



Development Review Committee

Approved Minutes

Pre-Application, PL202400080

Meeting Date: May 28, 2024

McLeod Conference Room

Bloomington Civic Plaza, 1800 West Old Shakopee Road

Staff Present:

Brian Hansen (Eng., Chair)	952-563-4543	Jennifer Blumers (Assessing)	952-563-8706
Laura McCarthy (Fire Prev)	952-563-4813	Mike Thissen (Env. Health)	952-563-8981
Kelly Beyer (Bldg & Insp)	952-563-4519	Michael Centinario (Planning)	952-563-8921
Julie Long (Eng)	952-563-4865	Liz O'Day (Planning)	952-563-8919
Tim Kampa (Utilities)	952-563-8776	Michael Palermo (Port Authority)	952-563-8924
Jordan Venness (Utilities)	952-563-4533	Sarina Eschbach (Eng)	952-563-4607
Kevin Toskey (Legal)	952-563-4889	Bruce Bunker (Eng)	952-563-4546
Rena Clark (Park & Rec)	952-563-8890	Dave Spaeth (Comm Dev)	952-563-8964
Jason Heitzinger (Assessing)	952-563-4512	Desmond Daniels (Police)	952-563-8848
		Jason Schmidt (Port Authority)	952-563-8922

Project Information:

Project	Southtown PDP/FDP - 7803 Penn Ave. (pre-app)
Site Address	7803 PENN AVE S, BLOOMINGTON, MN 55431
Plat Name	SOUTHTOWN SHOPPING CENTER 3RD ADDITION;
Project Description	Preliminary and final development plans for a partial redevelopment of the Southtown Shopping Center located at 7803 Penn Avenue S.
Application Type	Final Development Plan Preliminary Development Plan
Staff Contact	Mike Centinario - mcentinario@BloomingtonMN.gov (952) 563-8921
Applicant Contact	John Dreher - <NO PRIMARY PHONE> john.dreher@krausanderson.com
Post Application DRC	NO

NOTE: To view all documents and minutes related to this review, please go to www.blm.mn/plcase and enter "PL202400080" into the search box.

Guests Present:

Name	Email
Bob Cunningham – Kraus-Anderson	N/A
Megan Rodgers – Lakin-Hoffman on behalf of Kraus-Anderson	N/A

Bill Griffith – Kraus Anderson

N/A

Discussion/Comments:

PLEASE NOTE: Below is not a complete list of comments. Please read the comment summary and review plan mark-ups for a full list of comments.

○ **Rena Clark (Park and Recreation):**

- No comments.

○ **Jason Heitzinger (Assessing):**

- Jason Heitzinger asked, “Do you plan to re-plat this site sometime?”
 - Bob Cunningham said, “We would be looking to get a new tax ID number for the building that is identified as Major Recreation/Sporting Goods on the plan. The answer is we don’t think Southtown is going to stay one lot block like it is right now for the indefinite future.”
 - Jason said, “We’ll need that platting information to calculate a park dedication fee. At some point when it’s re-platted, we will figure that out.”
 - Bob asked, “Is there any credit for the park dedication fees relative to the space that’s been demolished?”
 - Jason said, “Yes, there is. Once we get the plat information, we can sort that out to see what we removed and what we’re replacing it with to find out if and what size of park dedication fees there are.”
 - Bob asked, “So should we contact you independently and start to work through that thought process so that we can start to frame the discussion?”
 - Jason replied, “Once you begin the platting discussions, I think Glen and the rest of the Planning team can get us all on the same page.”

○ **Mike Thissen (Environmental Health):**

- Mike Thissen said, “If there are going to be any concessions or food-related facilities, please make sure it goes through the plan review process with Eric Solie.”

○ **Kelly Beyer (Building and Inspection):**

- Kelly Beyer stated, “I just have general comments at this point without seeing any plans so once we get a little further along, I’m sure there will be more. That’s all I have for now.”

- **Laura McCarthy (Fire Prevention):**

- Maintain emergency vehicle access and circulation throughout the property.
- Hydrant coverage shall be provided within 50' of the FDC and within 150' of all portions of the structure.
- Bob Cunningham asked Laura McCarthy to elaborate on Fire Department Review comment #6 on the Comments Summary, which reads, "Building/property shall be adequately signed for emergency response."
 - Laura said, "Because the property is one large property, what ends up happening a lot is a generic address comes into the facility like 7803 Penn or whatever it is, we search around looking for it. Some of the shops are very obvious to us, like McDonald's and all those others, so as this continues to change and grow, we just want to make sure that we get not only the address coming through for 9-1-1 calls but more so on the building depending on what is going on and what the name of it is. Just to make it more clear for our agencies but also outside agencies like Allina."
 - Bob inquired, "One of the things we're thinking of is some wayfinding signage that goes along with this. Say you're coming in the mid-block of Southtown where the stop light is, between Guitar Center and the soon-to-be Slumberland. We would have something that would say, for example, 7801 – 7900, 7600-7800, etc. Is that what we're talking about?"
 - Laura replied, "Yes that is part of it. That goes a long way to helping us out so we'll work with Planning and Environmental Health because they've got some restrictions on what the wayfinding is."

- **Desmond Daniels (Police):**

- No comments.

- **Kevin Toskey (Legal):**

- No comments.

- **Christina Scipioni/Matt Brillhart (City Clerk)**

- Absent.

- **Brian Hansen (Engineering/Traffic/Water Resources):**

- Provide stormwater management plan meeting the requirements of Bloomington Comprehensive Surface Water Management Plan.
- Submit a copy of Nine Mile Creek Watershed District permit and comments prior to issuance of City of Bloomington permits (www.ninemilecreek.org)
- The City and Nine Mile Creek Watershed District are interested in discussing a partnership for on-site stormwater management that exceeds current stormwater standards to benefit local drainage and water quality. Please contact Bryan Gruidl at 952.563.4557 or bgruidl@bloomingtonmn.gov to discuss in more detail.

- If the new proposal includes more trip generation or higher peak hour traffic than the previous traffic study evaluated, a traffic study update will be needed. If you are able to rely on the previous traffic study, the plan should implement the recommendations from the previous study.
 - Brian said, “I know that you are targeting the June 18th submittal deadline for your formal application and based on the timeline that they provided us, they would not be able to give us a final study by that date. They did identify that they will be able to get us a study by the end of that week. So as Engineering staff, we’re comfortable with that as long as the Applicant understands that any recommendations that are made from that study may affect your application. So if there are some big things that come up, say ‘as a result of this, we’ve identified this needs to happen in order for this to move forward’, that would be applied to your application. I don’t anticipate that being the case because I think all of the recommendations are made before but the study will confirm that those still apply and/or if the order of those moves. So I don’t anticipate there will be anything but I wanted to bring that to your attention if you wanted to wait until that study was complete, we’d probably be looking at the next submittal deadline, which is in July I believe. Then you would have that final report and be able to decide how you want to proceed forward. That’s up to you but as Engineering staff, we’re comfortable with that process moving forward as long as that study is started.”
 - Bob Cunningham stated, “We are too, and we agree with what you just said. The interesting tightrope we’re walking here is that we are looking to get approval for 120,000 square feet of retail and we’ve removed 180,000 square feet of retail. So what we’re looking to do is stay on a pretty tight timeline and we are also looking to get through the preliminary development, final development plans by for-lack-of-a-better-word, ghosting-in subsequent phases. So what I want to let Bolton & Menk aware of is this very circumstance where we’d be looking to basically look down the road with them and when the next phase comes along, say ‘this is what we should reasonably expect’. With this phase we should focus on immediate things and subsequent things when next phases are developed.”
 - Brian Hansen said, “That’s something we could bring up at the kick-off meeting on Thursday because I could see a scenario where they may be able to provide us a memo saying, even prior to the June 18th submittal, saying ‘We’ve looked at the first phase, we don’t see any - and then we’ll continue to finish the study looking at the future phases and recommendations on that.’”
 - Bob replied, “We’re on the same page.”
- The Bloomington Alternative Transportation Plan and Active Transportation Action Plan identify a prioritized bike connection to the Knox Avenue tunnel through this area. Would like to discuss opportunities to make this connection parallel to or in-line with this Private Knox drive aisle.

- Bob Cunningham pulled up a green site plan on the screen and said, “I would direct your attention to the green plan. This is the areas we plan on paying attention to for various reasons. Like the north loop that’s in green is for fire and the south extension is for pedestrians to get to the BRT stop and then the extension on the south side of the Lucky 13 restaurant to get us to the tunnel. So all of those things are in our planning/thinking and we can certainly advance those as we go along. Those are included in our thinking.”
 - Brian Hansen replied, “Thank you for that.”
- **Tim Kampa (Utilities):**
 - Please provide peak hour and average day wastewater flow estimates and/or Met Council SAC determination.
 - Bob Cunningham asked, “Relative to providing peak hour and average daily flows, would we be looking to get that from the tenant or is there a handbook we reference? What kind of information is most useful in this circumstance?”
 - Jordan referred to Tim Kampa and stated, “Tim, correct me if I’m wrong, but I think a Met Council SAC determination may suffice. Otherwise, it would be based on square footage and use of the building.”
 - Tim Kampa said “Met Council SAC and Bloomington capacity are two different issues. We’re trying to use the Met Council SACs as the unit of flow to keep apples-to-apples that way. If you can get the SAC determination by the Met Council that’ll be what we put in our sewer model. There are only about 99 SAC units of capacity left to serve and as soon as we know what this will generate, we’ll put it in the model and make sure that everything can take that.”
 - Bob asked, “There are 99 SAC credits remaining but prior to demolition of Toys R’Us, Herberger’s and some of the small shop space, we did get a SAC credit determination from MetCouncil on the demolished portions of the building.”
 - Tim replied, “MetCouncil’s SAC deals with their interceptors, their treatments plants and that type of thing, on a metro-wide basis and we’re trying to use those SAC 270 gals/day. We’re trying to use those in our Bloomington sewer system capacity analysis so that we’re looking at the same thing on a units of flow basis, but they are not the same thing as far as ‘Ok you had this many credits, you’ll get this much flow’. There’s only so much flow in the lines and whether the building was torn

down or rebuilt up, I only have 99 SAC units of capacity left because of all the other development in the area. We're going to reach a point where we'll have to say no in this area until we get some more pipes upsized to be able to serve the area. Whether there was MetCouncil SAC availability or not, there's only so much room in the pipe."

- Bob asked, "Are we saying that to the extent, the sporting goods retailer identified on plan uses 50 SAC credits and we have 50 credits from the demolition, that would not be relevant? It'd be 50 taken from 99 so there would be 49 SAC credits available?"
 - Brian Hansen said, "We're using the 99 as a definition of the capacity of the pipe. So the SAC credits you have there are for the fees paid – "
 - Bob clarified, "Right but what I'm saying is there's no calculation based on what the previous use was in the pipes so – "
 - Brian stated, "My understanding, and Tim correct me if I'm wrong, is that regardless of what was there before, the capacity that is currently available is equal to 99. Is that correct, Tim?"
 - Tim said, "Yes, that's correct. Like you say, you did tear something down. The existing use is there. We're based on 2016 flow inputs from their water meters so yes, there is a little bit of nibbling away at that / adding to the 99."

So that would be figured into this too once we get the estimate of flow from this one. And I'll take out the Toys R' Us and Herberger's buildings and then put this back into the sewer model."

- Bob replied, "This is new news for everybody's clarification. I was under the assumption that we got whatever credit was in place from the demolished space to add to the new retail space. And if I'm hearing everybody correctly, we're saying, 'Nope that's not true. We've got the equivalent of 99 x 274 in here and if this new retail anchor takes up 50 of them, we'll have 49 left'?"
- Tim explained, "The 99 isn't just for Southtown, it's the entire area. I'll call it a pinch point. There's 274 x 99 of sewer capacity left in a pipe that's on the east side of 35W and that's something we've been talking about for quite a while. We actually hired a consultant to come up with alternatives to repair the capacity issues so those are being worked over with senior staff and folded into the proposed city SAC program. But again, that's Bloomington's capacity. You do get your SAC capacity from Met Council for those properties. The only similarity here is we're

just using the same terminology (SAC) to keep it clear as far as how much capacity we have available compared to what the Met Council is saying you would owe.”

- Bob asked, “Glen has made it clear to us that this is available on a first-come, first-served basis. The first entity/project/however you want to define it that is approved gets as many of these 99 credits as they need up to 99. So theoretically, if someone comes in front of us, gets entitled and uses 99 SAC credits, we would have zero capacity to do anything at Southtown. Is that correct?”
- Tim stated, “I believe that is correct because we wouldn’t have capacity to serve you.”
- Bill Griffith suggested taking the discussion offline and said, “This is a bit of a shift from what we’ve been discussing for weeks and months now. At the end of the day, there is going to be capacity for this project.”
- Everyone agreed to continue the discussion offline.

- **Staff (Public Health):**
 - Absent.

- **Mike Centinario (Planning):**

- Pedestrian improvements are vital for Phase I. Pedestrians must be able to access the new retail anchor from the Orange Line station to the southeast, bus stops to the south, and the Orange Line tunnel to the east via sidewalk. As envisioned on the plan, that sidewalk must traverse the future medical office site.
 - Mike stated, “It’s an understatement to say that pedestrian accommodations aren’t great in Southtown and we’ve talked about that over and over again so I think you’re clear on what we’re looking to see. What I think would be really important so everyone understands what you’re proposing and not proposing in phase 1, is to have a very detailed phasing plan. I know you have your green elements and I encourage you to communicate with Kimley-Horn that this really is going to require a series of documents for phase 1 and subsequent improvements. For example, the west half of the parking lot would remain unimproved for phase one. So that should be very clear.”
- The Penn Avenue depicts reconfiguration. If this work is not proposed to be completed as part of phase I, when is it anticipated to be completed?
 - Mike said, “This relates to the traffic study. In this sheet, you’re depicting some improvements to the Penn Avenue access area and that’s a big component to the traffic study so the consultant needs to understand that’s something that would not happen initially in phase 1. That might have an impact on what their analysis is.”
- Is future development envisioned for the NE corner of Knox and American? If not, remove the building footprint from the plans.
 - Mike explained, “There was a hold-over from the HyVee plan PDP on the northeast corner of American and Knox. What you’re seeing there is a footprint from a mixed-use building that was proposed several years ago. I understand that is not being proposed now so that should just depict what the existing conditions are, like at Lucky’s.”
- The NW corner of Knox and American is zoned C-5 with a minimum 1.0 FAR. Will the PDP depict a future phase at this corner? If not, please address this in the project description. Amendments to existing agreements may be necessary.
 - Mike shared, “We obviously are very interested to see dense development on the northwest corner of Knox and American where there is a split zoning situation. No development is being shown there right now. I’m not sure what legal agreements have to be addressed. I think that was the subject to a lot of negotiation between the property owner and the city. So I just want to make sure as a part of your development application, that that gets addressed.”

Brian Hansen opened up the meeting to questions/comments

- Bob Cunningham showed a design of the proposed retail space, medical office building and a multi-family mixed-use project for the northwest corner of Knox & American.

- Bob stated, “This is something we’re going to be advancing so we can address some of the comments in the Planning review comments with respect to subsequent phases are going to look like, parking totals, all that sort of thing. So this is kind of the basis on which we’re going to be proceeding. And lastly, we’re just going to continue to maintain a ‘no comment’ position with the press for the moment.”
 - Mike Centinario said, “Thank you Bob. That was in my Comments Summary related to some massing diagrams for future phases so much appreciated.”
 - Bob replied, ‘We’ll start putting together a series of these that show the next phase, the retailer, the MOB after that, the mixed-use multi-family project on the southeast corner of the project, the northwest corner of American and Penn. So we’ll start to share those with you as we move forward.’”
 - Brian Hansen said, “If you want to reach out to me regarding Utilities stuff, we can set that up. I have availability on Thursday after the traffic study meeting. My calendar is open so I will look at other staff but if that’s something that works, we can go that way too. I’m happy to have that conversation.”

Meeting Adjourned