

**MINUTES OF MEETING**  
**SOUTH ST. PAUL PLANNING COMMISSION**  
**February 1, 2023**

MEETING CALLED TO ORDER BY CHAIR DESMARAIS AT 7:00 P.M.

Present:     Angela DesMarais  
              Tim Felton  
              Geoff Fournier  
              Jason Frankot  
              Ruth Krueger  
              James Hart  
              Michael Healy, City Planner  
              Monika Miller, Associate Planner  
              Lee Elfring, Interim City Engineer

Absent:     None

- 1)     APPROVAL OF AGENDA – Motion to approve as presented – Hart/Fournier (6-0).
- 2)     APPROVAL OF MINUTES – December 7, 2022 – Motion to approve the minutes as presented – Fournier/Krueger (6-0).
- 3)     NEW BUSINESS  
  
          None.
- 4)     PUBLIC HEARINGS

A. Bryant’s Ridge Development Application

Mr. Healy presented the staff report. The Applicant is TJ Hammerstrom on behalf of Hopewell 360. They are seeking to turn an 8-acre mostly vacant property on Bryant Avenue into a housing development featuring 2 apartment buildings, 2 townhome buildings, 2 twin homes, and 2 single-family homes. The Applicant is seeking a preliminary plat for a 22-lot subdivision; a Conditional Use Permit for a Planned Unit Development that would grant flexibility from zoning and subdivision regulations; a Conditional Use Permit for building height in excess of 38 feet and has more than three stories; a Conditional Use Permit for a multi-family development with more than 20 units; a conditional use permit for a ground-mounted solar energy system larger than 200 square feet, and site plan review for two apartment and two townhome buildings. The subject property is about 5 acres and was previously platted for development in the early 2000s. The Applicant is proposing to construct 176 new housing units between the various buildings using modular construction. The project is complicated, and an additional layer of difficulty is added with the existing soil conditions of the site and the dated rules for multi-family housing that are enshrined in the City Code. Ultimately, Staff does recommend approval of the project subject to extensive conditions being met.

Commissioner Frankot asked staff what would happen if the Applicant prepares the site for development and then backs out on the project. Mr. Healy explained that the approval was for the development rights for the project. Approval from the City would mean that the Applicant can go out and finalize all the documents needed to pursue the development. Mr. Healy explained that the approval was structured to allow the Applicant to be able to record the final plat only in the event that they meet all applicable listed conditions. The City has the

ability to keep the project from moving forward if the Applicant is unable to meet all of the conditions of approval. In the event that the development is approved but never gets built, the site would revert back to being governed by the old development approvals. Additionally, the City is taking substantial escrows to cover project costs such as constructing a public sidewalk along Bryant or addressing the home that is proposed to be moved.

Commissioner Frankot asked what types of protections were in place for if the Applicant only constructs one of the two proposed apartments and then abandons the project. Commissioner Frankot drew attention to the Applicant's inexperience as a developer and the fact that a very similar situation occurred with the 2004 development. Mr. Healy shared that the city he previously worked for experienced this around and after the recession in 2009. In his experience, there was little risk to the City in the event that the development does not move forward as long as the fundamentals of the subdivision are solid and the platted lots would be useable by a different project. Instead, this creates an opportunity for a different developer to develop at the site.

Commissioner Frankot asked about the phasing of the development. Mr. Healy deferred the question to the Applicant.

Commissioner Krueger shared her excitement for the project but expressed concern about the number of moving parts involved. Commissioner Krueger asked how staff felt about managing another large development project. Mr. Healy explained that the project had been extensively reviewed for some time and that the conditions for the project are what need to be in place. Mr. Healy shared his confidence in staff's ability to manage the project.

Commissioner Felton shared his concerns about the developer abandoning the project after constructing just the apartments and how the site's architecture might be received in several decades from now. Commissioner Felton shared that he looked forward to hearing comments from those in attendance of the meeting. Mr. Healy shared that a condition could potentially be added that would require a certain build order for the site which could prevent the situation where only the apartments are constructed.

Commissioner Hart brought up a comment that the Police Chief had made about congestion and overflow parking at the site and asked staff if they could provide more insight into the parking situation. Mr. Healy shared that the Police Chief provided initial comments during the concept review but has not provided additional comments during the more recent development review. Mr. Healy explained that the large amounts of snow received this year made staff and the City Council reconsider how on-street parking is managed. He emphasized the need to discuss winter parking and on-street parking management in general.

Chair DesMarais inquired if an additional soil study had been done after the initial study. Mr. Healy stated that the Applicant had hired Braun Intertec to conduct a soil study, which they completed in November. Mr. Healy stated that this study was not included in the packet but could be emailed to any interested parties. Braun's report deemed the site to be usable as long as soil corrections were made or geotechnical piers were installed. Additionally, the Applicant would be required to have a full geotechnical survey done if the project is approved.

Chair DesMarais invited the applicant to speak to their application. TJ Hammerstrom, Hopewell 360, introduced the projects' engineer, architect, and general counsel.

Commissioner Krueger asked the Applicant about the phasing of the project. Mr. Hammerstrom explained that he was in the business of modular housing. With modular housing, the work order for all of the housing is placed at the same time and it all gets built at one time. Mr. Hammerstrom stated that the market trends will dictate which type of housing will be put together at the site first.

Commissioner Frankot asked where the modular homes would be constructed. Mr. Hammerstrom shared that there was a plant in Wisconsin they utilize. Mr. Hammerstrom stated his company would likely be constructing a plant of their own as well.

Commissioner Felton asked the Applicant to clarify what he meant by his comment that “it all gets built at one time.” Mr. Hammerstrom explained that each of the 156 modular units which would make up the two apartments would all be constructed at the same time under one work order. Commissioner Felton clarified that the apartments would be done at the same time, but not at the same time as the townhomes or the single-family homes. Mr. Hammerstrom confirmed this was true.

Commissioner Fournier asked the Applicant again about the proposed timeline for the project. Mr. Hammerstrom explained that they could construct one of the modular apartments within 180 days instead of the 15 months it would take to construct the apartments using traditional construction methods.

Commissioner Felton asked about the downsides of modular construction. Mr. Hammerstrom explained that the approval process and underwriting is challenging for modular housing because it is not a mainstream form of construction. Mr. Hammerstrom shared that modular construction is superior to mainstream construction because there are additional inspections that take place.

Commissioner Krueger asked about the lifespan of modular housing compared to traditionally constructed housing. Mr. Hammerstrom explained that modular housing needs to be constructed in accordance with the building code which requires housing to be constructed to last 100 years.

Commissioner Krueger commented that economic analysis of this project is likely difficult due to the high interest rates. Mr. Hammerstrom shared that he felt that this was the perfect time to construct housing. Mr. Hammerstrom iterated that there is not enough housing and this project would help address the housing gap.

Commissioner Hart commented that the aesthetics of the proposed housing differed from the existing single-family homes at the site. Commissioner Hart questioned whether the new development would overshadow the existing housing. Mr. Hammerstrom noted that the site’s elevation changes very dramatically throughout the site which helps to mitigate the appearance of the taller buildings.

Commissioner Frankot inquired about the house being moved and whether the homeowner would continue to live in the house after it was moved. Mr. Hammerstrom shared that the homeowner would like to stay in the neighborhood and has made plans to move the house in a timely manner.

Chair DesMarais opened the public hearing.

Thomas Murashie, 1235 Bryant Avenue, shared his concerns about the project and the prospect of his house being moved. Mr. Murashie noted that this was an incredible inconvenience to him but added that the project looks nice. Mr. Murashie shared that he was not aware that the Applicant needed to buy out his property for the project to go forward and reiterated how incredibly inconvenient this would be for him. Mr. Murashie shared that this situation was stressful and felt that there was a threat that if he did not move, the Applicant was going to construct apartments around his property making it unappealing to future buyers. Commissioner Frankot asked Mr. Murashie if he had learned new information about the project. Mr. Murashie stated that he did learn new information about the project, including that his property would need to be bought out in order for the project to go forward.

Commissioner Felton asked staff what would happen if Mr. Murashie refused to sell his property to the Applicant. Mr. Healy explained that the project would need to be redesigned in that situation.

Kori Eastman, 1251 Bryant Avenue, shared that she had been to every public meeting since she had heard about the project. Ms. Eastman was under the impression that the properties around Mr. Murashie’s property would have single family homes constructed on them. Ms. Eastman shared that she had similar concerns to those that were raised by the Planning Commissioners. Ms. Eastman shared that several of her elderly neighbors who were unable to attend the meeting were concerned that the development would disturb the wildlife that can be seen in

the area. Ms. Eastman summarized that there were a lot of “what ifs” for the project and while she was open to welcoming more people into South St. Paul, she had some real concerns about the project.

John Fischer, 772 Holland Avenue, shared he had lived at his property for 21 years. Mr. Fischer shared that he had concerns about the plans for the project being convenient for the developer rather than consistent with the City’s rules. Mr. Fischer shared his concern about there being no recourse once the project was approved.

Matt Mundlinger, 771 15<sup>th</sup> Avenue North, shared that he and his fiancé had moved to South St. Paul last summer from a busy area in Saint Paul. Mr. Mundlinger shared his relief to live in a quieter neighborhood. Mr. Mundlinger shared his concerns about the additional traffic the development would bring to the quiet neighborhood and wanted to know about plans to keep the intersection safe with the additional traffic from the proposed project.

Chad Schlemmer, 764 Holland Avenue, commented that the current iteration of the project is preferable to the previous iteration that involved a large turnaround in his backyard. Mr. Schlemmer asked if the additional rental housing was needed when new rental units were being built along Concord Exchange. Mr. Schlemmer posed the question of why rental housing was being encouraged over a housing type that promotes homeownership when there are already issues with the rental housing on Bryant Avenue. Mr. Schlemmer added his concerns about traffic along Bryant Avenue which would increase due to the proposed development.

Ms. Eastman, 1251 Bryant Avenue, added her concerns about having the infrastructure in place to support the individuals in the proposed development that would be working from home.

Emylisa Warrick, 771 15<sup>th</sup> Avenue North, thanked her fiancé for sharing their story. Ms. Warrick commented that the architectural style of the project might not be as timeless as anticipated and speculated how this might impact the character of South St. Paul. Ms. Warrick added her concerns about the rental housing impacting the sense of community she has experienced.

Mr. McCrum, architect for Hopewell 360, came forward to respond to some of the concerns that had been shared. Mr. McCrum commented on the relief he had seen from some of the neighbors when they see that the proposed density for the site had been decreased. Mr. McCrum explained that only offering single-family or townhome houses would not meet the proforma costs of reclaiming the site. Mr. McCrum shared his experience relocating houses and how the City Code’s regulations for moving a house do not match the industry standards for moving a house. Mr. McCrum commented that Hopewell does not have an issue with purchasing Mr. Murashie’s home but that this would result in Mr. Murashie doubling his interest rate. Mr. McCrum addressed Ms. Warrick’s concerns about a lack of community and shared he was committed to creating a sense of community within the site. Mr. McCrum addressed Mr. Mundlinger’s comment about the traffic by stating that they anticipate that most of the traffic at the site will go to Concord Street instead of up Bryant Avenue towards Highway 52. Mr. Fischer rebutted Mr. McCrum’s claim about building community and asked the Applicant to be honest about not wanting to expand the traditional South St. Paul community.

John Ashton, 806 15<sup>th</sup> Avenue North, commented that people come up Bryant Avenue to get to Highway 52. Mr. Ashton shared his experience with this during the summer of 2022 while Concord Street was being reconstructed. Mr. Ashton added that this project would increase the traffic along Bryant Avenue.

Christina Maki, 725 13<sup>th</sup> Avenue North, submitted comments via email. Ms. Maki shared her concerns about the loss of wildlife habitat and the additional people the development would bring. Ms. Maki commented that while she was in favor of renewable energy, she thought a large ground mounted solar array would look tacky. Ms. Maki stated that she would prefer to see condos or townhomes that promote homeownership leading to community involvement.

Aaron Krier, 1411 Bryant Avenue, also submitted his comments via email. Mr. Krier and his wife were opposed to the project. Mr. Krier shared his safety concerns with the increased traffic that would result from the

development. Mr. Krier explained that he was an insurance agent in town and that he would like to be considered to insure the development.

Commissioner Felton reread the last paragraph of Ms. Maki's email to emphasize Ms. Maki's point about encouraging housing that promotes homeownership and community involvement.

Chair DesMarais closed the public hearing.

Commissioner Fournier reiterated the concerns that had been voiced about traffic at the proposed site.

Mr. Healy addressed some of the comments that were made. Mr. Healy clarified that the lot where the Applicant is proposing to move Mr. Murashie's house does exist today and is a buildable lot. Mr. Healy addressed that the project would leave the ravine largely undisturbed. Finally, Mr. Healy commented that while housing generates additional car traffic, Concord was designed to handle a much higher level of traffic than it experiences today. The current design of Concord Street is such that it should handle the additional traffic from the Yards, the Backyards, and the proposed development. Finally, Mr. Healy added that the subject property has always been zoned for multi-family development and the proposed development would have a lower density than is recommended for that area. In the event that the City rezones the site and amends the comprehensive plan to allow for a lower density than what is allowed today, the Met Council would likely require the City to designate another area for high density housing. Mr. Healy explained that there has been a sentiment amongst elected officials that the character of the existing neighborhoods is sacred. Concord is more of an innovation zone where the City would like to see reinvestment and new development. In order to get the types of amenities that are desired at the Concord and Bryant intersection, including restaurants and breweries, there will need to be additional density to create a demand for these amenities. Mr. Healy shared he was ok with changing the condition about 30-days to move Mr. Murashie's house to what Mr. McCrum recommends. Mr. Healy explained the proposal to have Mr. Hammerstrom purchase Mr. Murashie's home stems from the City's attempt to minimize Mr. Murashie's risk if something goes awry. The City believes the developer should be taking the risk, not the homeowner. Mr. Healy encouraged the developer to increase their compensation for the homeowner if they truly feel bad about Mr. Murashie's interest rate increasing.

Commissioner Krueger commented that this proposed development was a small community in it of itself and the individuals that live in this new development would likely seek out churches or other community amenities and become entrenched in the community that way.

Commissioner Felton stated the developer's plan was interesting and it was clear that the developer put time and work into the project, but the question was whether this project is right for South St. Paul.

Chair DesMarais commented that the Yards and Backyards have set new standards for the quality and aesthetics the City is looking for from a new development.

Mr. Hammerstrom shared that the evening had been enlightening and that there were conversations that needed to be had to make all parties, particularly Mr. Murashie, comfortable with the project.

The motion to recommend approval of the development application with the amended condition that the Applicant must install the foundation for the house being moved within 30 days or as agreed upon in the development agreement moved by Commissioner Krueger and seconded by Chair DesMarais resulted in a tie vote (3-3) (Felton, Frankot, Hart). The motion failed. No additional motions were made and the Planning Commission did not make a recommendation.

## B. Conditional Use Permit for PWS Antenna at 1908 Thompson Avenue Water Tower

Ms. Miller shared the staff report. The Applicant is Steve Ward on behalf of Dish Wireless. The Applicant is proposing to install three Personal Wireless Services (PWS) antennas and ground mounted accessory equipment. The subject property has several Conditional Use Permits for PWS antennas and related accessory ground mounted equipment. The Applicant would like to place three antennas on top of the water tower and in conjunction place ground mounted equipment within the existing TTM enclosure. The Applicant has proposed additional decorative landscaping around the enclosure to further screen the site from the property to the north. The proposed PWS antennas and the ground mounted equipment meet the Code's requirements for PWS antennas. Staff recommend approval of the proposed Conditional Use Permit subject to the conditions listed in the staff report.

Commissioner Krueger asked if the project would help provide additional Wi-Fi capacity for people working from home. Ms. Miller explained that the PWS antennas provide better phone and data access to the customers of Boost Mobile. This project would not have any impact on the internet Wi-Fi capacity.

Steve Ward, Ward Development, was present to speak on the application. Mr. Ward reiterated that the new PWS antennas would improve access to data for Boost mobile customers. Mr. Ward shared that this project was a priority for Boost mobile to get their customers 5G.

Chair DesMarais opened the public hearing.

Commissioner Frankot asked how long this project would take and shared his frustrations with a previous water tower project that took several months. Mr. Elfering explained the project Mr. Frankot was referring to was a water tower repainting project which takes about 5-7 months. Mr. Elfering estimated the work would take about a month and a half and would cause minimal or no disruptions.

No comments had been received prior to the meeting and no one was present to speak on the application.

Chair DesMarais closed the public hearing.

Motion to approve as presented- Frankot/Fournier (6-0).

#### C. Ordinance Amendment Updating the CGMU Zoning District's Rules for Lighting and Glare

Mr. Healy presented the staff report. Mr. Healy reminded the commissioners of the code changes that had been made to the Concord Gateway Mixed Use (CGMU) district in 2022 to make the zoning district more business friendly. Mr. Healy explained staff had missed an item during the cleanup which was highlighted by the Asian Mart development project. The City has lighting rules city wide that prohibit more than 1 footcandle of light on a public street measured at the center line of the street. In the CGMU district, no more than ½ a footcandle of light is allowed to be cast across the front property line on the public right of way or on a neighboring property. The CGMU district requires buildings to be built right up to the sidewalk and the existing public lighting system along the street is in disrepair. The owner of the Asian Mart development shared his concerns about the safety for his customers due to the lack of lighting. Staff is proposing to allow the CGMU district to adhere to the general lighting rules that are applicable city wide when dealing with light cast onto the right-of-way. The amount of light that can be cast onto a neighboring property would still be restricted.

Chair DesMarais opened the public hearing.

No one was present to speak on the application and no correspondence had been received prior to the meeting.

Motion to approved as presented- Felton/Frankot (6-0).

Planning Commission Minutes

February 1, 2023

Page 7 of 7

5) OTHER BUSINESS

Mr. Healy reminded the commissioners that elections would be held in March for the Chair and Vice Chair who would serve from March of 2023 to March of 2024 and encouraged the commissioners to consider the available positions.

6) ADJOURNMENT

Motion to adjourn- Hart/Fournier (6-0).