

Planning Commission Work Session
January 22, 2019 5:00 - 7:00 p.m.
NDS Conference Room

Members Present: Chairman Lisa Green, Commissioners Jody Lahendro, Lyle Solla-Yates, Hosea Mitchell, Rory Stolzenberg, and Gary Heaton

Members Absent: Commissioner Taneaia Dowell

Staff Present: Missy Creasy, Alex Ikefuna, Jeff Werner, and Kari Spitler

Chairman Green called the meeting to order at 5:00 pm.

1. Preliminary Discussion – Seminole Square Mixed Use Development

COMMISSIONER QUESTIONS

Ms. Creasy: Highlights that the applicant is currently proposing to submit a Special Use Permit application under the current regulations for density and varied setbacks, where one building would be under Entrance Corridor review. The applicant is looking to gather information and comments from the Commission before submitting a formal proposal.

Commissioner Lahendro: After the applicant’s presentation, it would be helpful to hear from staff about how this aligns or doesn’t align with the Small Area Plan for Hydraulic/29.

Ms. Creasy: Mr. Ikefuna was part of the committee and may have more information on that, but a lot of it does mirror the Small Area Plan.

Chairman Green: Notes that the Small Area Plan has been approved and the 2013 Comprehensive Plan has been amended to add that plan to it because they were applying for Smart Scale funding. Did the Smart Scale funding come through?

Ms. Creasy: It wasn’t recommended in the first round, and it is unclear where it stands right now.

PRESENTATION

Applicant – Scott Collins, Collins Engineering: The purpose for the meeting is to get feedback on this project. The presented plan is consistent with the Small Area Plan and we would like to make sure this project incorporates the aspects of that plan, as well as looking at things that could have been missed. The idea was to create a mixed use development with a residential component and to have the ability to do commercial on the first floor of some of the buildings. There is a 22 foot elevation difference and in order to work with that terrain, we would create parking underneath the structures to limit the amount of surface parking. The existing site plan amendments that are currently under review for approval

address these elements. We would like to incorporate the trail way connection from the shopping center and other developments down to Meadowcreek. There is also an existing storm water pipe and a gap is being created to allow the infrastructure to carry water and drainage through the property without putting any other building structures on top of it. As it stands, this is not a by-right plan. Residential is allowed with an SUP up to 43 dwelling units per acre and we would like to hear from the Commission regarding what they'd like to see in terms of density for the area. The corridor has been commercial for 20-30 years and it would be great to introduce residential areas next to that. The goal is to create smaller buildings because there are minimum and maximum setbacks from public streets and the grid system would work better this way.

David Mitchell: Notes that the residential dwellings would be at market rate, but recognizes that it is a negotiation and is open to hearing what the Commission needs from them.

Mark Kestner: Architecturally, this project was approached in a way to enhance breaking up the mass. The architectural intention for creating smaller buildings was to create natural lighting, have more greenspaces, and activate the exteriors with balconies. Quality materials like brick, stone, metal, real stucco, etc. will be used. The plan would activate the first floor with retail and it would be filled with amenities like a dog park, pool, etc. Overall, the concept was to have a bona fide community where you could walk around. However, cars are still used very heavily in this area so it is an expectation for the user to have a parking spot in this location, which is why it is fully stocked.

DISCUSSION

Chairman Green: Wasn't part of this area put aside in the small area plan to be a park?

Mr. Mitchell: Yes, a 4 acre park. However, it isn't economically possible. The goal was to create a greenspace area in between the buildings, which would be about 2 acres in total. The reason for the park was to connect to the trails and this plan achieves that. There will be a dedicated trail that is an extension of the multi-use path. Even though it is private property, it will be used as an open greenspace within the project.

Chairman Green: The buildings are going to be broken up with amenities in the asphalt space. What amenities could asphalt bring?

Mr. Mitchell: The trails and greenspace are the amenities, but you would have to go across the asphalt to get there. All of the buildings will have parking underneath them. This type of structured parking is necessary to be in accordance with the Comprehensive Plan because you can't get the density and residential layouts being called for otherwise. The surface parking that will be left is primarily to be used for commercial tenants.

Commissioner Stolzenberg: Would you charge for parking?

Mr. Mitchell: No. Residents are entitled to a parking spot and they shouldn't have to pay for it.

Commissioner Stolzenberg: Why not just drop the rent by the amount you charge for parking to create a disincentive?

Mr. John Neil: There aren't enough people who don't want them and would be happy with having no car, so it doesn't work.

Mr. Ikefuna: Asks if they are serious about creating a rooftop garden on the property.

Mr. Mitchell: Yes. There is a storm water value in doing it and the garden would help mitigate it. All of the buildings would have access to a rooftop deck that can be used and filled with amenities. We would like to see a perimeter of real green rooftop or the gardens that have been discussed, but to also have a walkable area that can survive foot traffic and doesn't create a huge maintenance issue. The goal would be to have 30% of each rooftop be a green rooftop and the rest would be split between mechanical units and use by tenants.

Commissioner Mitchell: What is the setback requirement?

Ms. Creasy: It would be a maximum/minimum and it would be off of Hillsdale.

Mr. Mitchell: The first building will meet the requirement, but all the rest of them are too far apart. The design standards in the City code do not facilitate the construction of the Comprehensive Plan. The only tool to fix that is to go through an SUP process.

Ms. Creasy: Notes that the applicant would have to get an SUP for the density anyway, so part of that could be to ask for varied setbacks. Otherwise, in order to meet the setback requirement, it would have to be one large building.

Mr. Mitchell: The SUP application also requires us to go before the Planning Commission again once the SUP is approved to review the site plan where the setbacks can be looked at again and approved. An SUP application almost requires the level of detail of a site plan, which will be part of the package. Assuming that is approved, the Planning Commission would have a chance to review it again before the preliminary site plan is actually approved.

Chairman Green: Isn't a rezoning more appropriate for this area?

Ms. Creasy: That was discussed and the other potential tool to address it would be through a PUD.

Chairman Green: It looks like what the applicant is trying to achieve seems more appropriate for a PUD, which comes with a rezoning. It's a tradeoff because then the Commission wouldn't be able to place conditions on it unless they went the SUP route.

Mr. Mitchell: The goal is to show the Commission the general plan. They've looked at the options like creating one big building, but they would like to build something that meets the Comprehensive Plan and this matches it pretty well.

Commissioner Mitchell: How many units would there be? What is the density per acre and what is the by-right?

Mr. Mitchell: There would be 500 units and the density would be 43 per acre. The by-right is zero.

Commissioner Mitchell: What does the infrastructure look like there in terms of utilities?

Ms. Creasy: They would have to build all of that infrastructure.

Mr. Mitchell: Right now there is a lot of asphalt, which is all part of the nature of the redevelopment. Eventually there will be more greenspace. There is plenty of water and sewer on site and the power company can provide anything that is needed.

Mr. Collins: In discussing whether to apply for an SUP v. a PUD, both routes are essentially the same. After speaking with staff, it seemed like an SUP might be a better route for the project because of the option to add conditions. With a PUD, you look for something extraordinary to incorporate the elements of the Small Area Plan and offer affordability, which this plan encompasses. Notes that he would like to hear more about which path is preferred.

Mr. Mitchell: Shares that he would prefer to go through the SUP process, which would allow for the Commission to review the preliminary site plan. The two things that are essentially needed beyond by right are the setbacks and the density.

Commissioner Lahendro: Has this project been conceived with any idea of what will happen to Seminole Square in the future?

Mr. Mitchell: In 20 years, a lot of the area will start to look similar to this plan if we are allowed to build it. It's important to respond to the market and it's still a commercial corridor, which is why all of the first floor of buildings on Hillsdale will be commercial.

Commissioner Lahendro: Notes that they would be introducing their own customers with this development that moves away from an auto centric character and more towards pedestrian movement. It's important to be sure that has been thought about in detail and how it would connect to it. The Small Area Plan states that a transit center would enhance the development.

Mr. Mitchell: Right now the buses stop in the middle of Hillsdale and the plan is to create a space for the bus to pull off to the side of the road and out of traffic to load.

Chairman Green: Thinks that there is a way to make it more connected without breaking it up with asphalt. If not all buildings have retail, some of the surface parking can be eliminated to create more connectivity. The whole concept behind the Small Area Plan is for pedestrian connectivity.

Mr. Mitchell: Notes that they have a count of 1.5 parking spaces per unit for 1-3 bedroom apartments and the City only requires one space. As for retail, it depends on the type of business because services require less parking, whereas places like grocery stores require a little more. However, he can look into getting rid of some of those spaces if it's possible.

Chairman Green: Notes that buildings 3, 5, 7, and 9 will not have retail and does not need as much parking.

Mr. Mitchell: The building has 48 units on average and only 24 parking spaces can go underneath the building. It might be helpful to show a detailed commercial square footage v. residential units. He will provide the City requirements v. what they believe the market wants.

Commissioner Stolzenberg: The market might change if they are charged externalized costs.

Mr. Mitchell: That would be stepping well outside what the market is right now in this area. This is a risk and we have to stay within the financial means.

Commissioner Lahendro: Perhaps it should have the flexibility to provide that parking now, but have a plan in the future to reuse the parking area for other things.

Mr. Mitchell: That could absolutely be done. If the market changes and there are a lot of open parking spaces, it will become another revenue generated income or an amenity for the community.

Commissioner Lahendro: Notes that he is personally very pleased with the project. This area has been identified as a high intensity mixed use area and the residential units will be a tremendous benefit for the shopping center and the City in general. However, there may be some architectural issues that need to be discussed in the future.

Mr. Ikefuna: It's important to provide flexibility for the developers so they can make adjustments in the future if market conditions change and that has been discussed extensively with the applicant. There must also be partnership between the City owners and the County.

Chairman Green: This is a partnership, but we are trying to create a more urban area and there could be some pencil sharpening on the pedestrian connectivity and not breaking it up with all the asphalt. Right now, there are too many cars and too much asphalt to walk.

Mr. Neil: Notes that they are trying to achieve that with covered walkways and bringing parking closer.

Mr. Mitchell: That is the goal, but it can't financially all happen at once. Right now, this is the parcel that is available for redevelopment and the rest of it is not yet available. Once the site plan is done, there will be a defined, covered walking area to go all the way around the shopping center. There will also be more trails behind it and everything will be as interconnected as possible. Hopefully this will be the first domino of redeveloping this area.

Chairman Green: Are these the final designs of the buildings?

Mr. Mitchell: This is just the first attempt on the buildings. There are some limitations to residential when constructing buildings instead of apartment buildings because there is a maximum depth and length that you can go. The layout is defined, but a pedestal system could be incorporated.

Commissioner Lahendro: Architecturally, a wonderful trail has been set up by the large building that goes down the spine of the residential units, but it would be better if it went through the circle to Hillsdale. Additionally, the buildings should step up from Hillsdale because it's all very uniform in its appearance. Lastly, the lower floor needs to be engaging and transparent.

Mr. Mitchell: Notes that the large building from the renderings is the way it is because of the minimum/maximum setback rule. However, it could be oriented in a different way. In terms of the lower floor, they need to be kept the same because of its cost effectiveness. The commercial areas will be activated and the structural elements in the residential areas will still line up, but perhaps the door entrances can be reversed. All units have to be accessible and the architect will need to determine exactly how it will work.

Mr. Kestner: Architecturally, this plan is in a very early stage and it is uncommon to work from the outside inward to see if the project can be done. There is still a long way to go with the architecture, connectivity with the site, relationships between the units, creating greenspace, etc. and this is meant to be a placeholder to help set guidelines for when the design is being created.

Mr. Mitchell: The property drops 22 feet from front to back and there will have to be ramps, steps, and retaining walls as it steps down, which will have to tie into the buildings to facilitate entrances to the buildings. There are a lot of details to come, but we will do our best to make it look great.

Commissioner Stolzenberg: Do you feel that the housing has been maximized for this area? In other words, would more housing be built if there were no restrictions at all?

Mr. Mitchell: Housing has been maximized because of the parking restrictions. This is very dense and the envelope is being pushed to maximize it as much as possible. The buildings would also fit well into the site with the surrounding buildings.

Commissioner Stolzenberg: Are you using concrete podium and wood construction?

Mr. Mitchell: We are moving away from wood. There would be a concrete structure for the parking and metal studs would be used instead of wood, which lowers fire rating issues. It also allows us to go a little higher structurally and add more flexibility if metal is used.

Commissioner Mitchell: Agrees with Chairman Green that this is ideal for a PUD. Is building #11 the only one that needs to be looked at for the Entrance Corridor?

Mr. Mitchell: That is correct, but that building will dictate how the rest of the buildings look. The goal is to have about 20,000 square feet of commercial under that building because it is an endcap of the larger length. All of the first floors of the buildings will be constructed with 14 feet for flexibility.

Commissioner Solla-Yates: Shares that he is excited about this because it addresses a series of issues in our long term strategic plan for transportation that have been worked on for about 20 years and agrees that there should be more greenspace if possible. There are no issues with height in this area, so capping the buildings at six stories isn't necessary if it can be built larger.

Mr. Mitchell: That could be looked into, but again parking will have to be considered.

Commissioner Stolzenberg: Aren't affordable units exempt from parking requirements?

Mr. Mitchell: Does not believe that is the case. However, there is still a difference between what the City requires and what he thinks the market requires.

Commissioner Heaton: In terms of construction, could it be constructed with the possibility of making it higher in the future?

Mr. Mitchell: Typically you could add at least one floor to any building, but there is always the issue of tearing the roof off of a building with existing tenants. Five stories is pretty aggressive for the market as it stands.

Commissioner Stolzenberg: What is the target market?

Mr. Mitchell: We like to be the low cost provider of high quality housing, so it would be geared in the Class B price range. In order to create a building that costs the amount that will allow us to be in that price range, repetition in the buildings and density are needed. It's also important to construct the buildings out of quality materials so that they last.

Chairman Green: Is there a height restriction with the Special Use Permit?

Ms. Creasy: There is a height restriction under the Highway Corridor, which is 80 feet.

Mr. Mitchell: Notes that 80 feet would probably allow for a maximum of six stories.

Chairman Green: Perhaps it would be a good idea to build in the flexibility so the applicant doesn't have to come back for an SUP/PUD again. If 43 dwelling units per acre is the goal, it might be beneficial to ask for more to have that flexibility.

Mr. Mitchell: For the building height, we could go three stories on the first one, four stories on the next one, and five-seven on the ones after that in order to keep the same unit count. The key is to get to the overall count. If we did a PUD and there was no restriction on unit numbers, would a future plan be extended down the road like a "phase 2" plan to avoid coming back before the Planning Commission? Again, it's important to note that the plan is to manage this space long term.

Commissioner Lahendro: In developing the entire lot, it would only make sense if you intend to do it because the Commission will want some assurance that what is approved will be there in the future.

Mr. Mitchell: We have tenants that have 20-25 year leases, so that cannot be promised at this point.

Commissioner Stolzenberg: Why are you against having seven stories? Is it more costly or do you think you cannot fill that many units? Additionally, will parking be assigned?

Mr. Mitchell: Unless we were to drill down and have multiple layers of parking underneath the building, it wouldn't work financially or from a parking standpoint. The parking spaces underneath will require a

card and possibly a fee, but there will not be assigned parking spots because it causes conflict among tenants.

Commissioner Heaton: Do you own offsite places that could be part of the management of the property to park extra cars?

Mr. Mitchell: There is nothing within walking distance. Some residents could also utilize the commercial spaces if necessary. There is clearly a shared parking culture that exists, but commercial tenants do not see it that way. It's a process that changes over time and we are working on changing that slowly. Our decisions are not just about the City's requirements, but they are also determined by what we believe can survive in the market.

Mr. Ikefuna: Asks what the timeline looks like for the project.

Mr. Mitchell: We will start building as soon as we possibly can.

Mr. Collins: Is the Commission leaning more towards the PUD option?

Commissioner Mitchell: Either one would work, but this is an ideal PUD application.

Ms. Creasy: Notes that staff discussed both options. Either option would get them to the goals that they were looking at in the current rendering.

Mr. Mitchell: If they are both the same, the preference would be to take whichever route is quicker. If everything can get put together, it will ideally come before the Commission during the March meeting.

Chairman Green: It might be best to leave it up to staff to determine the best method.

Ms. Creasy: Both processes are very similar, but if the applicant wants to use the iteration that is before us now, it might be more expedient to go with the SUP. With rezoning, there are extra steps involved, but he has a zoning tool to address the two issues with the current code.

Commissioner Stolzenberg: Can they give us proffers?

Ms. Creasy: An SUP would allow for conditions to address the impacts.

Chairman Green: Reminds the Commission they cannot legally ask for proffers under state law. We can only discuss the mitigation of impacts on the property.

Ms. Creasy: From the SUP side of things, conditions can be recommended from all parties that will address the impacts of the development.

Chairman Green: Would also like to see some aspect of affordable housing presented.

Mr. Mitchell: The numbers would have to be run first. The project in its own existence helps with affordable housing because it introduces more units into the market.

Commissioner Stolzenberg: Notes that the argument could also be made that it directly reduces the percentage of affordable units away from the 15% target set by Council.

Mr. Mitchell: By providing more of a supply, there will be less of a demand. Ultimately, we don't feel that the project causes an additional impact on the affordable housing issue. We would like to help with the situation overall, but we just have to look at the numbers. It all has to fit in an economic model and it is a cost to rent a unit for less than the cost of construction.

Chairman Green: Notes that the units would be put in a location that is prime real estate for a lot of the workers living in the area.

Commissioner Solla-Yates: Would like to encourage some constructed parking to concentrate people to one place. It would be less expensive and there wouldn't be as much of a worry about the parking in every single square inch.

Mr. Mitchell: Perhaps some buildings could have two levels. The restriction there is that the parking layout requires a certain dimension and the travel way has to be taken into account. Having multiple level parking structures does not fit the residential depth numbers. If we did something like that, it would have to go on one of the more odd shaped buildings. It would allow for more underground and centralized parking, which might help with more greenspace.

2. Public Comment

Michael Barnes, Greenbrier Neighborhood Association: The Greenbrier Neighborhood Association would like to be copied on any reports about the project. Notes that he is generally very excited about having connectivity between the neighborhood and the shopping center. However, there wasn't much discussion about the park right behind this development and the connections to it. It's important to be sure that the connectivity to the rest of the City is discussed as we think about open space and allowing the neighbors to get to the development.

Adjournment: 6:55 pm.