

City of Excelsior
Hennepin County, Minnesota

MINUTES
EXCELSIOR CITY COUNCIL WORK SESSION

APRIL 20, 2015

1) CALL TO ORDER/ROLL CALL

Mayor Gaylord called the meeting to order at 6:05 p.m.

Present: Councilmembers Beattie (arrived at 6:08 p.m.), Caron, Fulkerson, Miller (arrived at 6:08 p.m.), and Mayor Gaylord

Absent: None

Also Present: Planning Commissioners Busch, DiLorenzo, Duyvejonck, Honzl, Wallace, and Chair Craig

City Manager Luger and City Clerk Johnson

2) AGENDA APPROVAL

Fulkerson moved, Caron seconded, to approve the agenda. Motion carried 3/0.

3) JOINT WORK SESSION WITH THE PLANNING COMMISSION

Mayor Gaylord stated that the City Council meets with the Planning Commission annually to discuss the Commission's goals. Mayor Gaylord referred to the Commission's 2015 goals, as listed in the Council's packet, and asked whether the Commission has any changes to these goals:

1. Assess Additional Parking Recommendations (the Planning Commission would like to focus on parking meters)
 - Continue assessing remaining Parking Task Force recommendations
 - Determine how to value parking and whether to contract with a parking management company to control parking and collect fees for the City

Council discussion:

Mayor Gaylord stated that the Commission has been working on this item. He said that this topic has stirred up a lot of controversy in the community. Mayor Gaylord said that he thinks this goal is the Commission's number one priority and that it should be kept on the Commission's goals list.

Fulkerson said she was surprised that the mobile food truck ordinance was approved at the last Council meeting. Luger corrected that the ordinance at the last Council meeting was a first reading of an ordinance that does not allow them on public property. Richards said the ordinance limits the number of food trucks considerably, by allowing food trucks only on private property.

3) JOINT WORK SESSION WITH THE PLANNING COMMISSION - *Continued*

Mayor Gaylord said the Commission put together a detailed ordinance that was well done, but he said the Council decided to go in another direction.

2. Explore Modifying the Planned Unit Development Review Process (Joint Item with the Heritage Preservation Commission) – *The City Council is currently reviewing*

Council discussion:

Luger said that the ordinance regarding the Planned Unit Development Review Process is on the City Council agenda for a second reading at the May 4, 2015 Council meeting.

3. Review Design Standards (Joint Item with the Heritage Preservation Commission) – *The Steering Committee is currently working on this objective*
4. Evaluate Application Standards for Commercial Applications (Joint Item with the Heritage Preservation Commission) – *The City Council is currently reviewing*

Council discussion:

Luger said that this item is coupled with Planned Unit Development standards and will be on the next City Council agenda.

5. Analyze Property Storage Ordinances to Eliminate Multiple Trailers, Cars, etc. – *The City Council is currently reviewing*

Council discussion:

Mayor Gaylord said that there was some progress with the Police Department Coordinating Committee to have Community Service Officers do inspections, write letters and issue tickets. Luger said this should be on the next Council agenda.

Caron asked if the Community Service Officers will meet with the property owners; Luger said no, a citation will be issued instead. Caron asked if that will be a surprise to people and if there will be numerous appeals brought to the City Council.

Luger said that the way enforcement will be conducted will be discussed with the Council at their next meeting. Luger mentioned there is one property in Excelsior that has military vehicles that the City cannot do code enforcement on because the property has been grandfathered in. The City was unable to prove the ordinance prohibited equipment from the time the equipment was brought in. Fulkerson asked if this is railroad property; Luger said part of it is. Luger said that she believes the owner has post-traumatic syndrome. Caron

3) JOINT WORK SESSION WITH THE PLANNING COMMISSION - *Continued*

said she remembers that some of the owner's medical reasons were brought to the Council and that the Council allowed for those extenuating circumstances. Caron said if a clear policy is put in place, it needs to be enforced. Luger said she thinks it was because it was not zoned residential at the time the equipment was brought in. Luger said there was a lot of discussion on this item and that the City has done all they can with this property.

It was stated in staff's memo in the Council's packet that the Planning Commission was interested in adding the following goal:

6. Review and Develop Green Technologies/Sustainable Development Standards and Policies

Duyvejonck said that she thought this goal had been removed the list.

Caron said that she has heard that the Planning Commission was discussing what could be done about future planning.

DiLorenzo said he was thinking of ways to get ahead of issues on usage at The Commons. DiLorenzo asked if the Council has priorities that they would like the Commission to focus on.

Beattie said that the Steering Committee is currently working on process-oriented issues and could seek feedback from the Planning Commission. Beattie said he attended the last Steering Committee meeting and said there are issues to figure out and that there should be buy-in from both the Planning Commission and the Heritage Preservation Commission. Mayor Gaylord said the Planning Commission will be reviewing the Steering Committee's draft ordinance.

Mayor Gaylord stated that, at a previous Council meeting, residential guidelines were discussed that included volume of housing. Richards said that the Planning Commission is working on this. Smith said that the Planning Commission has spent about four months analyzing what has been built in Excelsior over the last several years. He said this should be coming to the Council for discussion soon.

Caron said broader topics include the parking issues from changes in use that have occurred, along with adding new restaurants, which, at some point, she said the City may reach the point where there is no more space available for parking. Caron questioned how much development is wanted in the Excelsior community and what the impact is of that development. She asked whether those issues can be solved. Caron said there is a way to add parking but at a significant cost. She questioned how the City will pay to maintain it.

Mayor Gaylord mentioned the idea of Victor's on Water with standing room only. Honzl said the Commission is planning to discuss this at their next meeting.

3) JOINT WORK SESSION WITH THE PLANNING COMMISSION - *Continued*

Wallace said that he thinks businesses should meet the fire capacity for number of occupants allowed versus the number of seats. Honzl said that this may be a way to approach local restaurants that get very busy. Craig asked how far the Council wants to go with this because there may be standing room only at every restaurant in Excelsior. Caron said these are the things the Commission really needs to discuss.

Caron said the Commission should also discuss building height in commercial areas. She said the community is going to have to talk about future development. Caron said it's not just parking but how to get in and out of the city easily.

Mayor Gaylord said that valet parking may be a trade-off and said that it makes sense if cars are parked in areas other than public parking. DiLorenzo said that the Commission has a recommendation coming to the Council soon. He said there has been a lot of good discussion.

Miller said there needs to be more work on establishments similar to Scuzi. He also said the Commission should think about the relocation of Gary's First Class Care and what the City may want to see in the current location. Miller said another item is that the TCF Bank could be easily redeveloped. He said the City should think about options for these two locations.

Mayor Gaylord also added that the 810 Excelsior building is an area for redevelopment. He said that the Council is going to consider lease agreements at the April 20th Council meeting. Mayor Gaylord questioned the best use for this location, along with the BayView Event Center parking area. He questioned if the BayView parking area needs to be redeveloped. Craig and Honzl asked if that property is City property; Mayor Gaylord said no, that this is private property.

Miller said that, in terms of redevelopment, another location for consideration is the 339 Third Street building. He said that the Planning Commission should be involved in the process. Miller said that the possible tenant revenue is huge and that the Commission should be involved in those discussions, also.

Richards said the easiest way to control restaurants is through Liquor Licenses and the Planning Commission has been asked to discuss this.

Caron said there is also the question of rooftop establishments. She said there is a distillery request on the Council's agenda tonight. She said it would be essentially a bar. Caron said anything that is a popular trend seems to find it's way to Excelsior. She said the question is what makes sense for Excelsior as a community.

Mayor Gaylord said, on the same line as the distillery, that the rent on the Jackie's space at 219 Water Street is \$6,000 to \$8,000 per month. Caron said that's really an outlier number and the talk amongst the business community is that this is not the range in Excelsior. Depending on the business and how long it's been here, and size of space, Caron said rent is usually \$2,000 to \$2,500 per month.

3) JOINT WORK SESSION WITH THE PLANNING COMMISSION - *Continued*

Miller said that the restaurants have forced up rents. He said the restaurants have been so successful and may be pricing out the other businesses. Caron agreed but also said that it is incredibly costly to convert a space to a restaurant.

Craig said the building owner wants to get as much money as possible. Miller said the dilemma Excelsior is getting into is that the Council can't let them all go to restaurants but, if spaces can't fill, then there may be empty spaces. Craig said the Council needs to decide on that balance before the Planning Commission does.

Caron said that the Council did this for Liquor Licenses but that the Council is now asking the Planning Commission for more input. Craig said opinions are good but the best question is the rent. Caron said then they will either get it or not and those businesses will fail or not and the landlord will have to make an adjustment to keep good tenants. She said smart landlords try to find the right amount of rent to keep that balance.

Luger said that part of this is the formula business ordinance. Honzl said this will take plenty of time to work on. Craig agreed. Beattie asked if the Commission has looked at it recently. Richards said that Attorney Staunton put this topic on hold. Luger said Staunton is flagging some issues on it and that Excelsior would be the first city in Minnesota to do it. She said she's heard that the Commission is very passionate about it, so the Commission is looking for the Council's input on it. Beattie said he would like some updated opinions on it. Wallace said there was a lot of effort and asked if it is worth that effort, since Sports Cuts and other businesses are already here. Honzl said that's not a reason to walk away from it. She said it would be used for areas of redevelopment. Duvejonck said a lot of work was done and there was some legal comment on it that identified some risk involved. She said the question is where does the Council want the Commission and staff to spend a lot of time. She said the Commission is looking for priorities and direction from the Council.

Beattie said there are ways to deal with how a formula business would design it's structure for Excelsior. He said he thinks it's worthwhile.

Richards said that Staunton said he was more comfortable looking at signage and design aspects. He said that the blanket ordinance that the Commission worked on may have gone a little too far and was too broad. Richards said maybe it should be just one area to look at for formula business regulations.

Beattie said it's worth getting feedback for the design standards, in relation to formula businesses.

Miller said the formula business issue is important and that he would like to see the Commission work on this. He said there will be a temptation for those type of businesses to come into Excelsior now and that the City should get ahead of it. Miller said once those businesses turn over, they wouldn't be grandfathered in.

3) JOINT WORK SESSION WITH THE PLANNING COMMISSION - *Continued*

Duvejonck said where Staunton felt more comfortable was the couple blocks of Water Street. She said the Commission could use some input on this and whether it's reasonable to limit it. Honzl said a lot of stuff that is being developed would not fall into that area.

Caron said that there are ways to make a formula business non-desirable and that's through design standards and signage. She said these projects come forward as Planned Unit Development (PUD) and the flexibility that comes into play causes the Council to have to compromise. She said if the Council is serious about it, they need to follow up with TCF redevelopment so it doesn't fall into what was done across the street.

Craig said that the Commission did recommend much more strict signage regulations for the Oppidan development. Miller said the Council did compromise but it's because it was in the comprehensive plan to get a grocery store.

Craig asked if the Commission should address in the PUD process the design standards and signage. She said if that's the nature of the PUD, the Commission wants to tighten up on that but it's a PUD so they can't. Caron and Richards both said that's something that could be looked at closer.

Mayor Gaylord asked if the Commission is looking at the B-1 district; Richards said yes. Richards said specific regulations would be just B-1.

Duvejonck asked if the couple of blocks on Water Street would have a formula business restriction. Outside of that formula business restriction, she said the Commission could look at design standards and signage. She said the Commission was starting to go there but are looking to find out if they should go down that path. Miller said he would like to see it extend all the way to County Road 19.

Duvejonck said that there was a difference of opinion within the Commission. She said that the Commission received legal guidance that it would be easier to pass legal review if it were just B-1.

Mayor Gaylord said the City needs to be very clear that the current businesses are okay. Craig said that is the hardest part. Mayor Gaylord said the City doesn't want those businesses to go away. Honzl asked if they would be grandfathered in. Duvejonck said yes but that they wouldn't be able to move elsewhere within the City.

Mayor Gaylord asked if the the Commission has talked with those businesses. Luger said there was discussion at a Retailer's Meeting.

Mayor Gaylord directed the Commission to explore formula business, design standards and signage for the whole City.

Beattie suggested that the formula business be extended to County Road 19.

3) JOINT WORK SESSION WITH THE PLANNING COMMISSION - *Continued*

Caron commented there is a new Walgreens in Wayzata that is a very different building design. For purposes of seeing what can happen with the type of building the City can get franchises to build, Caron said this is a good example of what the City can require from a national company. Beattie said the point is the City can use design on how a national brand will operate. Honzl said some don't like that restriction but it can work.

Mayor Gaylord said the first goal is that the Commission needs to focus on understanding the vendors that are out there and bring in some examples on how that could work. Luger said that's been done.

Mayor Gaylord asked if the Commission has done analysis for the east and west lots; Richards said no. Mayor Gaylord said that electronic meters could be put in The Commons and that the next progression is that meters could go in the lots. He said it is easier to control parking lots with meters. Mayor Gaylord said it would generate a lot of money for improvements of the lots themselves. He said this is a good idea for the Commission to look at. The Commission agreed that this idea is better than meters on Water Street. Caron said the other issue with meters on Water Street is the 15-minute spaces and said there is a whole issue around discussing meters.

Luger said that the Council has a lot to do and that the Commission has already done a lot of work.

Mayor Gaylord said the whole development near BayView should be explored for the parking ramp. He said it may not be feasible but there could be a number of different ways to approach it.

The Council agreed that the Planning Commission had good progress on their goals last year and thanked the Commissioners for their hard work.

4. ADJOURNMENT

Beattie moved, Caron seconded, to adjourn at 6:56 p.m. Motion carried 5/0.

Respectfully submitted,

Shirley Johnson
City Clerk