities for assistance in development of the Uptown Hamel area as the City was not approved for the University of Minnesota program.

Johnson stated that staff will reapply for the program in January.

XII. APPROVAL TO PAY THE BILLS (8:27 p.m.)

*Moved by DesLauriers, seconded by Cousineau, to approve the bills, EFT 004767E-004786E for \$62,708.80 and order check numbers 047836-047902 for \$173,054.96 and payroll EFT 0508895-0508927 for \$53,298.92. **Motion passed unanimously.***

XIII. ADJOURN

*Moved by Anderson, seconded by Cousineau, to adjourn the meeting at 8:28 p.m. **Motion passed unanimously.***

Kathleen Martin, Mayor

Attest:

Jodi M. Gallup, City Clerk