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**DATE:** April 7, 2021 PC Agenda Item **3.C**

**TO:** Planning Commission Chair and Commissioners

**FROM:** Jane Kansier, AICP, Planning Consultant, Bolton & Menk

**SUBJECT: Planning Case #21-004 – Public Hearing Required**  
**Applicant:** Dan Rae, Kensington Development Partners  
**Property Location:** 3787 Lexington Avenue  
**Request:** Amended Planned Unit Development and Site Plan Review

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**Requested Action**

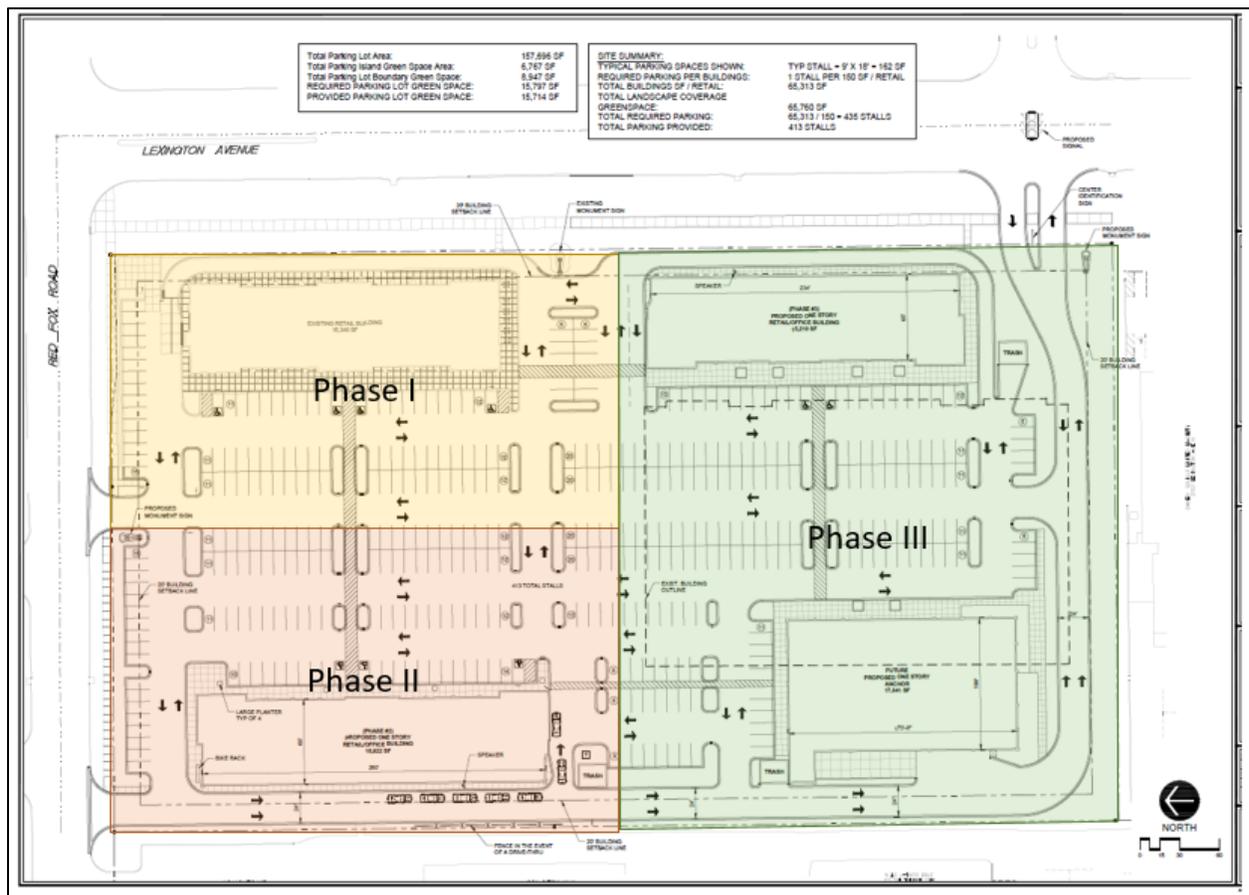
Dan Rae of Kensington Development Partners (“The Applicant”) is requesting an Amended Planned Unit Development and Site Plan Review for a proposed project on 3787 Lexington Avenue (“Subject Property”). This development includes the demolition of the existing multi-tenant building to accommodate a 43,000 square foot grocery store. The existing PUD Master Plan for Phase III depicts (2) separate one-story buildings, one 17,841 SF Retail Anchor and one 15,210 SF Retail/Office building.

**Background**

**1. Overview of Request**

In 2013, the City approved a Master Planned Unit Development (PUD) for Roberts Management’s proposed Lexington Station redevelopment project, located at the southwest corner of Lexington Avenue North and Red Fox Road. The total project area is 7.57 acres and is comprised of three parcels. The proposed development would be completed in three (3) phases. Phase I of the redevelopment was completed in 2013-2014 and included the demolition of the former Blue Fox Restaurant and the construction of a 15,340 square foot multi-tenant commercial building with a drive through. Phase II consisted of removing the existing building at 1120 Red Fox Road and constructing a new 16,922 square foot multi-tenant commercial building with a drive through. Phase II was completed in in the fall of 2018.

The approved plan for Phase III or the Subject Site consists of a 15,210 square foot multi-tenant commercial building with a drive through and a standalone 17,841 square foot box retail building on 4.24 acres as shown below and in Attachment C.



The Subject Site is currently owned by Roberts Management and contains an existing building that was constructed in 1980 and is approximately 63,000 square feet. The Applicant is proposing to amend the Master PUD to accommodate a standalone 43,000 square foot grocery store. The proposed grocery store would be new to the Minnesota market. However, at this time the Applicant is unable to disclose the name of the proposed user due to non-disclosure agreement (NDA).

## Plan Evaluation

### Chapter 13, Zoning Regulations Review

#### 1. *District Provisions (B-3 Service Business District) – Section 1320*

Under the 2040 Comprehensive Plan, this site is guided as Retail Mixed Use on the land use plan and is zoned B-3. Retail sales and service are a permitted use within this district. The changes to the Master Plan that the Applicants propose are complementary to the use of the Subject Property.

The proposed site plan is attached as Attachment D. The table below provides the performance standards for the B-3 District and the preliminary analysis for the proposed development:

<b>Ordinance Requirements</b>	<b>B-3 District Standards</b>	<b>Proposed Development</b>
Maximum Floor Area Ratio (FAR)	0.8	Approx. 0.23
Maximum Structure Coverage	40%	23%
Minimum Landscape Lot Area	25%	Unknown
Minimum Front Yard Setback	50 ft.	140.5 ft.
Minimum Rear Yard Setback	20 ft.	37 ft.
Minimum Side Yard Setback	20 ft. (min)/ 40 ft. (total)	68 ft. (min) / 229 ft. (total)
Minimum Lot Area	13,000 sq. ft.	183,694 sq. ft.
Maximum Building Height	35 ft.	35 ft.

The proposed development meets the general district provision requirements.

## **2. Design Standards - Section 1325.05 and 1325.055**

### **A. Exterior Materials – Meets Requirements**

At least seventy-five (75) percent of the exterior building materials should be made of brick masonry, tile masonry, natural stone or its synthetic equivalent, decorative concrete plank, transparent glass or any combination thereof. Trim and other accent or decorative features may be metal, wood, split faced block, EIFS, or stucco. Undesirable materials include simulated brick, vinyl or aluminum siding, sheet or corrugated metal siding, plain concrete blocks or panels, brightly colored metal roofing or canopies, pre-cast tilt-up walls, and mirrored or reflective glass.

The Applicant is proposing to construct the building to match and complement the design of the existing buildings of Phase I and II. The use of similar materials and design features will seek to harmonize the development and maintain the City’s focus on high quality and timeless materials. The transparency requirements for businesses within the B-3 District have been considered in the development and the proposal plan will use opaque windows in the anticipated service areas. The non-primary facades will utilize rock face concrete masonry unit (CMU), utilizing colors consistent with the brick building material on the non-primary façade of the retail building in Phase II and the previously approved material in the PUD.

The building would be 19 percent brick masonry, 10 percent glass, and 2 percent stone, for a total of 30 percent. Rock face CMU comprises 54 percent, Phenolic Panels are proposed for 12 percent and metal storefront is proposed for the remaining 4 percent of the total façade area. Examples of Phenolic Panels can be found on newly remodeled Target Stores as shown on the image below and in Attachment D. The Phenolic Panels are a flat panel reinforced with wood fibers with a decorative surface that is resistant to weather and sun.

Building elevations are shown in Attachment E. The applicant has submitted a materials board to staff. The figure below illustrates the proposed building materials.



**B. Lighting – Meets Requirements of Zoning Code and PUD**

The Zoning Code requires exterior lighting to be consistent in type, design, scale, and color to create unity in the Districts. Exterior lighting for parking lots and buildings shall not be excessive and shall be directed at their intended purposes. The proposed plan includes wall mounted lights around the building, and area lights on 25’ poles in the parking lot and drive aisles. The proposed lighting is consistent with the use and the surrounding area.

**C. Screening and Fencing – Meets Requirements**

Screens and fencing help minimize adverse impacts of public nuisances, such as noise. The proposed dumpsters are located on the northwest side of the building, and are enclosed with galvanized panels. The plans do not identify any rooftop mechanical equipment. Staff recommends including a requirement screening of any rooftop equipment be constructed and located so as to completely screen them from view of adjacent streets as a condition of approval.

**D. Tree Preservation – Meets Requirements**

A Tree Preservation Plan is required as part of an application when City grading permit or erosion control permit is required. The Tree Protection Plan submitted by the Applicant shows that 30 caliper inches of significant trees are set for removal. The Ordinance allows 10% (3 caliper inches) to be removed without replacement. The remaining 27 caliper inches to be removed must be replaced at a ratio of 1 caliper inch for each 2 inches removed. The Applicant is required to replant 14 caliper inches. The proposed landscaping plan identifies a total of 15 caliper inches of replacement trees, and 134 caliper inches of new landscaping. The proposed replacement trees included a variety of deciduous and evergreen trees. As a condition of approval, staff recommends a landscaping letter of credit or escrow be required.

**E. Snow Storage – Meets Requirements**

Adequate area should be designed for snow storage such that clear visibility shall be afforded from the property to any public street. The Applicant is proposing to store snow in the southwest corner of the proposed site.

**F. Parking Setbacks – Flexibility Requested**

The City Code requires off-street parking spaces to be located a minimum of 20 feet from the right-of-way of any public street. Flexibility was granted for the parking spaces on the northern side of Phase I and II which are approximately 9 feet from the Red Fox Road right-of-way (ROW). The Applicant is requesting a similar reduction in parking setback from the ROW be granted due to wide County ROW on Lexington Avenue. The Applicant is proposing a 7.51 feet setback from the ROW. The approved Phase I drive through on the east side of the building adjacent to Lexington Avenue has approximately a three (3) foot setback from the ROW.

**G. Number of Parking Stalls – Flexibility Requested**

Per City Code 1325.06, there are general categories that determine the number of parking spaces that would need to be provided. Retail Sales uses must provide one (1) parking space for each 150 sq. ft. of gross floor area. The proposed plan would consist of a one-story 43,000 square foot grocery store and would require 287 parking spaces. The Applicant is proposing 207 parking spaces and 437 total for the development. The table on the next page breaks down the parking from the different phases and the approved PUD requirements.

<b>Phase I and II Parking Requirements</b>				
Land Use	Total Square Footage of Phase I & II	Required Stalls	Number of Stalls Provided	Parking Deficiency/Surplus
Retail - 1 space per 150 SF of gross sales floor space	32,262 sq. ft.	215	230	+15
<b>Proposed Phase III Proposed Parking</b>				
Land Use	Total Square Footage	Required Stalls	Number of Stalls Provided	Parking Deficiency/Surplus
Retail - 1 space per 150 SF of gross sales floor space	43,000 sq. ft.	287	207	-80
<b>Approved Master Plan Parking Requirements</b>				
Land Use	Total Square Footage	Required Stalls	Number of Stalls Provided	Parking Deficiency/Surplus
Retail - 1 space per 150 SF of gross sales floor space	65,313 sq. ft.	436	413	-23
<b>Proposed Amended Master Plan Parking Requirements</b>				
Land Use	Total Square Footage	Required Stalls	Number of Stalls Provided	Parking Deficiency/Surplus

Retail - 1 space per 150 SF of gross sales floor space	75,262 sq. ft.	502	437	-65
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At this time, staff has not seen an interior floor plan and cannot determine the required parking as the proposed project could host a variety of uses (retail, office, and storage). Each use is subject to minimum parking requirements in the Zoning Code and could offset the parking deficiencies.

**H. Freestanding Signs – Flexibility Requested**

Properties in Sign District 5 are allowed one freestanding sign measuring up to 100 square feet in area and not exceeding 16 feet in height. The Applicant would like to utilize the previously PUD approved monument sign standards. The approved monument signs measure 26 feet in height and have a total sign copy area of 171.9 square feet (see Attachment F).

**I. Wall Signs – Flexibility Requested**

Properties in Sign District 5 are allowed wall signs up to 80 square feet. The Applicant is requesting flexibly for a 90 and 180 square feet sign above the main entrances to the building (east elevation facing Lexington Ave) and a 90 square feet sign on the north elevation (facing previous Lexington Station phases and Red Fox Road).

**2. Traffic Study and Proposed New Lexington Avenue Access**

A traffic study has been prepared (see Attachment G). This study is currently being reviewed by the city’s traffic consultant. The study reviewed existing operations within the area, evaluated traffic impacts to the roadway network, and recommended improvements to the proposed development site. SRF and the Applicant are aware that the County intends to reconstruct Lexington Avenue between County Road E and I-694 in 2022, and included that in the evaluation. In summary, the proposed development is expected to generate approximately 165 a.m. peak hour, 398 p.m. peak hour, and 4,592 daily site trips. Results of the year 2023 build operations analysis indicate the Lexington Avenue/Target Road intersection cross-street approach movements are expected to have significant queuing and delay as an unsignalized intersection. The proposed eastbound approach vehicle queuing storage is limited (approximately 100 feet). Infrequently, when this storage is filled, queues are expected to extend into the parking lot, which may infrequently and for very brief periods of time, block parking maneuvers to and from the southernmost parking stalls along the east face of the proposed building. With a future traffic signal, the site eastbound queues are expected to be reduced significantly, however, they may continue to infrequently and for very brief periods of time, extend beyond the limited storage during the p.m. peak hour.

A new access driveway in alignment with the Target service road is proposed to be constructed during the project. The existing driveway on Lexington Avenue that serves Phase I and Phase II is a temporary access point that is scheduled to close. The proposed new access driveway at the southern end of the site is approved as the sole permanent access off of Lexington Avenue. The proposed new access/intersection would include a traffic signal. The proposed traffic signal is included in the Ramsey County Lexington Avenue reconstruction project that is anticipated to start in 2022. The Applicant has also worked with Ramsey County to determine the alignment of the right-turn lane from Lexington Avenue into this site, and have reached an agreement about this alignment.



before the Planning Commission to answer questions or give explanations regarding the proposal. Upon completion of the public hearing and its study and consideration of the application, the Planning Commission shall submit its written report, containing its findings, conclusions, and recommendations as to the application, to the City Council.

Under Section 1355.06 subd.4, an application for an amendment shall be administered in the same manner as required for a new application. Any structural alteration, enlargement or intensification change in site plan, or similar change not specially permitted, shall require City Council action and all procedures shall apply as if a new application were being requested; provided, however, that when such changes are deemed to be insignificant by the Zoning Administrator, the requirements of a public hearing may be waived.

### **Additional Review**

#### *Building Official*

The Building Official has reviewed the plans and has no additional comments at this time. A Building Permit will be required prior to any construction taking place.

#### *Public Works Director/City Engineer*

The Public Works Director/City Engineer has reviewed the plans and has provided the Applicant with a comment letter (Attachment H) and all comments shall be adopted herein by reference as a condition of approval.

### **Findings of Fact**

The Planning Commission must make a finding as to whether or not the proposed application would adversely affect the surrounding neighborhood or the community as a whole based on the aforementioned factors. Staff offers the following findings for consideration:

1. The Lexington Station development located at 3787, 3833 and 3845 Lexington Avenue operates under a Planned Unit Development (PUD) that was originally approved in 2013.
2. New building construction or site modification identified on the approved Master Plan requires the submittal of a Site Plan Review application prior to construction.
3. For building construction or site modifications not included on the Master Plan, a PUD Amendment is required.
4. The proposed change to the Master Plan from two buildings to a single building is a significant change to the current Master Plan.
5. A public hearing for a PUD Amendment request is required before the request can be brought before the City Council.
6. The Planning Commission conducted a public hearing on April 7, 2021.

### **Options and Motion Language**

Staff has provided the following options and motion language for this case. The Planning Commission should consider providing additional findings of fact as part of the motion to support their recommendation for approval or denial.

- Recommend Approval with Conditions: Motion to recommend *approval* of Planning Case 21-004 for a PUD Amendment and Site Plan Review of Lexington Station III at 3787 Lexington Avenue , based on the findings of fact and the submitted plans, as amended by the conditions in the April 7, 2021 Report to the Planning Commission:
  1. All conditions of the original Planned Unit Development shall remain in full force and effect.
  2. Prior to the issuance of a grading permit, all items identified in the March 4, 2021 Engineering Division memo shall be addressed. All comments shall be adopted herein by reference.
  3. 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.
  4. The proposed structures shall conform to all other regulations in the City Code.
  5. A Grading and Erosion permit shall be obtained from the city’s Engineering Division prior to commencing any grading, land disturbance or utility activities. The Applicant shall be responsible for obtaining any permits necessary from other agencies, including but not limited to, MPCA, Rice Creek Watershed District, and Ramsey County prior to the start of any site activities.
  6. Heavy duty silt fence and adequate erosion control around the entire construction site shall be required and maintained by the Developer during construction to ensure that sediment and storm water does not leave the project site.
  7. The Applicant shall be responsible for protecting the proposed on-site storm sewer infrastructure and components and any existing storm sewer from exposure to any and all stormwater runoff, sediments and debris during all construction activities.
  8. Prior to the issuance of a building permit, a landscape financial security equal to 125% of the cost of the landscaping to be installed on the site shall be submitted. The Applicant must submit a detailed cost estimate for the landscaping so staff can determine the final amount. Landscape financial security shall be held for two full growing seasons.
  9. Prior to the issuance of a building permit, the Applicant shall submit floor plans for review by staff.
  10. Separate sign permits shall be submitted for all signs on the site.
  
- Recommend Approval as Submitted: Motion to recommend *approval* of Planning Case 21-004 for a PUD Amendment and Site Plan Review of Lexington Station III at 3787 Lexington Avenue, based on the findings of fact and the submitted plans in the April 7, 2021 Report to the Planning Commission.
  
- Recommend Denial: Motion to recommend *denial* of Planning Case 21-004 for a PUD Amendment and Site Plan Review of Lexington Station III at 3787 Lexington Avenue, based on the following findings: *findings to deny should specifically reference the reasons for denial and why those reasons cannot be mitigated.*
  
- Table: Motion to *table* of Planning Case 21-004 for a PUD Amendment and Site Plan Review of Lexington Station III at 3787 Lexington Avenue: *a specific reason and information request should be included with a motion to table.*

## **Public Comments**

Staff published a notice in the *Pioneer Press* as per City procedure. Public notices were mailed out on Friday, March 26, 2021. No comments have been received as of the writing of this report.

## **Deadline for Agency Actions**

The City of Arden Hills received the completed application for this request on March 4, 2021. Pursuant to Minnesota State Statute, the City must act on this request by May 3, 2021 (60 days), unless the City provides the petitioner with written reasons for an additional 60-day review period. With consent of the applicant, the City may extend the review period beyond the initial 120 days.

## **Attachments**

- A. Application Narrative
- B. Location Map
- C. Approved Master PUD Site Plan
- D. Site Plans
- E. Building Elevations
- F. Monument Sign Plan
- G. Traffic Study
- H. Engineering Comment Letter
- I. Lexington Avenue Reconstruction Plans
- J. PowerPoint and Project Narrative