Shakopee Planning Commission Meeting

April 6, 2023
7:00 PM
City Hall, 485 Gorman St.

1. Meeting began at 7:05 PM Roll Call: Present Commissioners Forsythe, Olson, Weiler, Reding, Robbins, Lara. Sepulveda absent, Staff Kerski
2. Approval agenda: Forsythe moved, Olson second. Approved unanimously
3. Call – good
4. Interested citizens – None
5. Consent business – minutes of March 9th motion to approve by Reding, Weiler seconded, Olson abstained. Approved unanimously.
6. General Business

   a. Public Hearing on Text Amendment on Reasonable Accommodations

      Motion to open public hearing by Forsythe and seconded by Olson and approved unanimously. Staff presented. The Commission asked under what conditions people could use this process for. Commissioner Forsythe asked why we were doing this – just to get ahead of issues – this give staff flexibility for ADA issues. Commissioner Weiler said this makes the process simpler. Appeal goes to the BOAA and the city council. Commissioner Forsythe asked who the Accommodation Specialist would be.
      Motion to close by Reding Seconded by Forsythe. Forsythe moved for positive recommendation to city council and seconded by Weiler.
      Passed unanimously.

   b. Public Hearing on Rezoning and Preliminary Plat of Highview Park.

      Lara moved Forsythe seconded to open the public hearing. Passed unanimously. Staff presented a subdivision proposed by DR Horton for approximately 600 homes south of CH78.

      Mike Suel from DR Horton Homes, both developer and builder of Highview Park and the developer of Windermere. Basically, an extension with three styles of homes. Two stories, multi-level homes, smaller two stories and a newer product, twin homes. Trying to find a price point for newer homes. Twins are in the upper $300s, Tradition are $620,00, $400,000 and $500,000. Four phases of development, six to eight years to complete. Chair asked where they would start – Suel said in the northern most phase. Build some of the lots below the twin homes and NE side of Zumbro. All of these are homeownership. Chair asked about the demand since this is a huge project. Suel said that Shakopee is a city that people want to move to. They continue to sell, 70-80 homes per year. Have to bring sewer 2,000 feet from where it is and have to build Zumbro with a median and trees. They have to have enough homes to pay for everything. Chair asked who could afford these? Homes usually take two incomes. Forsythe asked about HOA. Seul said a Master HOA for Zumbro avenue medians and ponds and a separate HOA for the twin homes since they have outside maintenance like lawns etc. Suel was asked about HOA – twin homes $200 a month, Master $125 a quarter as an example.

Asked when they hoped to start. Final plat end of May and grading this summer. Have to work through things. This is a large project. Start construction by fall at the latest. Commissioner Lara asked about park and green space that would only be Jackson Park. The families will have to drive to the park. Staff noted that there are trails throughout the project to get to the park. Designed to be a walkable community. Other reason to boulevard Zumbro so it was not a racetrack. Lara asked about who is building the roads. Suel said they will be building the roads and inspectors will be sure built to city standards. Suel said trail and sidewalk on Zumbro, trail through powerline easements, trails behind homes into park. Sidewalks on all streets on one side.

Matt, new resident of Shakopee – moved here a few weeks ago. What are the sizes of houses? Suel responded 1,800 to 2,800 square feet. They have a one level home villa that is 1,800 square feet. Matt noted that these projects are not affordable. What is stopping them from making smaller houses? Chair noted that he could not afford these houses. This development is pricing out people that want to live here. Suel responded that townhomes are $360,000. Costs of building materials and labor have skyrocketed. Smaller homes there is not a market. Shakopee has a good base of starter homes that are $300-400,000. Square footage costs are high no matter the size of the house. Staff noted the small land trust homes were priced at $400,000 and that was after the County underwrote all the infrastructure and land costs. Staff also noted that townhomes are selling well in the market because of the entry point. Weiler asked about rental costs for homes. $1,600 for a two bedroom. Staff noted rents are $1,200 to $2,400 a month for apartments. Chair noted that costs have made it difficult, and he challenged the city, state to create more housing that is affordable. If we want people to live in Shakopee, where are they going to live. Weiler asked which criteria was being met for the rezoning and staff responded that it is not the appropriate zoning since it is currently AG.

Motion by Reding and seconded by Weiler to close, passed unanimously. Two motions, positive recommendation to city council for rezoning made by Olson, seconded by Reding, passed unanimously, motion made by Forsythe seconded by Lara to approve recommendation of preliminary plat.

Commissioner Forsythe suggested that the affordability issue be addressed to the city council.

c. Motion by Reding and seconded by Weiler to open the public Hearing for a PUD Amendment to Canterbury Crossing for Artessa Senior Living. Approved unanimously.

Applicant is asking to reduce by one floor the prior PUD plan. Since these coop require a significant presale, the market is telling the developer that the building needs to have slightly fewer units. This is a 55 plus development, heavily amenities, market rate.

The developer Tim Nichols, CEO, Lifestyle Communities stated that they have kept the building and the architecture to what has been approved and have made the building more efficient because of construction cost increases. The owners tend to be in their

60s, selling their home in the current market. Been developing these for 30 years. Cooperative housing opens the natural occurring affordable housing since people would stay in their existing home. Typically, these people want ownership and come in as much of 70% of the surrounding communities and these projects keep them in the community. They are selling blue sky so people want to see the building and move in. Not how the program works. There are four times the number of people but the single-family market is holding back. Units require presales. The larger a project gets; it gets away from what people want. They want a boutique community.

Chair asked if any of the finishes have changed. Nothing changed. They did change fewer underground parking stalls through a very expensive garage. Fewer units is fewer parking stalls more affordability. Cost savings will balance the inflation. Building is 900 square feet to 1600 square feet. Solid middle is 1200-1300 square foot two bedroom.

Reding motion seconded by Olson to recommend approval on recommendation for approval to the city council. Approved unanimously.

d. Public Hearing for South Valley Medical Campus PUD and final plat of St. Francis Third Addition, motion by Forsythe with Reding seconded to open hearing. Passed unanimously.

St. Francis is proposing a 44,000 square foot outpatient surgery center south of the main campus on a site that is currently parking. The building would have an orthopedic urgent care and two surgery suites to start and a third potentially in the future. Staff is recommending that additional horizontal design features are needed to meet design standards and that one proposed entrance needs to be removed per the applicant's traffic study.

Commissioner Forsythe asked how access would work. Staff pointed out the main drive and access off St. Francis Drive. Commissioner Olson asked about the need for people to be able to walk between the campus. There are pedestrian connections designed into the plan.

Amy Jerde, President of St. Francis spoke about the project. Excited about bringing ambulatory surgery here. There won't be a need to access the hospital. Any emergency requiring hospitalization would be done by ambulance. Commissioner Forsythe asked what the surgery type was. Outpatient. No one would stay overnight. Higher risk surgery would still be done in the hospital. Lower cost of care and lower reimbursement. The timeline for build is sometime in May and finish in October 2024. Project has been in process since 2017 but was put on hold. Commissioner Lara asked if the hospital would still have surgery space. This will open capacity within the hospital for programs that are not currently offered. Commissioner Weiler asked where patients will be coming from. Some are using the hospital today and there is no such center that exists today so there is a need. There will be a shift from the hospital. Commissioner Weiler asked about the outlot that is being platted. The southern area can be used for future expansion. The west outlot there are no plans for. Commissioner Olson asked if they would be closing other urgent care in the area and she responded no.

They continue to see very high usage of their current urgent care and emergency room. Tria will be the operator and is excited to build sports medicine brand in this market.

Commissioner Weiler asked about the farming site, which is owned by Betaseed for seed testing and will likely not be developed. This project will cause no interruption.

Motion to close by Lara and seconded by Weiler. Passed unanimously.

Commissioner Forsythe recommended adoption to the city council of the PUD amendment seconded by Weiler.

Commissioner Forsythe recommended adoption of preliminary and final plat of third addition, seconded by Reding. Passed unanimously.

7. Other Business - None

Motion to adjourn to May 4, 2023 at 7PM by Reding and seconded by Lara At 8:28PM