



DRAFT

Approved: June 8, 2022

**CITY OF ARDEN HILLS, MINNESOTA
PLANNING COMMISSION
WEDNESDAY, MAY 4, 2022
6:30 P.M. - ARDEN HILLS CITY HALL**

OATH OF OFFICE

Chair Vijums administered the Oath of Office to Commissioner Clayton Zimmerman.

CALL TO ORDER/ROLL CALL

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

ROLL CALL

Present were: Chair Paul Vijums, Commissioners Shelley Blilie, Joshua Collins, Marcie Jefferys, Jonathan Wicklund and Clayton Zimmerman (Alternate).

Absent: Commissioner Arlene Mitchell, Steven Jones and Kurt Weber.

Also present were: City Planner Jessica Jagoe and Councilmember Fran Holmes.

APPROVAL OF AGENDA – MAY 4, 2022

Commissioner Zimmerman moved, seconded by Commissioner Wicklund, to approve the May 4, 2022, agenda as presented. The motion carried unanimously (6-0).

APPROVAL OF MINUTES

April 6, 2022 – Planning Commission Regular Meeting

Commissioner Jefferys moved, seconded by Commissioner Wicklund, to approve the April 6, 2022, Planning Commission Regular Meeting as presented. The motion carried unanimously (6-0).

PLANNING CASES

A. Planning Case 22-004; 1152 Benton Way – *Public Hearing Not Required*

City Planner Jagoe stated 1152 Benton Way, the Subject Property, is zoned R-3, Townhouse and Low Density Multiple Dwelling District. It is designated for Low Density Residential Uses in the 2040 Comprehensive Land Use Plan. The subject property is the site of a single-family dwelling owned by the Applicants. Surrounding parcels to the North, East, and South are also zoned R-3, Townhouse and Low Density Multiple Dwelling District and designated for Low Density Residential Uses in the 2040 Comprehensive Land Use Plan. The parcel to the West is zoned B-2, General Business District and designated for Community Mixed Use in the 2040 Comprehensive Land Use Plan. Staff provided a detailed history of this neighborhood and the approval requirements for the Hunter’s Park development.

City Planner Jagoe reviewed the surrounding area, the Plan Evaluation and provided the following General and Variance Findings of Fact for review:

General Findings:

1. City Staff received a land use application for a variance request to the required combined side yard setback and landscaped area and increase the allowed structure coverage and floor area ratio at the Subject Property, 1152 Benton Way.
2. The Subject Property is located within the Hunters Park Planned Unit Development which was approved with flexibility in the development standards.
3. The Subject Property does not comply with the underlying R-3 district standards for lot size, combined side yard setbacks, structure coverage, and floor area ratio.
4. The proposed building addition would maintain the current side yard setbacks and be located 5.8 feet from the south side yard property line. The combined side yard setbacks would remain 11.6 feet.
5. The proposed addition would not require a rear yard setback variance.
6. The structure coverage is proposed to increase from 27% to 30% of the Subject Property. A variance is required to exceed 25% structure coverage of a parcel.
7. The landscaped area is proposed to decrease from 65% to 62% of the Subject Property. A variance is required to reduce landscaped area below 65% of the parcel.
8. The Floor Area Ratio (FAR) is proposed to increase from 0.31 to 0.36. A variance is required to increase FAR above 0.3.
9. The proposed addition of the subject parcel would conform to all other requirements and standards of the R-3 district.
10. The City Council has approved similar variance requests for other properties in the Hunter’s Park Planned Unit Development.

Variance Findings:

11. Variances are only permitted when they are in harmony with the general purposes and intent of the ordinance.
12. A single-family detached dwelling with an addition is a reasonable use within the R-3 District.
13. The nonconforming lot size for the R-3 District, which was approved as part of the Hunters Park Planned Unit Development, and the substantial amount of shared open space that is part of the development, presents a unique situation for the property owner.
14. The proposed addition will not reduce the existing side yard setbacks. The addition will not require a rear yard setback variance. The nearest dwelling unit to the south of the Subject Property is approximately 18 feet away.

15. The increase in lot coverage and the decrease in landscaped area are unlikely to have a negative impact on the Hunters Park Development, due to the abundance of shared greenspace throughout the development. There is a total of seven acres of Homeowners Association common greenspace throughout the neighborhood.
16. The variance request is not based on economic considerations alone.
17. The Applicants have received approval from the Hunters Park Architectural and Environmental Committee for the proposed addition.

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

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

Chair Vijums opened the floor to Commissioner comments.

Commissioner Wicklund asked what was behind the house on the west side.

City Planner Jagoe explained this was either the nature preserve or outlot.

Commissioner Wicklund questioned what the size of the proposed addition would be.

City Planner Jagoe reported the applicants are proposing to construct a 14' by 14' addition.

Commissioner Zimmerman inquired if this variance request was unique to this lot, because of the lot size.

City Planner Jagoe discussed the PUD amendment that was reviewed and process approved in 1985. She stated the original approval had varying standards by lot. She reported depending on the size of the addition requested by a lot, the variance needed for each property would be unique and there was no set standard.

Commissioner Zimmerman asked if this request would lead to additional variance requests.

City Planner Jagoe reported the City has heard four variances for the association in the past.

Commissioner Zimmerman questioned if the overall development should come forward versus the City having to review each variance request separately.

City Planner Jagoe stated when the development was approved it was granted the flexibilities that exist today. She indicated as circumstances change and homeowners want to make an improvement to the property, this was triggering variance requests.

Commissioner Collins requested further comment on the R-3 lot size requirements.

City Planner Jagoe indicated the R-3 zoning district requires lots to be at least 11,000 square feet. Further discussion ensued regarding the flexibility that was granted within the Hunters Park PUD when it was granted.

Commissioner Collins indicated his only concern with this request was with the floor area ratio (FAR).

City Planner Jagoe reviewed the FAR for the four variances that were previously approved for this development.

Commissioner Jefferys stated the challenges of applying the City's standards are difficult for this request. She asked if there were any other developments like this in Arden Hills.

City Planner Jagoe indicated there were other residential projects that have utilized the PUD process.

Chair Vijums asked when the other four variances were approved within this development.

City Planner Jagoe stated the variances were approved in 1986, 1997, 2009 and 2012.

Chair Vijums questioned what the structure to structure setback was referring to for this application.

City Planner Jagoe reported this was not in reference to a zoning code setback requirement, but this was mentioned as a consideration discussed in the original PUD for the review of flexibilities granted. In this case, the applicant would be maintaining the 18 feet from the adjacent structure.

Chair Vijums read a prepared statement with his thoughts for this planning case. He explained after reading through this case his initial thoughts were to deny or table the request. He stated he was troubled by the alternative set of regulations within the Hunter's Park development that supersedes the City's underlying zoning regulations. He indicated he did not understand the "flexibility" that was approved for this neighborhood. While he understood four variances were approved previously, he believed the Commission should not be forced into approving all variance requests. He was of the opinion that the homeowners purchasing lots within Hunters Park should be made aware of the fact their lots were non-conforming and he wanted to understand if there were practical difficulties with these lots. He reported in the past the Commission has adhered to City standards and he did not believe it was fair that this neighborhood did not have to.

Bill Guelker, 1152 Benton Way, thanked the Commission for hearing his request. He explained he no idea how complicated variance requests were and he thanked staff for all of their assistance. He reported he has lived in Arden Hills for the past 38 years and he has lived in the Hunters Park addition for this entire time. He noted he has served as the president of the Hunters Park Association over the years. He explained the land behind Hunter's Park was owned by Bethel University and Crepeau Park. He commented he did not believe his variance request would lead to numerous other requests. He discussed the proposed addition and noted he was hoping to add a 14' by 14' dining room onto the house to meet the growing needs of his family.

Adrienne Guelker, 1152 Benton Way, introduced herself to the Commission and thanked the Commission for considering her request.

Chair Vijums questioned if the applicant had considered other options for the addition, in order to avoid the need for a variance.

Mr. Guelker reported he had considered other options and noted the only thing that could mitigate the need for a variance would be to put the dining room on stilts and to leave the area underneath unfinished. He explained if the dining room were 12' by 12' he would not need a variance, but indicated this sized addition would not meet the needs of his family.

Commissioner Blilie stated she drove by the applicant's home and it was her opinion that no one would notice the proposed addition except the neighbors to the immediate right and left.

Mr. Guelker commented this was correct.

Chair Vijums asked if the Guelker's discussed the proposed addition with their neighbors.

Mr. Guelker reported a committee consisting of his two nearest neighbors and association board members voted to approve his addition.

Chair Vijums stated this was completely outside his comfort zone, having a separate set of rules for this neighborhood than any other neighborhood in the City of Arden Hills. He indicated he was having a hard time supporting this request, but understood four other variances had already been approved for the Hunters Park neighborhood.

Commissioner Wicklund indicated the staff report was very clear for this request and clearly articulates the challenges that the PUD has. He commented that past variance approvals are not a basis for current variance reviews and the four previous variances that were approved are a framework or guide. He explained the existing structure setbacks were not being requested to be removed, but rather the structure lines were being maintained, which he appreciated. He stated the property to the south would not be visually impacted by the proposed addition and noted the property to the north was offering their support to the addition. He was of the opinion a 14' by 14' variance was reasonable and explained he would be supporting the variance as requested.

Commissioner Collins stated the City completed an interesting study in 1985 to try and formalize the criteria for this neighborhood. He explained the Commission was being asked to apply a framework that was twice the size of this property. He commented on the flexibility that was written into this development and stated he would be offering his support for the variance requested.

Commissioner Jefferys reported the Commission may see more requests like this in the future as residents request flexibility for their living space. She noted this development was PUD which allowed for more greenspace with more dense housing. She supported the variance with the conditions for approval.

Commissioner Zimmerman commented this situation would require flexibility on an ongoing basis. He supported the homeowners association come forward and asking to change the requirements for lot sizes and setbacks for the overall development in order to eliminate the need for future variances within Hunter's Park.

Chair Vijums stated he understood this concern but reported this neighborhood would still require variances because the lots would never comply with City requirements. He believed it would be very difficult to establish any type of rules at this point for the Hunters Park development.

Commissioner Wicklund moved and Commissioner Blilie seconded a motion to recommend approval of Planning Case 22-004 for a Variance at 1152 Benton Way based on the findings of fact and the submitted plans, as amended by the two (2) conditions in the May 4, 2022, report to the Planning Commission. The motion carried unanimously (6-0).

B. Planning Case 22-007; 4440 Round Lake Road West – Site Plan Review – *Public Hearing Not Required*

City Planner Jagoe stated at their March 21, 2022 meeting the City Council reviewed a concept plan for a company called Saltbox. Saltbox offers flexible warehouse and office suites that are leased by individual businesses, usually startup/small digital commerce companies. The intent of Saltbox is to provide an all-inclusive collaborative workspace to small businesses by providing the essential operations and logistical infrastructure that enables a business to start and scale its growth.

City Planner Jagoe reported Saltbox will be remodeling the interior of the building to construct flexible work spaces that can be used as either warehouse, office, or some combination of the two. Suites will range in size from 76 sq. ft. up to approx. 2,000 sq. ft. The suites are constructed with 10' high modular walls that are open above with no ceilings. Each suite is equipped with power, HVAC, and Wi-Fi as well as access to a shared central loading dock for shipping/delivery needs. Each Saltbox facility is designed with conference rooms, huddle rooms/lounges, bathrooms, main entry/welcoming area, and a break room that are shared by the small business tenants. The facility is open seven (7) days a week from 6 AM to 11 PM.

City Planner Jagoe explained Saltbox employs Operations Specialists that handle the on-demand logistical services for receipt and delivery of packages, plus they are able to provide order fulfillment assistance to the small business owners. A package that is delivered to Saltbox is received by the Operations Specialist at the loading dock. The Saltbox employee then distributes smaller boxes to the individual suites or there is secured warehouse space for larger packages. Saltbox employees are onsite from 8 AM to 6 PM. The Applicant has stated this window of time is when 95% of their activity is expected to occur.

City Planner Jagoe indicated the Arden Hills location would be for 214 warehouse and office suites with an estimated maximum occupancy of 398 members and 15 Saltbox employees. Saltbox would say that their flexible business model means that the 398 members would not be at the facility at the same time, but rather come and go at the needs of their individual business. As part of the improvements to the property, the Applicant is proposing to reconfigure the parking lot layout that would result in the immediate addition of 36 parking spaces and also

identifies an area as proof of parking as a placeholder for future installation of parking spaces. Therefore, the Applicant is pursuing the Site Plan Review for the additional parking spaces.

City Planner Jagoe reviewed the Plan Evaluation and provided the Findings of Fact for review:

1. The Applicant has submitted an application for Site Plan Review to install striping for additional parking spaces at the subject property 4440 Round Lake Road W.
2. The Subject Property is located with the Gateway Business District and is guided as Light Industrial & Office on the 2040 Land Use Plan.
3. The Subject Property was developed prior to the City’s creation of the Gateway Business District and is considered to be legal nonconforming.
4. The Applicant intends to continue the utilization of the existing 113,565 square foot building for office and warehouse purposes in a manner consistent with the nonconforming regulations.
5. The Applicant will be reconfiguring the parking lot layout within the boundaries of the existing parking lot.
6. The proposed plan does not conflict with the general purpose and intent of the Zoning Code or the Comprehensive Development Plan for the City.
7. The application is not anticipated to create a negative impact on the immediate area or the community as a whole.
8. The proposed plan will not produce any permanent noise, odors, vibration, smoke, dust, air pollution, heat, liquid, or solid waste, and other nuisance characteristics.
9. The proposed plan is not anticipated to have any impact on traffic or parking conditions.
10. A public hearing is not required for Site Plan Review.

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

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

Chair Vijums opened the floor to Commissioner comments.

Commissioner Wicklund requested further information on the proof of parking.

City Planner Jagoe discussed the area that had been selected for proof of parking noting it would not be striped at this time, but could be in the future, if there was the need for additional parking.

Commissioner Collins asked if the 36 parking stalls would be in addition to the 108 existing stalls.

City Planner Jagoe reported this was the case.

Chair Vijums asked if there was any overflow parking for this property.

City Planner Jagoe commented there was no overflow parking lot. She noted there was not a lot of additional space on the property for parking. She reported on-street parking was not allowed on Round Lake Road. She explained Saltbox was aware of the number of parking stalls that was available to them and indicated Saltbox plans to manage the parking situation with their members through issuing access passes.

Chair Vijums requested further information on the history of this building.

City Planner Jagoe stated this building was previously owned by Deluxe Corporation and has been vacant for several years. She understood the interior of the building was being demoed in order to complete the buildout for Saltbox.

Chair Vijums commented Saltbox would not utilize the full 108 parking spaces from day one but rather would be building their clientele over time.

David Sorensen, Project Manager for Saltbox, reported this was the case. He explained the plans for the building were at about 90% and he has not yet applied for a building permit. He commented on the parking studies that were completed for the Dallas, Atlanta, Denver and LA Saltbox locations and noted the 108 spaces would be sufficient for the Arden Hills site. He indicated he supported adding the 36 striped spaces in order to more closely align with the City's parking requirements.

Commissioner Wicklund moved and Commissioner Zimmerman seconded a motion to recommend approval of Planning Case 22-007 for Site Plan review at 4440 Round Lake Road West based on the findings of fact and the submitted plans, as amended by the four (4) conditions in the May 4, 2022, report to the Planning Commission. The motion carried unanimously (6-0).

UNFINISHED AND NEW BUSINESS

None.

REPORTS

A. Report from the City Council

Councilmember Holmes provided the Commission with an update from the City Council. She explained the Council approved the CUP for the home occupation the Commission considered in April. She thanked the Commission and all of the residents for their comments regarding the home occupation. She noted the Council would be discussing food trucks at a future worksession meeting. She stated summer hours would begin after Memorial Day and City Hall would be open Monday through Thursday from 7:30 a.m. to 5:00 p.m. and on Fridays from 7:30 a.m. to 11:30 a.m. She explained the City added a new tab on its website for resident resources. She indicated the Council approved an EAB contract with Rainbow Tree which would include discounted tree removal services for residents. She then discussed the major street reconstruction projects that would be completed this summer, which included the parking lot at City Hall. She invited the public to attend the Touch a Truck event on Saturday, May 21 that would be held at Perry Park from 10:00 a.m. to 1:00 p.m. She encouraged the public to attend Scoops for Troops

at AHATS on Sunday, May 22 from 10:00 a.m. to 3:00 p.m. noting this was a fundraiser event for veterans and their families.

B. Planning Commission Comments and Requests

Commissioner Wicklund asked if the Council had any update on TCAAP.

Councilmember Holmes stated she had no update at this time.

ADJOURN

Chair Vijums moved, seconded by Commissioner Jefferys, to adjourn the May 4, 2022, Planning Commission Meeting at 8:14 p.m. The motion carried unanimously (6-0).