

**CITY OF SHOREVIEW  
MINUTES  
CITY COUNCIL JOINT WORKSHOP MEETING  
WITH ECONOMIC DEVELOPMENT AUTHORITY AND  
PLANNING COMMISSION  
July 14, 2014**

**CALL TO ORDER**

Mayor Martin called the workshop meeting of the Shoreview City Council to order at 7:00 p.m. on July 14, 2014.

**ROLL CALL**

The following attended the meeting:

City Council: Mayor Martin; Councilmembers Johnson, Quigley, Wickstrom and Withhart

Staff: Terry Schwerm, City Manager  
Tom Simonson, Asst. City Manager/Community Development Director  
Kathleen Castle, City Planner  
Rebecca Olson, Assistant to City Manager

Economic Development Authority: Councilmember Ben Withhart, President  
Councilmember Emy Johnson  
Councilmember Terry Quigley

Planning Commission: Steve Solomonson, Chair  
Deb Ferrington  
Kent Peterson  
Curt Proud

HKGi (Hoisington Koeigler Group, Inc.) Rita Trapp, Project Manager

Ramsey County: County Commissioner Blake Huffman  
Ramsey County Library: Susan Nemitz

**REVIEW OF HIGHWAY CORRIDOR TRANSITION STUDY**

This review of the Highway Corridor Transition Study is to review implementation strategies of redevelopment in previously identified residential and commercial areas along arterial roads. The study looks at long-term potential land uses and whether current land uses can be sustained.

## Presentation by Project Manager Rita Trapp

Five study areas were identified that are both residential and non-residential. Approaches on the part of the City to implement redevelopment are defined:

- **Reviewer:** As a Reviewer, the City would wait until the private market identifies a redevelopment project and then respond to the proposal based on the City's Comprehensive Plan and Zoning Ordinance.
- **Facilitator:** As a Facilitator, the City would actively guide redevelopment through small area plan/design guidelines and then link property owners to interested developers.
- **Developer:** As a Developer, the City would assemble property for redevelopment and actively market it to developers.

Approaches to defining land uses for the specific study areas could be:

- **Passive:** Simply adopt this study without updating the Comprehensive Plan and Zoning Ordinance until the next required Comprehensive Plan update (possibly 2018).
- **Active:** Modify the Comprehensive Plan through a public process. Modifications could include: 1) changes to the future land use plan; 2) update Policy Development Area (PDA) boundaries and create new PDAs. The Zoning Ordinance could be modified by: 1) assigning land uses to existing districts; or by 2) creating new single-use, mixed use or overlay districts.

The City may provide financial assistance in any of these approaches. Existing zoning regulations are strict. New single-use districts can be created, but that would limit the land use to what is envisioned today. When redevelopment does occur, conditions might be quite different from what is envisioned now. It is important to realize the possibility of creating non-conforming uses or structures because current, existing conditions may not be accounted for in future single-use districts. Overlay districts are useful because the underlying zoning district remains while providing guidance for the future.

Councilmember Quigley raised the difficulty of considering these many various land use options and being able to come up with a recommendation as a whole. Issues that need to be addressed are publicity, setting priorities, timelines and the effect any decisions have on the Comprehensive Plan. Ms. Trapp explained that each area will be considered separately to identify preferred uses and possibilities for implementation. Mr. Schwerm noted that the use of PDAs does a good job of identifying guidance for different land uses in certain areas. Mr. Simonson added that consideration of policies is needed first. Redevelopment implementation cannot occur until something happens to trigger a change.

Mayor Martin stated that zoning is the most complex part. She asked if the PDA process currently being used by the City is effective. Ms. Trapp responded that zoning decisions do not need to be made now, but it is important to understand that identified preferred uses could impact zoning. PDAs are the tool used most frequently by cities because it is difficult to deal with existing uses in an unknown time frame and then transition to a new land use.

The Council discussed the project areas in each of the five geographical areas considered by this study:

### **COUNTY ROAD J**

There are four project areas in the County Road J site. The City's role at this time is Reviewer in all project areas because redevelopment or further development in Shoreview will depend on what occurs across County Road J in Lino Lakes. When development occurs in Lino Lakes, the City would take on a long-term Facilitator role.

**Area A** is in PDA No. 3. The City is viewed as Reviewer and long-term Facilitator when development occurs in Lino Lakes. It is suggested that PDA 3 could be expanded to include existing residential properties and that medium and high density land uses be designated for the western portion. An expanded general PDA could be implemented or a new PDA could be established with specific guidelines for a certain land use. Using the already existing PDA would mean that no zoning changes are required. Mitigation of the wetland could be explored to increase development opportunities. It will be important to work with Ramsey County to maintain adequate access in this area. Mr. Simonson stated that one advantage to expanding the PDA is because there is commercial on the corner and wetland. If the property continues to decline, there would be limited opportunity for redevelopment.

Commissioner Solomonson stated that it is important to know the City's goal. Higher density raises red flags of more crime and transitory residents. He would like to know the City's goal before discussing conclusions or specific types of development. Mr. Schwerm responded that it is difficult to maintain quality single-family homes on major corridors, and this is a difficult area to plan without knowing what will happen in Lino Lakes.

Mayor Martin stated that expanding the PDA would allow more options and flexibility for any opportunities.

Councilmember Quigley asked if anything is known about plans in Lino Lakes. Ms. Trapp stated that while there are not definite plans, it could be commercial, which would impact the area with higher traffic. Market conditions are not present for intense development, which is the reason for guiding toward medium density residential. Medium and high density residential developments are realistic according to current market studies.

Commissioner Solomonson noted that there is a lot of land in Lino Lakes and if residential is developed, Shoreview may be competing with spacious and possibly luxury townhomes.

Commissioner Proud stated that this process creates tools that can be used for future opportunities.

Commissioner Ferrington stated that she would not favor mitigating wetland.

**Areas B, C and D** are recommended for evaluation and consideration of medium and high density residential with possible new PDAs created.

## TANGLEWOOD

Tanglewood consists of one project area that is in PDA No. 9. At this time, the City's role is Reviewer. The question raised in the study is whether Office use should be removed and the PDA modified to allow medium density residential. Clarification on access is needed for a private drive in the PDA text and stipulation for an internal circulation street.

Councilmember Wickstrom noted that a number of neighborhoods have requested the City to take jurisdiction of originally planned private roads. It would be her concern that designating private access would set up a similar circumstance for a similar future request. Mr. Schwerm agreed that he would not want to create that issue, but the development area is small and it makes the most sense for private access. If access were public, the City would need to relax its own standards for snow plowing or take sufficient right-of-way. This private access is similar to a private drive off public roads in other multi-family townhouse developments.

## HIGHWAY 96

There are three project areas on Highway 96. **Area A** is adjacent to PDA No. 7 at the corner of Highway 96 and Victoria which incorporates the Commons Campus. The City's role is as Developer or Facilitator. Area A could be incorporated into PDA 7, or a new PDA could be created to focus on housing. It is recommended that Medium Density Residential be considered.

Mayor Martin stated that she sees the City as a Facilitator but not as a Developer. It would be very costly to purchase property. She could envision this area with luxury townhomes.

Commissioner Proud agreed and stated that the area could be a very classy development that he would like to see the City in a position to develop.

Councilmember Wickstrom stated that she sees the north side of Highway 96, Area A, as more conducive to residential development than the south side and where the City could take more of a role in redevelopment.

Commissioner Solomonson stated that it is difficult to see the City as only a Facilitator. It is about staging and timing. If a property owner were to decide to tear down and build a new home, it would be very difficult for the City to implement redevelopment. This would be especially true on the south side of Highway 96. Ms. Trapp recommended a new PDA for the housing on the north side of Highway 96 because it is so different in character from the City Campus, also in PDA 7.

**Area B** is in PDA No. 8, the Gospel Mission property. There are single-family homes west of the Gospel Mission. The City's role as Facilitator is to re-examine and update PDA 8 to reflect this study. One question to address is whether to keep homes in PDA No. 8, as there is no relationship between the residential and the Union Gospel Mission.

Councilmember Wickstrom stated that she supports use of PDAs and suggested splitting PDA No. 8 into two PDAs.

It was the consensus that at this time the City would be in a Facilitator role for Area B.

**Area C** shows the City as Reviewer to update PDA 8 to reflect this study or create a new PDA that focuses on single-family properties.

## **RICE STREET**

Rice Street consists of four project areas. **Area A** is PDA 18. It is recommended this PDA be updated to add buffers to the adjacent single-family neighborhood and high density residential.

The **Area B** PDA on the south side should be updated to allow small office and commercial use not now contemplated. Access will be an important component to this area.

**Area C** is seen as an area to accommodate shared parking to facilitate redevelopment.

Ms. Trapp stated that **Area D** south of the railroad tracks is not an area on hold. No action is needed at this time.

Commissioner Ferrington asked if there is a bus stop to serve this location and observed that public transportation might be key to people who would want to live there.

## **HODGSON**

There are four study areas on Hodgson. **Area D** is on the southwest corner of Gramsie and Hodgson and is six acres in size. The City's role is seen as Reviewer, as no change is needed at this time.

**Area C** is the church on the north side of Gramsie. The City is seen as both Reviewer for redevelopment and Facilitator to negotiate with the church officials. PDA 16 could be expanded to incorporate this area or a new PDA could be created. This area could be an expansion to Sitzer Park, which is one of the smallest parks in the City. The corner could be reguided for medium density residential. How proactive the City wants to be would drive these redevelopment changes. It is recommended that PDA 16 reflect this study in Area D for high density residential.

Councilmember Wickstrom noted a stormwater easement for Ramsey County in Area D. Ms. Trapp responded that the advantage is that the easement for storm water management could work to address storm water management on the west side also. That would be another advantage for putting Area D in PDA 16.

Mr. Schwerm stated that adding parking and soccer fields to the park would make this park more consistent with what is offered at other neighborhood parks.

Mayor Martin stated that she, too, would favor adding this parcel to the park, but it is unclear where the City would get the money.

Commissioner Peterson stated that the priority for parkland is that this parcel is good dry flat land. He would like to see the option for parkland available.

**Area B** is currently single-family residential and no changes are anticipated, but the City should act as Facilitator to reguide residential to medium density.

Commissioner Solomonson expressed concern about whether high density residential is a good transition to single-family residential.

Councilmember Quigley asked if there is a market for luxury condominiums or townhouses. Ms. Trapp responded that it depends on the site. The Gospel Mission site may work because of the lake amenity. The market study concluded that high end housing would have a small market here centered on the Highway 96 corridor by the lake.

**Area A** has a vacant site and the City should be Facilitator for its development. A re-examination of PDA 16 is recommended to include High Density Residential and not Office or Medium Density. Internal circulation of the area should be evaluated to determine whether it should be a public or private street.

The study also offers suggestions and information on Approach to Redesign, Maintenance and Reinvestment and Financial Strategies.

### **Approach to Redesign**

Ms. Trapp stated that the depth of lots on Hodgson do not facilitate redevelopment, and it will be in the City's interest to maintain the strength of that housing as long as possible. The existing Ramsey County design for the roadway uses the minimum for right-of-way to accommodate the road with a trail on one side and a sidewalk on the other side. The only way to reduce impact to property owners would be a design with a sidewalk/trail on one side and a striped shoulder/bike lane on the other, which is not a priority for the City. Additional City investment to offset impacts to private property owners could be offered for increased street-scape improvement.

Homeowners are not necessarily skilled at knowing where to put new landscaping to maximize a buffer to the road. The following could be considered:

- Retaining walls could be considered to preserve additional existing trees and landscaping.
- Assist homeowners with design landscaping to ensure driveway visibility/access is safely maintained.
- Adjust road assessment based on caliper inch to offset needed landscaping.
- Offer grants for additional landscaping on a widening scale based on caliper inch loss, grading impacts, reduced front yard space.
- Would be beneficial to design renderings to show homeowner potential impact of improvements.

Mayor Martin stated that she applauds finding landscaping assistance for homeowners to retain property values.

Councilmember Withhart added that this may be something the Housing and Redevelopment Authority (HRA) could work on.

Councilmember Withhart asked if cul-de-sacs for side streets have been considered. Ms. Trapp stated that Ramsey County has determined the placement of cul-de-sacs, and this study does not add to those.

Mr. Schwerm noted that the City has not made final decisions on the Hodgson Road design. The Ramsey County Board of Commissioners does endorse “complete street” concepts.

### **Maintenance and Reinvestment**

The City has the following maintenance and reinvestment programs to maintain housing stock:

- SHINE Program
- Rental Housing Licensing
- Home Improvement Loan Program (does not focus on exterior)
- Housing Resource Center

Other tools to consider might be:

- A point of Sale Inspection, which means that a house being sold would have to be inspected and improvements completed before the sale. It is labor intensive and difficult with older homes that need many improvements.
- Some cities are giving Landscaping Grants (Front Yard Fix It) to focus on the exterior. That might help targeted areas.

### **Financing Strategies**

For the type of redevelopment considered in this study, there are limited financing options. Financing is particularly limited in communities where blight is not significant. Using existing financing options in creative ways may be more administratively burdensome. If a landscape grant program were created, it would take a lot of staff time. One long-term strategy would be to levy to create an HRA and EDA balance specifically for this type of work.

Mayor Martin noted that when the Home Improvement Loan Program was established with EDA funds, the fund balance was set at \$300,000. She thought that \$600,000 was first contemplated.

Councilmember Withhart stated that the Home Improvement Loan Program has not been aggressively used. The program may possibly be targeted to the areas discussed here and for other improvements.

The next step is to finalize the report based on this discussion. It will become a staff resource to work with moving forward.

### **DISCUSSION REGARDING POTENTIAL CITY PURCHASE OF PROPERTY AT 795 HIGHWAY 96 WEST**

Mr. Simonson stated that there is interest in purchasing the Bourquin home as part of the library expansion scheduled to begin in 2015. The City's offer would be \$258,900, based on the County's estimated tax value and has been accepted. No appraisal is needed. A purchase agreement is drafted. The City would acquire the property and through a future agreement with the library allow the property to become part of the library expansion. Closing on the purchase could be as late as April, but it might be much sooner depending on the Bourquins' ability to find a new place to live. They do not want to move during winter. Mr. Schwerm noted that four Council votes would be needed to approve the purchase because this expenditure is not in the Capital Improvement Program (CIP).

Councilmember Wickstrom asked if the property would then be resold to the library at the same price. Mr. Simonson responded that it is currently being considered a contribution to the library expansion effort.

Mayor Martin asked what will happen to the existing library because it is an important part of the City Commons Campus. Ramsey County Commissioner Huffman stated that the new library will go through a design phase, which will involve significant input from the City. The preference is to build a new library closer to Highway 96. The county is going through a facility master plan process, and this building would become part of that plan. County offices could be moved to the current building or county public health services. Another use would be to talk to the City or school district about possibilities for their use. The key is working with the City. Another key is what happens to the ice arena.

Mayor stated that the City is very supportive of an expanded regional library at this location. However, she is also concerned that any potential future reuse of the existing library is consistent with the civic uses in the Shoreview Commons area. While the County has a significant investment in the current library, the City also has a significant investment through donation of the land for the library. She wants to make sure the City is involved in any discussion about reuse of the library if a decision is made to reconstruct the library. Commissioner Huffman stated that he will work hard to make sure that whatever is located in the old building is supported by the City. Mr. Schwerm stated that if a new building is constructed, that means the library can remain open during construction.

Councilmember Wickstrom expressed concern about the balance of the Community Investment Fund, if the Bourquin home is purchased from this fund. Mr. Schwerm stated that there is enough funding for this purchase. It is a good fit for the City campus. Further discussion will be needed regarding funding.

Councilmember Quigley asked if there will be access to the City parking lot. Ms. Nemitz stated that the purchase of these two properties opens so many options. The plan is to work closely with the City on parking. One issue is putting in a coffee shop.

Councilmember Johnson stated that a drive-through for coffee changes the dynamic. She would favor a coffee shop, but the design would have to address any drive-through issues.

Councilmember Withhart applauded the County and City for purchase of these two properties to enhance the library expansion, which will be a wonderful amenity to the City campus.

It was the consensus of the Council to move forward with the purchase of 795 Highway 96.

### **Ramsey County Arena (Hockey Rink)**

Commissioner Huffman stated that the County closed on the purchase of the Vadnais Rink. Since that time the coliseum closed operations. As a result, the County has agreed to keep the rink in Shoreview for two years in order to make sure there is enough rink time for teams. He is not sure how this impacts the water treatment plant the City is proposing. Mr. Schwerm stated that the water treatment plant will fit on land owned by Shoreview behind the County arena.

### **TCAAP**

Commissioner Huffman reported that development of TCAAP is moving forward and a connecting road to County Road I is being discussed. Mr. Schwerm stated that the northbound and southbound access to I-35 from County Road I is a big issue for the City. The impact to Rice Creek Parkway also needs to be addressed.

### **OTHER ISSUES**

Mayor Martin noted the great success of the conversion of tennis courts to pickleball courts.

The workshop meeting for August 11 will be changed to August 25, 2014, at 4:00 p.m.

The meeting adjourned at 9:30 pm.