



**City of Newport
Planning Commission Minutes
June 9, 2016**

1. CALL TO ORDER

Chairperson Mahmood called the meeting to order at 6:00 P.M.

2. ROLL CALL

Commissioners Present – Anthony Mahmood, Kevin Haley, Marvin Taylor, David Tweeten

Commissioners absent – Matt Prestegaard,

Also present – Deb Hill, City Administrator, Renee Eisenbeisz, Asst. to the City Administrator, Sherri Buss, TKDA Planner.

3. APPROVAL OF PLANNING COMMISSION MINUTES

A. Planning Commission Minutes of the May 12, 2016 Meeting.

Chairperson Mahmood - It said that Matt was here last time and he wasn't.

Motion by Haley, seconded by Taylor, to approve the May 12, 2016 Meeting Minutes as amended. With 4 ayes, 0 Nays, 1 Absent, motion carries.

4. COMMISSION AND STAFF REPORTS

A. Public Hearing – To consider an application from MWF Properties, Inc. for approval of a Conditional Use Permit Located at 150 Red Rock Crossing

Sherri Buss, TKDA Planner, presented on this item as outlined in the June 9, 2016 Planning Commission packet.

The Public Hearing opened at 6:10 p.m.

The Public Hearing closed at 6:11 p.m.

Commissioner Tweeten - Some of it comes down to the fact of our plan and what they are responding to. They're responding to our 2011 amendment, which itself, didn't turn out how the plan forecasted.

Ms. Buss - That's because the original plan was for rail and it changed to bus without any consideration on land use.

Commissioner Tweeten - That seems to be a big change. It seems telling that we've sat on this property for a while until a subsidized project came along and I'm not convinced that such a project is going to lead to further development in the direction we want that place to go. Is it still going in the direction we wanted it to go in 2011? It seems counterproductive to have workforce housing in a workforce community, that's what Newport is. We're not struggling to find affordable housing here, we're struggling to lift property value. On a design tip, it is sort of a fortress with its back to the street, we're not getting the mixed-use, main street gateway that I think is called for in that plan. It faces the bus station. There won't be any entrances for a pedestrian walking by. That's understandable

from a designers standpoint, that's a busy street and you want to protect yourself from that. Maybe that's not a good place for a residential development.

Ms. Buss - It's a challenge. Unfortunately when it changed to a bus, it came without an opportunity to redo the zoning. We have to evaluate this against the zoning we have in place.

Commissioner Tweeten - Yes and that does include mixed-use, pedestrian level activity and street facing buildings.

Vice-Chair Haley - I would concur with everything you said. I don't like the use, I don't like the way the building is sitting there. That's not the intent of this area, I don't like it.

Commissioner Taylor - I generally think this is a good project. That area is a messy landscape right now. We've crafted a vision for it, it'll take a long time for that vision to take root. I think it'll be hard to come up with something significantly better than this. I think they worked within the framework. The density for that district is pretty high, the building follows the profile. It's our plan. I think it'll be a challenge to transition that area to something vibrant. It doesn't have mixed use on the first floor but I think it would be difficult to get something in there. I think it's a solid investment in a part of town that hasn't seen investment beyond the transit station. That's the big picture I take on this project.

Chairperson Mahmood - To get to some of the issues, the open space, is that something we have any control over at all? It's not going to be a park, it'll be private property.

Ms. Buss - We say that they need to dedicate 10% for open space, we haven't said that it needs to be public. I think the idea was that it's open space for the residents living there. You can make recommendations if you want it more open to the public. As a basic minimum, we require that they show seating and amenities. They need to do that, if you want it to come back to you, you can recommend that.

Chairperson Mahmood - I just want to make sure we have some teeth and say how we want it to be.

Commissioner Tweeten - Is there any flexibility to their parking lot?

Ms. Buss - You could ask them to look at the option of having an agreement with the County to share that parking lot.

Chairperson Mahmood - It sounds like some of the concerns with the Commission are that it's aesthetically not pleasing and we're trying to have it look nice. We want people to come in and want to build retail across the street.

Vice-Chair Haley - They're meeting the requirements in the zone that was established before any of us were on the Commission.

Councilman Ingemann - The reason the building is there is because the Council wanted to put it against the railroad tracks and we said no. They are looking at the north part for businesses.

Ms. Buss - You can ask for more information on open space, suggest a reduction in parking or to discuss with Washington County about shared parking.

Vice-Chair Haley - Do we require those islands?

Ms. Buss - We have it in our code, I told the applicants that they could address landscaping on the edge of the parking lot instead of the islands.

Vice-Chair Haley - Those are taking up like 8 spaces. If they could get rid of those and extend the open space, that would be nice. Can we agree to get rid of them?

Chairperson Mahmood - Yes.

Ms. Buss - Ok.

Commissioner Taylor - You were talking about linking the age of the residents with the space and that makes sense. Maximizing that and linking it to the residents is a big thing to the livability of that space. That's the only outdoor space for those residents. That space does matter a lot so the bigger we can make it the better. Having a good space, especially for young kids, is essential.

Ms. Buss - Would you be leaning towards tabling it and asking them to come back with changes related to the open space, reduce the parking, look at shared parking, and expanding the area? Or you can put that into the conditions and approve it tonight with that condition.

Vice-Chair Haley - I would go with adding the condition.

Ms. Buss - So we'll craft some conditions for this that say that you are requesting that the applicant look at options for expanding the open space.

Commissioner Tweeten - I have some concerns. By making tweaks here and there, we're ratifying an obsolete plan and going forward with it regardless of the fact that there's no light rail.

Chairperson Mahmood - The problem is that they meet the requirements of the current zoning.

Ms. Buss - The questions are with the design guidelines and how this relates to the street, open space, and pedestrian use. Do you want them to go back and do some significant changes to the plans to have orientation towards the street and have more open space?

Commissioner Tweeten - I would like to have some confidence that this will be a development that moves forward. Will commercial follow a subsidized housing project or is this a one-off subsidized building that goes up and the market won't support another development.

Ms. Buss - I haven't seen it but the County has worked with the HRA for this area to have housing on this corner and straight to the north and some type of commercial or industrial uses on the rest. The market study that the HRA did suggests that housing, particularly subsidized housing, there's a market for it here but not for retail use. When we made the plan, we hoped that the transit station would do better and there'd be a market for coffee shops, daycare, drycleaners, etc. Retail is probably not likely in this area, maybe some other kinds of business park or industrial uses or offices.

Commissioner Tweeten - I don't think we should coast on the plan of 2011.

Ms. Buss - We have this before us and to a large degree it meets the minimum standards. It'll be hard to deny it.

Commissioner Tweeten - Can the design standards be made conditional?

Ms. Buss - Yes but we don't say that there has to be mixed use on every site.

Barb Dacy, Executive Director of the Washington County HRA - I wanted to comment on the broader picture of Red Rock Crossing. It's not a one-off approach. We have put together market studies and have had ongoing conversations with private developers about this area. Sherri is correct that there is a 2011 market study. We just updated that in 2015. In general, the findings were the same. There's a significant demand for housing, both

affordable market rate and senior. There is also a demand for industrial and job creating businesses. The demand for retail was not as great in both studies. When you look at that area, the first question you have to ask is how can we jumpstart development and show the marketplace that this is a good place to live and work. The transit use is an amenity. There's a broader plan to get connections down to the parks as well. Part of our work is that we went to the development community and asked them how to jumpstart it. Because the amenity piece is still being developed, it's difficult to attract a market rate housing developer. However, with the affordable housing development, it offers some amenities and addresses a community need. The developer feedback said to start with something that can be done and get financed. The advantages of this development are fourfold. First off, it's \$10 million of investment from a private developer. The folks that will be living there, it's workforce housing. They either work in the community or general area. Newport has a need for new types of housing. These folks will support the local area. It can get done within the next year, it's new housing options that will attract younger folks, it has more current amenities, and it can help jumpstart developer interest. It's a first step and is part of an overall planned approach to help rejuvenate this area.

Vice-Chair Haley - How does this benefit the community by using TIF money in this environment other than helping the builder but up a building? It doesn't help our community that I see.

Ms. Dacy - It helps by rejuvenating the area by creating new housing opportunities and jobs. It creates construction jobs but there are other opportunities in the redevelopment area that we're trying to work on simultaneously to attract new businesses. If you think of the area south of the railroad spur, we're starting to acquire properties and create developable properties for mixed use. The purpose of TIF is to help with that acquisition.

Ms. Buss - We should be clear, there is no TIF for this use.

Ms. Dacy - The developer is requesting tax increment but in order to accomplish the acquisition and the relocation, there will need to be TIF districts created to help pay for those expenses. It's all part of an overall plan to rejuvenate this area.

Commissioner Tweeten - I don't see residents of this place, clambering for anything. They are right off the highway for Cottage Grove and Woodbury. They won't be going to the other side of the highway.

Commissioner Taylor - I don't see why not, I go over there.

Ms. Buss - That'd be difficult to say. I think for tonight, this meets the ordinance requirements. If something meets the ordinance requirements and can agree with reasonable conditions, we need to approve it. The question for you is do you want them to go back to the drawing board and show how they will meet the design guidelines or does that not make a difference. The issues are the bigger issues of the area and we can't address that tonight.

Vice-Chair Haley - I'll vote to approve this right now with some of the conditions. I personally don't like it but I don't feel we can do anything with the established zoning. It meets the minimum requirements.

Chairperson Mahmood - Three years ago we talked about this and went on a bus tour and it kind of fizzled out but we're here again. I've been on the platform that if we build something, other things will happen. Whether this is exactly what we're looking for or not, it's a start. If we have to tweak some things to accommodate the residents, then let's do that and get it started. I don't think we need to talk about everything. Let's bring it to a vote.

Gale Libby, Wilson Lines - I think we're trying to put a square peg in a round hole here. One of the biggest problems Newport has had is a mix of residential and business. We get noise complaints, it's a continuous battle. We have two sites here with Raceway to Fun and Knauff, why don't we put a development there. I can't see too many seniors living in that area. When the wind is just right, the plants stink. We've been having trouble with kids vandalizing our trailers. We were in one trailer and it was full of needles. It's impossible to catch anyone. With low income housing, I just see that being worse. It'll increase the police activity. Everywhere around here, you see

businesses being built. Why can't we get some businesses that offer more than the minimum wage. They're building them in Woodbury and Cottage Grove and South St. Paul. This is not a good mix here. It'll create more problems. Let's do something right. The area on Glen and 10th is the worst part of Newport and now we'll have it there. I know we're not the most attractive area of Newport but we don't need a conditional use permit. I just don't follow the thinking. Cemstone owned that property and they got kicked out. They built a first class facility in South St. Paul. It's a beautiful place. That whole area is trucks and now we're trying to get a round peg in there. I don't understand the thinking.

Ms. Buss - I think the question is do you want to approve this tonight, do you want to see more design work, or do you just want to make that a condition of approval.

Commissioner Tweeten - Our hands aren't tied. We do have the requirement that the use not be detrimental or endanger the public welfare.

Ms. Buss - If you want to craft a denial, we can go there. I'm not getting that feeling from the other three. If you feel that way, we can craft a denial.

Vice-Chair Haley - I would be more than willing to let David craft that. I agree with what he's saying and what Gale is saying but I'm concerned we don't have a leg to stand on.

Commissioner Tweeten - What did I hear, 60% of kids at Newport Elementary are on assisted lunch.

Ms. Buss - That's not a basis for denial.

Commissioner Tweeten - But it forms the backdrop on where we're putting another use.

Chairperson Mahmood - What I'm hearing is that we'll have a split vote or we table it until we get some more information on the design work.

Ms. Buss - That's up to you.

Vice-Chair Haley - My feeling is that we could drag this on and make them miserable and still not change anything because of the zoning. I think they would be conducive to the parking because it benefits them.

Ms. Buss - A lot of that will be visitor parking. Would you like to see the revised conditions?

Chairperson Mahmood - Yes please.

Motion by Haley, seconded by Taylor, to approve Resolution No. P.C. 2016-7 as amended. With 3 Ayes, Tweeten voting Nay, and 1 Absent, the motion passed.

Vice-Chair Haley - That area is a great industrial area, I wish we could expand it more in industrial.

B. Public Hearing – To consider amending Chapter 1350, Section 1350.14 (a) to remove standards for building coverage and add standards for lot coverage in each district

Sherri Buss, TKDA Planner, presented on this item as outlined in the June 9, 2016 Planning Commission packet.

Public Hearing opened at 6:51 p.m.

Marty Victoris, 2154 Hastings Avenue - I'd like to know what it's about. I haven't seen it.

Vice-Chair Haley - Before it was just building coverage, we've added all impervious surfaces to it.

Ms. Buss - We're going up to 75% in all of the Mixed-Use, Business, and Industrial Districts except for MX-1. It's 80% in MX-1.

Public Hearing closed at 6:52 p.m.

Motion by Haley, seconded by Tweeten, to approve Resolution No. 2016-8 as presented. With 4 Ayes, 0 Nays, 1 Absent, the motion carried.

C. Industrial Buffer District

Sherri Buss, TKDA Planner, presented on this item as outlined in the June 9, 2016 Planning Commission packet. Staff will be meeting with the Refinery on June 15, 2016. As such, the Planning Commission would like to wait to discuss it at the July meeting. The Planning Commission's main concern is that they are taking away from the City's tax base.

5. NEW BUSINESS

6. ANNOUNCEMENTS

A. Upcoming Meetings and Events:

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|----------------------------------|---------------|-----------|
| 2. City Council Meeting | June 16, 2016 | 5:30 p.m. |
| 3. City Council Meeting | July 7, 2016 | 5:30 p.m. |
| 4. Heritage Preservation Meeting | July 13, 2016 | 5:00 p.m. |
| 5. Planning Commission Meeting | July 14, 2016 | 6:00 p.m. |

7. ADJOURNMENT

Motion by Tweeten, seconded by Haley, to adjourn the Planning Commission Meeting at 7:00 p.m. With 4 Ayes, 0 Nays, 1 Absent, the motion carried.

Signed: _____
Anthony Mahmood, Chairperson

Respectfully submitted,

Renee Eisenbeisz
Assistant to the City Administrator