

PLANNING COMMISSION MINUTES - CITY OF INVER GROVE HEIGHTS

Tuesday, January 17, 2023 - 7:00 p.m.
City Council Chambers - 8150 Barbara Avenue

1. CALL TO ORDER

Chair Niemioja called the Planning Commission Meeting to order at 7:00 p.m.
The Pledge of Allegiance was recited.

2. ROLL CALL

Commissioners Present: Elizabeth Niemioja (Chair)
Jonathan Weber
Dennis Wippermann
Robert Heidenreich
Joan Robertson
Jaime Besser

Commissioners Absent: Kate Challeen (excused)
Scott Clancy (excused)
(Vacant)

Staff Present: Allan Hunting, City Planner
Heather Rand, Community Development Director
Stacy Bodsberg, Community Development Support Specialist

3. APPROVAL OF MINUTES

A. Approval of Meeting Minutes from the November 15, 2022 Planning Commission Meeting

Motion to approve the meeting minutes from November 15, 2022 as submitted.

Motion carried (6/0).

4. APPLICANT REQUESTS AND PUBLIC HEARINGS

A. Consider a Comprehensive Plan Amendment to change the guided land use from RC, Regional Commercial to HDR, High Density Residential for the property located at Blackshire Path and Upper 55th Street (Blackshire Flats/Landucci Construction - Case No. 23-01PA)

Reading of Public Notice

Commissioner Weber read the Public Hearing Notice to consider the request for Blackshire Flats/Landucci Construction - Case No. 23-01PA located at Blackshire Path and Upper 55th Street, identified by PID# 20-14161-01-010. The request consists of a Comprehensive Plan Amendment to change the guided land use from R-C, Regional Commercial to HDR, High Density Residential. Notices were mailed to 28 property owners on January 4, 2023.

Presentation of Request

City Planner Allan Hunting gave a presentation and summary of the staff report for the Planning Commission.

Mr. Hunting stated that the request before the Planning Commission would be to determine if the site was viable for commercial or residential.

Mr. Hunting mentioned that one letter was received via email from the Blackberry Office Park Association stating opposition to the request. There have also been numerous phone calls with general request questions.

Motion by Commissioner Weber, second by Commissioner Heidenreich, to accept the email into the record.

Motion carried (6/0).

Chair Niemioja addressed the letter stating the objections have to do with sharing the parking lot and access. She referenced the entry points and driveway and asked if an easement would be needed to provide access.

Mr. Hunting stated that staff does not look at that much detail in their review at this level application. He believed there should have been cross access easements created when the lot was created. He said the applicant would have to look into that information, staff will also check files.

Commissioner Robertson questioned if easements were in place, who owns the right to say how those easements can be used. She stated for example, the existing Blackberry Office Park Association. She questioned if they had control of how those easements were used.

Mr. Hunting stated that easements were typically written that there would be access easement for the benefit of Lot 1, Lot 2. They don't describe/define the type of use used along with who would maintain them. He was unsure of the specifics.

Commissioner Heidenreich questioned if Blackshire Flats paid for the easement if the new developer would have to buy some of the easement from them and share.

Mr. Hunting replied they would likely be a part of maintenance. He was unsure of what the easement documents said. That information would be determined once found. He said the Commission needs to determine if the property should be guided for commercial or residential. Everything would be exactly the same whether commercial or residential.

Commissioner Robertson stated there are questions the Commission doesn't have answers to relating to the easement. She asked about parking. She said the existing parking spaces for the Town Office Park Association could not be considered in the overall parking designation for whatever else goes into that space.

Mr. Hunting responded that regardless of the use the site would have to provide its own parking. Staff would ensure the applicant meets ordinance standards for parking on that lot.

Chair Niemioja asked what the setback requirements were for hard surface on the lot.

Mr. Hunting replied Upper 55th Street internal to property lines does not have any setbacks in the PUD. From Upper 55th he thought it was 10 feet for any drive aisle, 20 feet for parking, and with a building, 50 feet. There are no internal setbacks from the east, south, or west.

Commissioner Weber referenced a lot line internally from the grass on the east side. He said the easement was not only road access easement, but an easement would be needed through the other property to get to the property line.

Mr. Hunting replied in the affirmative.

Commissioner Wippermann stated that the property is currently designated regional commercial. He asked if the areas by Target and Walmart were also regional commercial and if there were other designated areas.

Mr. Hunting replied those were regional commercial areas. Other areas include Target, Argenta Hills, and Walmart in the Arbor Pointe area.

Commissioner Wippermann said the question for him would be if wanting to give up regional commercial property for residential.

Opening of Public Hearing

Nathan Landucci, Applicant and owner of Blackshire Flats and Landucci Construction, 13230 20th Street Court North, Stillwater, stated he has read and understands the report.

He shared that they are proposing a 27-unit building; high density development. Half of the units would be one bedroom, the other half, two bedrooms. They would have Class A building materials and balconies. He felt this was a great site for similar products they have done in terms of boutique market rate apartment buildings. There are other multi-family properties in proximity. He felt the use was opposite of the current use with the office park in terms of when people come and go and traffic.

He addressed parking stating that they have done a parking analysis. All parking would take place on site, they would not use any of the other neighboring parking. They have a surplus of parking based on their review of what is needed. He said with a building like this they propose having underground parking with three levels of housing and a rooftop patio.

Chair Niemioja inquired about information on the easement.

Mr. Landucci replied the closing attorney is looking into the easement but felt there was a cross easement. He said another option that was discussed was to connect directly to Upper 55th Street further west of the proposed location.

Commissioner Robertson questioned if the 27 units were rentals, townhomes or apartments.

Mr. Landucci stated that the proposed project would be a rental apartment building with nine units per floor.

Commissioner Robertson questioned if an assessment of the need for a typical apartment building was done.

Mr. Landucci replied yes, they have a consultant they use regarding need, existing housing stock in the area, comparables, size, target costs, and rental/market rates. He said the consultant believed this was a good product and fit for the community. He addressed traffic flows and patterns stating he thought there may be more issues with a commercial use than residential. He said the consultant thought this would be a better use for traffic flows considering the lot layout.

Paul Phelps, 5758 Blackshire Path, stated that he has owned his property in the Blackberry Town Office Park for 20 years and purchased it because the area would be an office complex versus a residential complex. The area had struggled with visibility issues as people thought they were a part of a housing complex in the beginning. He said he has spoken with others in the association who know this lot has been vacant for over 20 years. They were told a Vet Clinic would be in the space and believed that would be good addition to the complex. He said he would not have purchased the property if this was going to be a high-density housing complex. He felt if the property was valued at the right price for a commercial property someone would purchase it, they were asking too much. He did not believe there was an easement. He suggested taking the time to determine the easement before proceeding. He objects to this and felt the visibility would hurt their businesses. He said the access is not easy the way it currently is. There is no access coming from the east going west, parking is tight in the area, and it's worse with the snow. He questioned where the snow would go with the apartment building. He believed extra cars would park in the office complex. He said the association has done a really nice job maintaining the property and keeping it consistent with the plan. He mentioned that the office complex is currently full, it would be nice to have additional professional office space for citizens.

Commissioner Heidenreich asked how visibility would improve with commercial versus residential/high density.

Mr. Phelps replied it likely wouldn't be three stories. If commercial, it would be known to be a commercial area. With residential, people may think the office park are townhomes or apartments again.

Commissioner Heidenreich asked where the customers that use the office park live.

Mr. Phelps replied his customers come from all over, the same is probably true for the other businesses throughout the complex. Those visiting the dentist in the complex are likely from the community.

Commissioner Robertson mentioned it was referenced that the property was too much money. She asked Mr. Landucci if he has already purchased the property and what he found was the rate for a parcel like this.

Mr. Landucci replied that he purchased the property on December 1, 2022 for \$160,000. He did not feel that was a lot of money for a commercial property, he felt it was cheap. It was the cheapest he found in the Twin Cities area. He said he spoke with the commercial agent who said the ingress/egress was difficult for a lot of people. Some potential buyers were interested in having a drive thru which would make traffic worse in the direct area. He said with the apartments people would sign a one year lease minimum, and would know it's right in/right out.

Commissioner Robertson noted that the design is for 1.8 parking spaces per unit. She asked if Mr. Landucci anticipated that there would be adequate parking underground and above ground so overflow parking was not necessary to use the office park parking area.

Mr. Landucci replied that the parking lot study equated 1.8 cars per unit based on the building having 50% one bedroom/50% two bedrooms. He said they have not maximized the amount of parking they can have on the lot with the setbacks. The parking study showed a surplus of parking with approximately 6-18 spaces; they feel they have enough. If they don't people would not want to rent from them and there would be problems. He said this was his company, they plan on holding it long term. They develop, build, manage, and take care of the building. They want to be a part of the community for a long time. He said they don't see an issue with people parking where they are not supposed to even though it can happen. Mr. Landucci mentioned the three-story building would be 35 feet high, which is part of the Bishop Heights guidelines. An office building could be the same height. Compared to the buildings across the street, this is a small compact building.

Mr. Phelps stated that he knows things can be promised and that they can change. He said the biggest question is why they need to change this properties zoning. He asked why it couldn't stay commercial, why they couldn't build a commercial building, why residential.

Commissioner Robertson asked Mr. Phelps if he had experienced a need or wish from people wanting commercial there. Having been there as long as he has, she asked if anyone has gone to the association requesting this. She questioned why commercial has not gone in the location.

Mr. Phelps responded it was probably due to price; asking too much money for the lot. He asked why the applicant would not put commercial on the property instead of residential.

Commissioner Robertson replied the applicant is not in the business of commercial.

Mr. Phelps replied the applicant is in the business of building and could likely build a commercial building as easily as an apartment building. He said many have inquired about rental space in the office complex. If it was built, the renters would come.

Commissioner Heidenreich stated that buying the property could have been the perfect scenario to expand the office park. He asked why that didn't happen.

Mr. Phelps replied that he is not in the business of development. These are individual business owners that spend days, nights, and weekends in their businesses.

Commissioner Weber shared that there were three units in the office complex that are up for lease. He said regional commercial has sat there for the last 40 years. There has not been a developer wanting to put something there. He felt having a fast-food restaurant there would increase the amount of traffic coming in and out of the area. He said an office building would be a more intensive use than a small apartment building.

Mr. Phelps stated that he respectfully disagreed that a commercial office building being a more intensive use stating an apartment complex with two cars per unit would come and go, and potentially driving through the business complex. He did not feel a fast-food establishment would happen with how Upper 55th Street is designed. He felt the property was perfect for another office park.

Commissioner Heidenreich asked Mr. Phelps if he would be concerned that tenants would leave the current office park for the new office park and have better visibility. They could be in potential worse shape than having potential customers live on the site.

Mr. Phelps replied no.

Chair Niemioja closed the public hearing.

Planning Commission Discussion

Chair Niemioja mentioned that the Commission would need to assume there is an easement that would allow access. She said they could put a condition in the motion to reference the easement.

Commissioner Robertson agreed with the assumed easement in place. She said from a logical perspective commercial would seem to be the best but the property has sat there for years with no interest. She mentioned the goal is to serve the entire population of the city, they want to be held accountable for the best use of any vacant property. She felt it wasn't the role of the city to say they are going to leave it sit there. If a commercial entity was proposed for that space, they wouldn't be hearing a change in the amendment. She said a commercial property could be more obstructive to view, could have the potential to have less beneficial traffic flow, and may not address the issues of the office park association. Leaving it commercial means there is less control of what goes on the lot and what it looks like. She is open to approving a comprehensive plan amendment.

Commissioner Besser agreed that the current office park does resemble homes. She understood that an apartment complex in the front could make it look like a residential area verses a commercial area. She said the businesses could be hindered further without having a separate access point. She said she hadn't really noticed the applicant's property in the past, many could have assumed it was a part of the office complex. She thought that maybe the right people were not addressed. She would like to see it stay commercial.

Commissioner Weber mentioned the city has many pockets of different things. Looking at the area he thought of Gertens as being agriculture, not regional commercial. He referenced other regional commercial by Target, Arbor Pointe, and Cahill, that have vacant properties. He said this was something that services the area and is more beneficial to a greater number of individuals than just a few. He said that changing this property to HDR, High Density Residential would be reasonable by bringing more people into the area and servicing the businesses in the area. There would be walkability in order to use nearby restaurants.

Commissioner Wippermann said he was struggling with his decision but would prefer leaving it commercial.

Chair Niemioja mentioned that one of the factors for her was time. She was concerned with how long the property has sat vacant. She was less concerned about spot zoning because there was already a mix of both in that area. She said the city recently declined putting in high density residential near Walgreens. She did not believe there were a lot of spots left for high density residential in the city. She felt this was a good fit for a small spot on a property that has a strange layout. She said she was struggling with the visibility, but because it's not spot zoning and fits the area, she felt it was a good utilization.

Commissioner Heidenreich said he owns commercial property and was not opposed to having residents in his neighborhood. He stated if the easement doesn't exist, it gives the business tenant an opportunity to get better signage out. There would be shared maintenance on the portions of the easement. He felt it was a plus for the businesses, restaurants, and bars in the area. There would be an increase in traffic because of residential. He felt those in the office park would also see increased traffic and business. He is in favor and would vote yes.

Commissioner Weber asked if a condition could be added that this will not change if there is not an easement present.

Mr. Hunting replied he was unsure if that would be legitimate. Not having an easement would have the same issue regardless of use. It's not directly related to a change to high density. He said the request doesn't bring up the cross-access easement; that would exist no matter what. He did not believe it was a relative condition to put on because it was not pertaining solely to this change. It exists today.

Chair Niemioja stated if there isn't one, they might not be having this discussion. Commissioner Heidenreich mentioned if an easement doesn't exist, they would put in their own approach and access. If it does exist it gives the businesses a chance to work together.

Community Development Director Heather Rand stated this was a comprehensive plan amendment about zoning. What is proposed may never come to fruition. She suggested keeping with the conversation about the potential change of zoning for the applicant's property.

Commissioner Robertson commented that this makes her think of the currently undeveloped property by Highway 55 and Argenta Trail. There was objection to change the zoning at that time. It's still currently commercial, there is still nothing there. She felt this was similar except it's been 20 years. She did not believe the city needed more land where nothing happens.

Planning Commission Recommendation

Motion by Commissioner Weber, second by Commissioner Robertson, to approve the Comprehensive Plan Amendment from RC, Regional Commercial to HDR, High Density Residential with the three conditions listed for Blackshire Flats/Landucci Construction - Case No. 23-01PA located at Blackshire Path and Upper 55th Street, identified by PID# 20-14161-01-010.

Motion carried (4/2). This item goes before the City Council on February 13, 2023.

5. OTHER BUSINESS

A. Election of Vice-Chair

Chair Niemioja stated that with Commissioner Scales now being a City Councilmember, an election for Vice-Chair needs to be conducted.

Chair Niemioja mentioned that she has heard from one Commission member who is interested in the position of Vice-Chair.

Motion by Commissioner Wippermann, second by Commissioner Robertson, to nominate Scott Clancy for the position of Vice-Chair.

Motion carried (6/0).

6. ADJOURN

Motion by Commissioner Weber to adjourn the Planning Commission Meeting at 8:09 p.m.

Respectfully submitted, Sheri Yourczek, Recording Secretary