

**MINUTES
AUSTIN CITY PLANNING COMMISSION
TUESDAY, JULY 15, 2008
5:30 P.M.
AUSTIN CITY COUNCIL CHAMBERS**

MEMBERS PRESENT: Tony Bennett, Suzanne McCarthy, Lonnie Skalicky, Glenn Mair, Jim Mino, Shawn Martin, Lynn Spainhower, Elizabeth Bankes and Kathy Stutzman

MEMBERS ABSENT:

OTHERS PRESENT: Craig Hoium, Craig Byram, Council Member Dick Pacholl, Council Member Jeff Austin, Steven Lang, media and public.

The meeting was called to order by Commission Member Spainhower at 5:30 P.M.

Commission Member Bennett made a motion to approve the June 10, 2008 Planning Commission Minutes as written, seconded by Commission Member Mino. Motion passed unanimously.

SIGN APPEAL: To consider a sign appeal from the Hormel Institute, 801 16th Ave NE and Precision Signs, 209 S Main Street for the denial of a sign permit to erect a wall sign on the west exterior wall of a structure that does not face a public street or alley. This property under review is the Hormel Institute, 801 16th Ave NE which is located in an "R-0" Multi-Family Residential Office District. Said action is pursuant to City Code Section 4.50, Schedule No. IV,b.

Craig Hoium reviewed the request showing a graphic of the property and proposed sign location. The purpose of the proposed sign is to label the main entrance of the Hormel Institute and identify the partners involved in the project. The proposed sign is a non-illuminated sign. The intent of this ordinance is to prevent exterior signage that does not face a public right of way from being offensive to adjacent properties. Out of all of our sign ordinances this one is the most frequently requested for a sign appeal.

Commission Member Mair made a motion to recommend approval of the sign as it meets all other code requirements, seconded by Commission Member McCarthy.

SIGN APPEAL: To consider a sign appeal from G & R Truck Wash, 501 11th St NE and Precision Signs, 209 S. Main St for the denial of a sign permit to erect a wall sign on the north exterior wall of this structure that does not face the adjacent streets. This property is located in an "I-2" Industrial District and is pursuant to City Code Section 4.50, Schedule V, (b)

Mr. Hoium reviewed the request showing a graphic of the proposed sign location. The purpose of this sign is to direct customers approaching the property and it is a non-illuminated wall sign.

Commission Member McCarthy stated how ironic it is that this company is applying for a sign appeal when there are already ongoing issues with the facility. The business itself is not a neighborhood friendly business. I live nearby and there are very offensive odors. She also asked about two other temporary signs, one on 8th Ave NE by the recycling center and there is another stenciled sign sitting on the property.

Mr. Hoium said the temporary sign on the property is permitted for thirty days. The sign on 8th Ave NE he was unfamiliar with.

Commission Member McCarthy said she has pictures for Mr. Hoium of the temporary signage. She then stated how she has issues with this project and what the railroad development was supposed to be.

Commission Member Spainhower said the Planning Commission is only looking at the sign appeal tonight and any other issues should be taken to the City Council.

Mr. Hoium said there was a memo sent to the NE residents that he can forward to the Planning Commission members that gives an in depth background of the entire project.

Commission Member McCarthy said she understands there is a problem with the odor and that it is being looked into.

Mr. Hoium said in talking to the business owner the majority of the odors in the last 7-10 days is part of the biological start-up process which deals with the recycling and purification of the water system. The process has been going on for 7-10 days and he is unsure if the process is still going or complete.

Commission Member Spainhower asked Mr. Hoium to verify the zoning and if the business is a permitted land use.

Mr. Hoium said yes it is a permitted land use.

Commission Member Mino made a motion to recommend approval of the sign appeal for G & R Truck Wash, seconded by Commission Member Bankes. Motion passed with 7 ayes and 1 nay. The nay being Commission Member McCarthy who stated until the bacteria issue is cleared up and running properly, maybe it should not be open yet.

OPEN PUBLIC HEARING: To consider a request from the City of Austin for a Conditional Use Permit for the extraction of gravel from the property located northeast of the Roosevelt Bridge on 4th St SE. Said property is located in an "R-1" Single Family Residence District with the requested action pursuant to City Code Section 11.56 and 11.30, Subd.3

Mr. Hoium reviewed the property showing a graphic of the proposed area. There have been a number of residential structures removed from the area due to it being in a flood plain district. The proposed property is located just east of the intersection of 5th St SE and 3rd Ave SE. The purpose of this project is to use the approximate 25, 000 cubic yards of material for upcoming city road projects. The next agenda item is for the East Oakland Bridge removal project. Potentially this material extracted could be used for that project, it does not have to be but it is an example of what the material could be utilized for. Mailings went out to all adjacent property owners and there were no responses for or against the project. We can go into more detail

relating to recommended conditions for this project. Mining is a conditional land use in an “R-0” District as stated in **Section 11.32, Subd.3**. Conditional uses. The following shall be permitted only if specifically authorized by the Planning Commission:

- D. Mining.** The extraction of sand, gravel, rock, soil or other material from the land in the amount of 1,000 cubic yards or more and the removing thereof from the site without processing shall be mining. The only exclusion from this definition shall be removal of materials associated with construction of a building, provided the removal is an approved item in the building permit.

Also stated in Section 11.56 are a number of conditions the Planning Commission should consider. They are as follows:

Section 11.56 Subd.1. States that before granting a conditional use permit, the Planning Commission shall consider the effect of the proposed use upon the health, safety and general welfare of occupants of surrounding land, including land values, as well as the preservation of natural features. Among other things, the Planning Commission shall make the following finds where applicable:

- A.** The use will not create an excessive burden on existing parks, schools, streets and other public facilities and utilities which serve or are proposed to serve the area.
- B.** The use will be sufficiently compatible or separated by distances or screening from adjacent agricultural or residentially zoned or used land so that existing homes will not be depreciated in value and there will be no deterrence to development of vacant land.
- C.** The structure and site shall have an appearance that will not have an adverse effect upon adjacent properties.
- D.** The use, in the opinion of the Planning Commission, is reasonably related to the overall needs of the City and to the existing land use.
- E.** The use is consistent with the purposes of the Zoning Chapter and the purposes of the zoning district in which the applicant intends to locate the proposed use.
- F.** The use will not cause traffic hazard or congestion.
- G.** Existing businesses nearby will not be adversely affected because of curtailment of customer trade brought about by intrusion of noise, glare or general unsightliness.
- H.** The use will not result in unnecessary destruction of natural features such as tree, unusual rock formations, water courses or sites with historical or aesthetic significance.

Section 11.56 Subd.5 Other Considerations. The Planning Commission and staff shall consider possible adverse effects of the proposed conditional use and what additional requirements may be necessary to reduce such adverse effects. Its judgment shall be based upon, but not limited to, the following factors:

- Geographical area involved
- Whether such use will depreciate the surrounding area
- Character of surrounding area
- Demonstrated need for such use
- Whether proposed use will cause odors, dust, flies, vermin, smoke, gas, noise, vibrations or would impose hazards to life or property in the neighborhood

Staff Report: If the Planning Commission should elect to approve this requested conditional use permit, may I suggest the following conditions of approval be considered regarding this matter:

- 1) That the establishment of the conditional use will not impede the normal and orderly development and improvement of surrounding vacant properties for uses predominant in the area
- 2) That adequate utilities, access roads, drainage and other necessary facilities have been or are being provided
- 3) That adequate measures have been or will be taken to provide sufficient off-street parking and loading spaces to serve the proposed use.
- 4) That adequate measures have been or will be taken to prevent or control offensive odor, fumes, dust, noise and vibration, so that none of these will constitute a nuisance, and to control lighted signs and other lights in such a manner that no disturbance to neighboring properties will result.
- 5) Excavation, stockpiling decontamination of material portion of permit would expire December 31st, 2009
- 6) Extraction of gravel shall be limited to area shown on map
- 7) Stockpiling of aggregate material shall be confined to the northern and easterly portions of the site
- 8) Hours of operation shall be limited to Monday - Saturday, 7:00 A.M. – 7:00 P.M.
- 9) Owner must provide a copy to the City of an Erosion Control Plan. (For example: a silt fence to minimize erosion into adjacent waterways.)
- 10) Provide protection to existing underground utilities. Temporary security fence shall be provided throughout the life of this conditional use permit.
- 11) "No Trespassing" signs shall be posted around entire site spaced 100 ft. signage, o.c.
- 12) Dust control shall be provided when necessary through the life of permit.
- 13) All phases shall be completed as shown on the final Grading Plan
- 14) Gate shall be provided at all road accesses
- 15) Landscape Plan shall be provided which shall include tree plantings and seeding of entire site. Landscape Plan shall meet the approval of the Community Development Director
- 16) Obtain access easements where necessary from adjacent property owners where access on there property will be necessary along with any lease or restoration agreements approved by the City Council

This property does have to remain undeveloped after the extraction is complete and has to remain as open public land.

A positive note for this request is that it would take 25,000 cubic feet of material out of the flood plain. That does not have a huge affect on a major flooding event but could reduce any obstructions to the berm located on the property. Another positive thing is the finished product on this site. The grading would match the existing grading and elevations so there would be more of a gradual final grade and there would be new plantings also.

Commission Member Skalicky asked if there would be any type of hole or pit so there is a need to worry about fencing.

Mr. Hoium said no. During the operation there is four feet of top soil to move to the side, the material would be extracted and then the top soil is used in the final grading. There is not going to be a big hill or retention pond of any kind.

Commission Member Spainhower asked if the site will be returned to its original form after the extraction is complete.

Mr. Hoium said that is correct.

Commission Member Stutzman asked if there would be a large enough hole during the extraction to require fencing and if the project would affect the bike path at all.

Mr. Hoium said in the staff report a security fence is included in item number ten and the bike path is to the south and would not be affected.

Commission Member Skalicky asked what the timeline of the project is.

Mr. Hoium said condition number five in the staff report suggests the expiration of the conditional use permit be December 31st, 2009.

Richard Chinander, 210 4th St NE, pastor of the Vineyard Church. When the property is mined and fill placed in the Oakland Ave underpass how will that disperse the water differently?

Commission Member Spainhower said that is a question for the next agenda item and they will be sure to answer any questions then.

Mr. Hoium said if there is a final approval given on this item, the material extracted could be used for the Oakland Avenue Underpass project but not necessarily earmarked for it.

Commission Member Skalicky made a motion to recommend approval of this conditional use permit, seconded by Commission Member Mino. Motion passed unanimously.

OPEN PUBLIC HEARING:

To consider a request from the City of Austin for a Conditional Use Permit for the placement of up to 4,000 cubic yards in a designated flood fringe district located within the 300-400 blocks of East Oakland Avenue. This request is related to the reconstruction of the East Oakland Avenue and is pursuant to City Code Section 11.14 and 11.22

Mr. Hoium said there is a copy of City Ordinance Section 12.22 placed in front of the Planning Commission members and asked that they read through the ordinance quickly. This hearing relates to the placement of fill into a designated flood fringe district. There are two types of designations in a flood plain area. A flood way district is an identifiable boundary adjacent to a natural waterway where the force and high flow velocity of water exists. A flood fringe district is more of an overspill of the flood way district. You can typically walk through a flood fringe area with no current because it is an overspilling of flood waters. City Ordinance Section 12.22 reads as follows:

12.22 Public Utilities, Railroads, Roads and Bridges.

Subd.2. Public transportation facilities.

- A. Railroad tracks, roads and bridges to be located within the flood plain shall comply with Section 12.13 and Section 12.14.
- B. Elevation to the regulatory flood protection elevation shall be provided where failure or interruption of these transportation facilities would result in danger to the public health or safety or where facilities are essential to the orderly functioning of the area.

Mr. Hoium showed a graphic of the proposed site and showed where the floodway district is, and the flood fringe district in relation to East Oakland Avenue. There are two key things for the Planning Commission to be aware of, the first is if more than 1,000 cubic yards of fill is going to be placed in a designated flood plain a conditional use permit has to be obtained. The other important factor is in Section 12.22 Subd.2, Item B, which is a development standard for doing a project in the public right of way. The underpass that is proposed to be filled in flooding events can fill up in approximately four seconds. 4,000 cubic yards of material sounds like a lot but not really in the overall picture. In the back-up material there is a number of items to take into consideration. If there is any direction given by the Planning Commission tonight, please include the condition that the Department of Natural Resources approves of the project. Their blessing is a requirement for this project.

Commission Member Spainhower asked if the DNR approval was included in the staff conditions.

Mr. Hoium said it could be but if not should be added to any motion. Also in the back-up material is a report from Mr. Erichson, City Engineer. Mr. Hoium read part of the report:

EXHIBIT 2 PROJECT BENEFITS OAKLAND AVENUE EAST

The following benefits have been identified as part of the proposed project.

- Project will eliminate the long term maintenance of the bridges and the costs associated with the bridges. All the maintenance costs are local responsibilities. Bridges are currently in need of structural repairs.
- The underpass was originally constructed to separate rail traffic from vehicle traffic. The rail line has been abandoned so the bridges no longer serve a transportation purpose.
- Improved drainage and the ability to eliminate a storm water lift station.
- Upgrading signal lights at 4th St NE and Oakland Ave East. The upgraded signal light will provide for significant visibility improvements and decreased maintenance. Emergency vehicles from the Law Enforcement Center and Fire Department utilize this intersection as the connecting roadway of Oakland Avenue for Community and County access.
- Removal of bridges will eliminate low bridge height restrictions. This is significant in that Oakland is the designated bypass for I-90 detoured traffic.
- Eliminates maintenance difficulties for Park & Rec department (mowing).
- Eliminates steep grade conditions (especially important during winter).
- Pedestrian sidewalks will all be upgraded.
- Road geometrics will be improved as road lane width increased.
- Improved sight distance limitations for north/south traffic on 2nd St NE.
- Slope paving is failing and will be eliminated.

- Environmental Mitigation that includes the elimination of pigeons (bird droppings) and lead paint. The bridge beams and railings have lead paint and mitigation is included in the project.
- Raising the grade of Oakland Avenue will provide improved access for emergency vehicles and eliminate a hazardous condition of having flood waters within a public right-of-way.

Also in the back-up material is support of the project from the Austin Utilities, Austin Park & Rec department, the City Council and a letter from SEH who was the engineering firm hired to study the impact of the fill on floodwaters. In any action taken by the Planning Commission, include any of these exhibits you feel are warranted in approving or denying the project.

Steven Lang, Assistant City Engineer, said he has been working on this project for four and a half years and he is excited to see it come to this point. Mr. Hoium has explained the project very well unless any of you have additional questions I could answer.

Commission Member Stutzman asked about how adding the fill will impact the surrounding areas.

Mr. Lang said flooding is a very sensitive topic in Austin so a private consulting firm was hired to come in and review the impact on the area when filling in the underpass. SEH is a firm that specializes in water flow and has worked on other water projects in Austin. Their report is in the packet and states that there would be no impact by filling in the underpass.

Commission Member McCarthy asked about the proposed construction page in the back-up material and for an explanation of what the shaded areas stood for.

Mr. Lang showed the proposed construction on the overhead and pointed out the different shaded areas. The largest shaded area on the north side of Oakland Ave is the underground parking for the apartment building, there was concern about access to the parking area during construction so there will be an access directly into their parking lot and when the project is finished there will be a second access to Oakland Ave East. The three shaded area on the south side of Oakland Ave represents direct access for the existing businesses.

Commission Member McCarthy asked if the direct accesses onto Oakland Ave will affect the safety and increase accidents.

Mr. Lang said the issues with the current road design is at the 4th St SE intersection where the most accidents are reported based on poor visibility when coming up out of the underpass as well as the signal system in place. Another issue is the 2nd St bridge which has a large arch. By eliminating that bridge we will be able to create an at grade intersection. The drive ways that access onto Oakland Ave and they would not be any different than other access drives up and down Oakland Ave.

Commission Member Stutzman asked where traffic will be rerouted while the fill is being brought in.

Mr. Lang said the 4th St SE and 1st St SE intersections will remain open during most of the construction and will only have to be closed briefly at various times for the construction of signal lights. At those times we are looking at detouring traffic at a few locations.

Commission Member McCarthy asked what the height of the existing bridges is.

Mr. Lang said the clearance is between 13 ½ feet to 14 feet.

Commission Member McCarthy asked what the height of the railroad bridge is, and if that would have to come out also.

Mr. Lang said he does not know the height of the railroad bridge.

Commission Member Stutzman asked about 1st St SE and if it would become a two way street.

Mr. Lang said there is going to be an island on the south side of Oakland Ave at 1st St SE so as you are coming north and wanting to go west, you will be forced to go west. Traffic coming south in front of the fire station will see the island and know they cannot continue forward. We are looking at additional signage there and signal light will have additional signage to prevent people from coming south in front of the fire station.

Commission Member Spainhower asked about the SEH report and asked if the report was only on the water and flooding impact or if it included the one way traffic.

Mr. Lang said the report only included the flooding impact.

Commission Member Stutzman asked what the plans for the bridges are as they are removed.

Mr. Lang said the bridge railings will be salvaged on the third street bridge and railroad bridge and all the plaques on the bridge. Some of the plaques will go to the county and some will be used along with the bridge railings in a park-like sitting area at the corner of 2nd street and Oakland Avenue to keep a little bit of bridge history in the area. Some of the railings may also be used in the parking lot area at the old Eagles location.

Commission Member Skalicky asked if we are only voting on placement of fill tonight.

Commission Member McCarthy said in voting yes for the fill, are we also approving the new driveways on Oakland Ave.

Mr. Hoium said the City Council has approved the actual project, tonight the vote is strictly on the placement of fill in a designated flood plain and meeting the design standard.

Commission Member Spainhower asked if we deny the conditional use permit would that stop the project. They are asking to place 4,000 cubic yards of fill which is over the 1,000 cubic yards that is allowed.

Mr. Hoium said in our permitted land uses in a flood fringe area if a developer wants to build a structure in a designated flood plain they can by our ordinance, but it has to built to flood plain elevation. If it took 10,000 cubic yards to do that there is no limitation. There is only a limit when fill is placed in a designated flood plain for anything other than a structure.

Commission Member Stutzman said the underpass seems likes a holding pond and asked how filling it in will not impact Riverside Arena, the Vineyard Church or the Salvation Army in a negative way.

Mr. Lang said the underpass area looks like a large area alone, but when you look at the amount of water coming into the city it is a very miniscule amount of water that is actually in the underpass area and that is what the engineering firm reviewed.

Mr. Hoium said the designated flood plain area is over 800 acres and the area of the underpass area is very small in comparison.

Commission Member Spainhower said if the SEH engineers are saying that when the underpass is filled to grade, it will not affect Chauncey Apartments or other places, that is what she needs to hear. I understand that the amount of water in the underpass is really only a thimble full in comparison to the amount of water that comes into the city.

Mr. Hoium said the city staff would not support a project that would adversely affect the area.

Commission Member Spainhower asked if the engineers said where the water from the underpass would go.

Mr. Hoium said there is another 800 acres for the water to disperse and a lot of studies have been done by hydrologists, and he trusts their reports.

Mr. Lang said currently the contractor plans to extract the sand from an existing gravel pit over by Ellis Middle School or the second location which was approved tonight. Either location is in the same watershed, and the water that would have gone into the underpass could go into the gravel pit.

Commission Member McCarthy asked about the berms around Mill Pond and how that will affect the area.

Mr. Lang said the engineering firm has looked at that and the main flow of the channel is what will be confined in those flood berms. They carry the majority of water that comes through town, the water that spills out into the low lying areas. The engineering firms have determined through modeling and experience that that would not be a problem.

Mr. Hoium said that when the Army Corp of Engineers looked at the Mill Pond area the boundary width of that water way has a bottle neck at the I-90 Interstate. That is where the backing up of flood waters occurs.

Pastor Richard Chinander, 210 4th St NE said he and his parishioners are professional sand baggers since they have had to every four years since 1989. If we take out the underpass which I call a "holding pond" during a flood what will happen to us? We watch the water come every time it floods. The water comes up our road from the south. We know when the water starts filling the underpass we have about 45 minutes more of sand bagging time. We have to be very careful how we decide what to do as a city. Several months ago I spoke to Mr. Erichson about how we cannot take the sandbars out of the river. He did give me his promise to get all of the straight line trees out of the river so we are not damming up the water and preventing water from pushing out and overflowing. I toured the river after the last flood and the trees are all still there all the way down to Riverbend Campground. I love the river, I play in it, I canoe and fish in it. I sandbag it. I love the old décor of the city and the way the bridges look. We are taking away a lot of our own history. I want an assurance that this filling in of the underpass is not going to make our problem worse. We know what to do now in a flood situation; how is this change going to affect the next flood?

Commission Member Spainhower asked for a summary of the engineering report for Pastor Chinander and where the engineers think the water may flow.

Mr. Hoium said the City of Austin annually inspects the waterways within Austin and then hires private contractors to remove down trees. That is part of our flood plain rating system and if you would like to see any of those reports they are in my office. We only have control within the City of Austin.

Pastor Chinander said canoeing is a great family trip. Behind the Cedar Cemetery we have had to cut channels through fallen trees so we can get through with canoes.

Mr. Hoium asked if that was west of 4th Drive.

Pastor Chinander said behind Pizza Hut underneath the interstate bridge about a quarter mile up the river is where there are a lot of down trees in the river.

Mr. Hoium said the net removal of material south of you is 21,000 cubic yards where the water can disperse downstream.

Commission Member Mino made a motion to approve the conditional use permit if the DNR gives their approval, seconded by Commission Member Mair. Motion passed unanimously.

OPEN PUBLIC HEARING: To consider a request from Roger Derrick, Derrick Investors, LLC, 7301 Ohms Lane, No. 560, Edina, MN for a requested amendment to the Comprehensive Plan which would change the plan's future land-use map from a low density residential land-use district to a high density residential land-use district for the property legally described as Fox Pointe Addition. Said action is pursuant to Minn. Statutes 462.355, Subd.2

Mr. Hoium said the next two public hearings are related, and he would like to review both of them and then the Planning Commission can vote on them separately. He showed a graphic of the location, a twenty-acre site that was developed by Roger Derrick as Fox Pointe Addition in 2004. This is a PDR District which is a development that may not meet our development standards and whatever is approved with that development takes action by the Planning Commission and the City Council. If there are minor changes, the public hearing process is not required. This proposed project action from the governing bodies *is* required. Mr. Hoium showed the future land use map that was approved in 2000 and the area in question is designated as a low density residential area, which is 4 units per acre, and currently Fox Pointe meets that requirement. In the back up material there is reference to the State Statute that refers to the Comprehensive Plan. When this project was originally reviewed in 2004, there was a lot of discussion on the density and what the traffic impact would be for the surrounding area. Mr. Hoium showed the development site on a graphic and the original layout of the 2004 project which included only 4-plex units. He then showed the proposed layout change, which would include 6-plex units on the west side. There would be an additional private drive access to 21st Avenue NW which could minimize traffic through the other residential areas. In front of each Planning Commission member is a detailed analysis showing trip generations comparing single family developments and condominium developments. The proposed project cannot proceed with a low density classification. A change in the density would be for the entire 20-acre site. Since it is a PDR District, action by the Planning Commission and City Council would be required for any other changes in the future.

Commission Member Spainhower verified that the change from low density to high density would include both phases of the project.

Mr. Hoium said the classification would be for the entire 20-acre site.

Commission Member Skalicky asked if the Village Coop. is a high density development.

Mr. Hoium said it is a 62-unit development, but they acquired enough property to have a low density classification.

Commission Member Stutzman asked if the Fox Pointe development was included in the November 2007 changes to the Comprehensive Plan.

Mr. Hoium said no, it was not. That was for property north and west of Target.

Commission Member Stutzman said the traffic count seems high to flow smoothly in that area.

Mr. Hoium said the traffic aspect is comparing the 20 acres that the Fox Pointe addition is approved for with a single family development. The road design has to meet the design standard for whatever is provided there. There are four separate roadways to access the 20-acre site.

Commission Member Spainhower verified that this site is being marketed as a senior development which would probably have lower trip generations than single-family developments.

Roger Derrick, Cottage Homesteads, said they developed Oak Park Village next door, and it took ten years with about a dozen units done per year. We started Fox Pointe three years ago and planned on doing the same thing with a more current design. Unfortunately we ran into a situation two years ago where potential buyers worried about selling their homes. Our business is seniors – single-story units for active seniors that come and go with attached garages. In trying to accommodate buyers, we would like to build some smaller units that are more affordable. We have met with our sub-contractors that we have worked with for many years and they want to keep working; they have given us some dynamite prices. With lumber and other items being down in price, we can build a six-unit building in place of a four-unit building with the exterior looking very similar. There would be the same materials, same contractors and same quality – just smaller units. They would not all be smaller just a few to introduce the option to buyers. Our lot costs for a four-unit lot is \$30,000, where if we are able to put a six-unit building on a lot, the cost would drop to \$20,000 per lot saving \$10,000 per unit. We would like to eliminate building number twenty-five in our previous plan, clean up and landscape the pond, and add a fountain. We do not know where the six-unit buildings would all be; we would like to build a model and see what the market calls for. We would like permission to have 120 units versus the 100 units we are already approved for now. We have not had a marketing effort for over a year, which is our fault due to a problem with our lender. If we can build the six-unit building, we can then have a variety of different sizes and prices on the units and regular seminars. Our first ad will come out in the senior section of the Austin Daily Herald later this month. We have also had luck sending mailings to all seniors in Mower County and inviting them to informational meetings in the past. The main thing is telling potential buyers they are buying something at a wholesale price and they have to sell their homes at a wholesale price.

Commission Member McCarthy asked if over the last three years the 2004 conditions have all been met, like road development and landscaping.

Mr. Derrick said no, all conditions have not been met and that is their fault. We should have been maintaining the property but have not and it looks terrible. We will clean it up and will do a better job.

Commission Member Spainhower said it would be hard to market the property the way it looks now. The high density may not be necessary if the property had more street appeal.

Mr. Derrick said that you are partially right because when the larger units sell, the extra density does not matter. The broader audience right now is seniors who do not want to go out on a limb, do not want a mortgage.

Commission Member Spainhower asked what the difference is between the larger units and the smaller units in terms of square footage and price.

Mr. Derrick said there would be 400-500 less square footage per unit. There are three unit designs in the six unit buildings with prices ranging from \$118,000 - \$130,000.

Commission Member Spainhower said in her recent experience, lumber prices have not gone down and labor is usually double the cost of materials. Is the construction business so depressed that they are willing to take that huge of a hit?

Mr. Derrick said yes, some of them are.

Commission Member McCarthy asked what the unit on the corner of 21st Avenue and 7th St NW would sell for.

Mr. Derrick said the units there have basements and sell for \$250,000 to \$300,000. Without basements, they would sell for \$200,000 to \$250,000.

Commission Member Stutzman said that after reading through the comprehensive municipal plan in the state statutes and knowing you want us to amend a planning process that has been very thorough, she would like to see something compelling to make this amendment.

Mr. Derrick said providing more affordable owned housing to seniors on limited budgets.

Mr. Hoium clarified that with this type of project there has to be a specific approved plan for the number of units to be built and their size and location in the development.

Mr. Derrick said that if he is what is required to do something, that is what they will do.

Jon Dewey spoke representing his in-laws who live at 2201 7th St NW. His in-laws purchased a unit in Fox Pointe Addition in the fall of 2005. In 2006 they realized that the project was in trouble. The developer did not have the money to make the development what they promised. The area is a weed nest and we do not have a lot of hope or faith in Mr. Derrick and Cottage Homestead. Is there anything the City of Austin can do to help? Can the landscaping be done before they are allowed to build more units? I am reaching out to the City of Austin for help.

Mr. Hoium said for Phase I of this development there was a security provided to guarantee that everything would be completed. One of the challenges that the developer had was the short

extensions with 22nd and 23rd Avenue and the difficulty getting those segments of the public right-of-way completed because of utility issues. We do have about \$90,000 in security for the completion of this project.

Commission Member Spainhower said it seems we should be a voice in the terms of the conditional use permit that was given in 2004.

Commission Member Stutzman asked Mr. Hoium if there is any action required to tap into the security money to complete this project.

Mr. Hoium said that procedure is all stipulated in the contractual agreement with the developer.

Commission Member McCarthy made a motion to recommend denial of this amendment until the conditions from Phase I of the project are met, seconded by Commission Member Bankes. Motion passed unanimously.

OPEN PUBLIC HEARING: To consider a request from Roger Derrick, Derrick Investors, LLC, 7301 Ohms Lane, No. 560, Edina, MN for the preliminary review for an amendment to an existing Planned Development Residential District pursuant to City Code Section 11.65, Subd.6 and Subd.13. This requested action involves the Fox Pointe Addition Condominium Development

Commission Member McCarthy made a motion to recommend denial of this amendment until the conditions from 2004 are met, seconded by Commission Member Mair. Motion passed unanimously.

OPEN PUBLIC HEARING: To consider a request from the Red Cross, 305 4th Ave NW, Austin, MN for the rezoning of their property from a "R-0" Multi-Family Office District to a "B-3" Central Business District to accommodate a proposed facility addition at this location. Said action is pursuant to City Code Section 11.02.

Mr. Hoium reviewed the property showing a graphic with the proposed layout of the building and parking additions. In talking with Mr. Johnson, the architect on this project, we chose to rezone to a B-3 District for the proposed development as his drawings meet all the development standards for a B-3 District. Other zones would require more variance requests for things like setback requirements. Mailings went out to adjacent property owners with no responses for or against the project. Any action taken by the Planning Commission tonight should address any findings in a recommendation to the Council.

Commission Member Skalicky asked if it is correct that there will only be parking access from the 4th Ave side and not 2nd St.

Mr. Hoium said that is correct and any curb cuts need to meet the City Engineers' approval.

Commission Member Stutzman asked for other options other than a B-3 District.

Mr. Hoium said the B-2 District has a broader permitted land-use but when a development site is adjacent to a residential district, there is a minimum setback on the side of ten feet and in the rear, twenty feet. With this proposed development a variance would have been required for both setbacks. The proposed development has a setback of 8'7" on the west and on the south

is 13'3". Another aspect is if the property was zoned as a B-2 District, it would be an isolated district between a B-3 District and an R-0 District. If it is rezoned as a B-3 District, it would be a contiguous to the rest of the B-3 District.

Paul Johnson, 1511 Oakland Ave W, project architect. The reason for not having access to parking on 2nd St NW is that there is a utility pole in the way and we can provide more parking with less confusion by having access only on 4th Ave NW. The Red Cross wants to be good neighbors as they have been since 1973. There is a need for expansion to continue their programs.

Commission Member Spainhower asked if the alleyway would be closed off.

Mr. Johnson said the original building was built in the center of the property with a narrow loop driveway. The building has been run into before, and there is also a need for expansion. So, yes, the west and south sides would be turned into greenspace with no traffic.

Commission Member Stutzman said she is concerned with the B-3 District zoning as the classification stays with the property and in the future the greenspace could change since you can have 100% coverage in a B-3 District.

Mr. Johnson said there is a house to the west, one to the north and one to the south. There are three houses in the immediate area. Anytime we put parking spaces in the business district, there is a requirement of a buffer zone such as grass or fence.

Mr. Hoiu said, yes, a buffer zone is required if you have an excess of seven off-street parking stalls.

Commission Member Skalicky made a motion to recommend approval to rezone the property, seconded by Commission Member Mino. Motion passed unanimously.

Commission Member Spainhower asked for any other business, there was none.

Commission Member Mair made a motion to adjourn the Planning Commission Meeting at 7:45 P.M., seconded by Commission Member Mino. Motion passed unanimously.