

PLANNING COMMISSION MEETING RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS JANUARY 23, 2023 7:00 PM

Call to Order

Approval of the Minutes

Approval of the minutes of the Regular Planning Commission meeting of December 12, 2022.

Open Forum

4.

Comments are to be an opportunity to address the Planning Commission. Please refer to the Planning Commission agendas and minutes web page for additional ways to submit comments prior to the meeting. Call into the open forum by dialing 1-415-655-0001 Use webinar access code: 2455 970 8655 and password: 1234.

Agenda Approval

1. Approval of the Agenda

Public Hearings

2. Public Hearing to consider a three-part request: site plan review, two sign variances, and a one-stall parking variance for MSP Commercial's headquarters at 6436 Penn Avenue South.

Staff Report No. 1

3. <u>Liaison Reports</u>

Community Services Advisory Commission
City Council
Housing and Redevelopment Authority (HRA)
Richfield School Board
Transportation Commission
Chamber of Commerce
Sustainability Commission

City Planner's Reports

At the January 10th City Council meeting, the Council approved the ordinance amendment modifying the
residential landscaping requirements and establishing the pay-in-lieu of planting fund. Also, the first reading
of the proposed ordinance amendment to eliminate the Two-Family Residential (MR-1) Zoning District and
amend the Single-Family Residential (R) District to allow duplexes, was pulled from the consent agenda
for discussion. The Council direction was to allow four cars per lot, rather than four cars per unit. The
second reading will be Tuesday, January 24th.

- 5. Next Meeting Time and Location
 - Regular meeting on February 27, 2023 at 7pm in Council Chambers at City Hall
- 6. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.

*Complete information on how to share comments or questions with the Planning Commission, see our Agendas and Minutes page

https://www.richfieldmn.gov/city_government/planning_commission/agendas_and_minutes.php



PLANNING COMMISSION MEETING MINUTES Richfield, Minnesota

Regular Planning Commission Meeting December 12, 2022

CALL TO ORDER

The meeting was called to order by Vice Chair Kennealy at 7:00 p.m. in the Council Chambers.

Planning Commission Members

Brendan Kennealy, Vice Chair; Benjamin Surma; Eddie Holmvig-

Present:

Johnson; and Cole Hooev

Planning Commissioners Absent: James Rudolph, Brett Stursa

Staff Present:

Sam Crosby, Planner II; Nellie Jerome, Planner I; and Melissa

Poehlman, Community Development Director

APPROVAL OF MINUTES

M/Holmvig-Johnson, S/Hooey to approve the minutes of the Regular Planning Commission Meeting of November 28, 2022

Motion carried: 4-0

OPEN FORUM

Vice Chair Kennealy reviewed the options to participate in the open forum.

ITEM #1

APPROVAL OF THE AGENDA

M/Hooey, S/Holmvig-Johnson to approve the agenda.

Motion carried: 4-0

ITEM #2

CONTINUATION OF A PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDMENT RELATED TO CHANGES TO LOW DENSITY RESIDENTIAL DISTRICTS, TO ALIGN ZONING CODE WITH THE 2040 COMPREHENSIVE PLAN. (STAFF REPORT NO. 27)

Planner I Jerome presented Staff Report No. 27.

Vice Chair Kennealy verified that no comments were received from the public. Commissioner Surma corrected a misprint.

Vice Chair Kennealy opened the public hearing.

There were no callers and no one in person.

M/Holmvig-Johnson, S/Hooey to close the public hearing.

Motion carried 4-0.

M/Holmvig-Johnson, S/Surma, to recommend approval of an ordinance amendment to align the Zoning Code with the 2040 Comprehensive Plan by eliminating the Two Family Residential (MR-1) zoning district and amending the Single-Family Residential (R) district to allow duplexes, as corrected.

Motion carried: 4-0

ITEM #3 LIAISION REPORTS

- Community Services Commission: Chair Rodolph was absent.
- City Council: Commissioner Kennealy had no report.
- Housing and Development Authority (HRA): Commissioner Stursa was absent
- Richfield School Board: Commissioner Holmvig-Johnson had no report.
- Transportation Commission: Commissioner Surma had no report.
- Chamber of Commerce: Commissioner Hooey had no report.
- Sustainability Commission: Commissioner Kennealy had no report.

ITEM #4

Planner II Crosby had no report.

ITEM #5	NEXT MEETING TIME AND LOCATION
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The next regular meeting is scheduled for Monday, January 23, 2023, at 7:00 p.m. in the Council Chambers at the Richfield Municipal Center.

ITEM #6

	M/Holmvig-Johnson,	S/Hooey	to adjourn	the meeting.
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Motion carried: 4-0 and the meeting was adjourned at 7:21 p.m.

Submitted by:	
Sam Crosby	Brett Stursa
Planner II	Planning Commission Secretary

AGENDA SECTION: AGENDA ITEM# CASE NO.: Public Hearings

Staff Report No. 1



PLANNING COMMISSION MEETING 1/23/2023

REPORT PREPARED BY: Sam Crosby, Planner II

COMMUNITY DEVELOPMENT DIRECTOR REVIEW: Melissa Poehlman, Community Development Director

1/18/2023

ITEM FOR COMMISSION CONSIDERATION:

Public Hearing to consider a three-part request: site plan review, two sign variances, and a one-stall parking variance for MSP Commercial's headquarters at 6436 Penn Avenue South.

EXECUTIVE SUMMARY:

MSP Commercial (Applicant) is a construction company that is proposing to relocate their offices from Eagan to 6436 Penn Avenue South. The property is zoned Mixed Use – Community (MU-C) within the Penn Avenue Corridor (PAC) overlay. The proposed office use is permitted in this zoning district; site plan approval is required because the use of the property is changing.

The existing freestanding sign does not comply with current code in relation to height, size or setbacks. The Applicant is proposing to relocate the sign, which provides the opportunity to reduce both the height and the size of the sign while increasing the setbacks. It also eliminates a pinch point that hinders maintenance of the public sidewalk along Penn Avenue. The sign's new location requires a four square foot size variance (from the 100 square foot maximum) and a two foot setback variance (from the 14 foot minimum).

The total parking requirement for the site, with transit and bike parking reductions, is 24 spaces. As designed, the site could provide 24 stalls, but staff is recommending that the stall abutting the neighboring building to the north be removed to accommodate a better location for bicycle parking, which will maintain the front sidewalk free for pedestrians. Consequently, staff supports a one-stall parking variance from the 24-stall parking requirement.

Finally, the request includes a shared access easement with the City, as the property owner of the liquor store immediately to the south of the subject site (6444 Penn Avenue South). Each property has a curb cut to Penn Avenue, and the access openings abut each other. For safety and efficiency, City staff recommended, and the Applicant agreed, to combine the two adjacent curb cuts into one. The draft reciprocal access easement and maintenance agreement is also part of this request.

RECOMMENDED ACTION:

Conduct and close a public hearing and by motion: Recommend approval of the proposed site plan, sign variances and parking variance for 6435 Penn Avenue South, as well as the reciprocal access easement and maintenance agreement.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

This property was granted a conditional use permit and parking variance for a fast food restaurant in

2017 (Resolution #11376). The property has most recently been operating as Dynamic Products Midwest, a wholesale business that requires less parking per square foot than office space. In April of 2022, the City granted site plan approval, but denied a variance for parking, for a day care, take-out restaurant and event space (Resolution #11971). Because the parking variance was denied, the use could only move forward with a shared parking agreement, but that applicant was unable to find off-street parking nearby that could be secured long-term with a covenant and the purchase agreement expired. The current Applicant has the property under contract contingent upon zoning approval.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- Zoning Code Section 547.13 establishes requirements for Site Plan Review. The Applicant is
 improving the property in many ways, including: increasing vehicular parking, adding bicycle
 parking, bringing the freestanding sign closer to compliance with code, adding a landscape buffer
 between the vehicular parking and the public sidewalk, and screening the rooftop mechanical
 equipment by enhancing the front façade with a parapet. The attached findings of fact provide
 further support for staff's recommendation for approval.
- Zoning Code Section 544.13, "Vehicle parking and loading requirements", Subdivision 6, establishes requirements for parking minimums based on the use of the property. A total of 28 parking stalls are required for the proposed use (8,208 sq. ft. of office at 3.3 stalls per 1,000 sq. ft., and 1,093 sq. ft. of storage at 1 stall per 800 sq. ft.) With the 10% (3 stall) reduction for proximity to transit (any parcel which is located within 1/4 mile of a frequently operating transit line) and the 5% (1 stall) reduction in exchange for excess bike parking (4 bicycle spaces is equivalent to 1 parking space), the minimum number of required off-street parking spaces is reduced to 24. Only 17 spaces currently exist. Because the use is converting from a wholesale business to an office, the loading bays are no longer needed and the applicant is proposing to stripe six new stalls behind the building, for a total of 25 parking stalls. However, the northeastern most stall is not viable because of an existing driveway easement, and staff is recommending that the northwestern most stall be eliminated to accommodate a better location for bicycle parking. (The currently proposed location narrows the sidewalk width, reducing pedestrian circulation). The removal of those two stalls reduces the proposed number of stalls to 23, resulting in a one-stall variance. Staff supports the variance; the Applicant has agreed to a condition of approval that requires they adjust their operational practices to ensure that demand does not exceed supply.
- It is worth noting that none of the stalls, existing or proposed, meet the size requirements of the code. Zoning Code Section 544.13, Subd.3 states that exceptions to the parking lot design standards must be approved by the City Engineer. The City Engineer has reviewed the proposed site design and, given the existing conditions of the lot in conjunction with the proposed improvements, approves the smaller parking stall sizes.
- Zoning Code Section 549 regulates freestanding signs. The existing freestanding sign will be relocated and modified as follows:

				<u>Variance</u>
<u>Requirement</u>	<u>Code</u>	Existing	Proposed	<u>Requested</u>
Setback from curb:	14'	7'	12'	2'
Setback from property line:	5'	0'	5'	0'
Height:	20'	22'	20'	0'
Size:	100 sf	138 sf	104 sf	4 sf.

- The relocation of the sign and associated variances is supported by staff not only because it
 brings the sign closer to compliance with current code, but also because the sign is currently
 located very close to a utility pole in public right-of-way, the proximity to which causes a pinchpoint for Public Works' maintenance activities, particularly sidewalk plowing.
- Zoning Code Section 547.11 establishes the requirements for Variances. Staff finds that the requested variances are reasonable and the attached findings of fact provide support staff's recommendation for approval.
- The reciprocal access easement and maintenance agreement was drafted by the City's Attorney.
 It splits the cost of maintenance by percentage of area meaning the City will cover roughly 75% of the cost (commensurate with the amount of easement that lies on the City's property) and the

Applicant will cover the remaining 25%. The agreement is written such that the City will have exclusive control over repair work decisions, and the City will perform the maintenance, and then bill MSP for their share upon completion. If they fail to pay their share in a timely manner the City may assess the property.

 The plan was routed to the County's Transportation Planning department for review and comment. The County is supportive of the changes noting that the extension of the curb within the Penn Avenue right-of-way requires a County permit.

C. CRITICAL TIMING ISSUES:

60-DAY RULE: The 60-day clock started when a complete application was received on December 21, 2022. Therefore, the 60-day clock ends on February 19, 2023.

D. FINANCIAL IMPACT:

Required application fees have been paid.

E. LEGAL CONSIDERATION:

- Notice of the public hearing was published in the Sun Current newspaper on January 12, 2023, and was mailed to properties within 350 feet of the subject site.
- Council consideration of these applications has been tentatively scheduled for February 14, 2023.

ALTERNATIVE RECOMMENDATION(S):

- Recommend approval of the request with additional and/or modified stipulations.
- Recommend denial of the request with a finding that the proposal does not meet City requirements.

PRINCIPAL PARTIES EXPECTED AT MEETING:

Representatives from MSP Commercial and Loucks, their Engineering consultant.

ATTACHMENTS:

	Description	Туре
D	Resolution of Approval - Site Plan & Variances	Resolution Letter
D	Resolution of Approval - Shared Access Easement	Resolution Letter
D	Draft Reciprocal Access Easement Agreement	Contract/Agreement
D	Zoning/Location Map	Exhibit
D	Required Findings	Backup Material
D	Request Narrative	Backup Material
D	Site Plans and Graphics	Backup Material

RESOLUTION NO. _____

RESOLUTION APPROVING A SITE PLAN; A ONE STALL PARKING VARIANCE; A 4 SQUARE FOOT SIZE VARIANCE AND A 2 FOOT SETBACK VARIANCE FOR A FREESTANDING SIGN, ALL AT 6436 PENN AVENUE SOUTH

WHEREAS, an application has been filed with the City of Richfield which requests approval of proposed site plan, off-street parking variance, sign size variance, and sign setback variance, all for a change of use from wholesale business to office at 6436 Penn Avenue South, property legally described as:

THAT PART OF THE NORTH 115.9 FEET OF THE SOUTH 270.9 FEET OF THE EAST 167 FEET OF LOT 1, RICHFIELD GARDENS, WHICH LIES SOUTH OF THE NORTH 354.5 FEET OF SAID LOT 1, HENNEPIN COUNTY, MINNESOTA

WHEREAS, the Planning Commission of the City of Richfield held a public hearing at its January 23, 2023 meeting and recommended approval of the requested site plan and variances; and,

WHEREAS, Zoning Code Section 544.13, Subdivision 6, establishes a minimum number of required off-street parking spaces, which totals 28 spaces for this property; and

WHEREAS, Zoning Code Section 544.13, Subdivision 8, allows a reduction of 5% of the number of required off-street parking spaces for excess bike parking (4 bicycle spaces is equivalent to 1 parking space) and 10% for proximity to transit (any parcel which is located within 1/4 mile of a frequently operating transit line), bringing the total required off-street parking spaces down to 24; and,

WHEREAS, the applicant is proposing a reconfiguration of the exterior site layout, bringing the total amount of off-street parking spaces provided up to 23; and,

WHEREAS, Zoning Code Section 549.21, Subd.5 requires that no part of any freestanding sign be located less than 14 behind the curb of an adjacent street; and

WHEREAS, the existing freestanding sign is currently located 7 feet from the street curb, but once relocated will be 12 feet from the curb; and

WHEREAS, Zoning Code Section 549.23, Subd.2.a establishes the maximum height for a freestanding sign in the MU-C district as 20 feet and the maximum size as 100 square feet; and

WHEREAS, the existing freestanding sign is currently 22 feet tall and 138 square feet in size and will be reduced to 20 feet tall and 104 square feet in size when relocated; and

WHEREAS, the current freestanding sign location hinders public sidewalk maintenance due to its proximity to a utility pole, causing a pinch point for machinery; and

WHEREAS, notice of the public hearing was mailed to properties within 350 feet of the subject property and published in the Sun Current newspaper on January 12, 2023; and,

WHEREAS, the City has fully considered the request for site plan approval and variances:

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield, Minnesota, as follows:

- 1. The City Council adopts as its Findings of Fact the **WHEREAS** clauses set forth above.
- 2. The City Council further adopts as its Findings of Fact the findings listed in the Required Findings Statement.
- 3. The requested site plan and variances are hereby approved subject to the following conditions:
 - a. Should off-site parking (associated with this business) become an issue in the future, the property owner will work with the City to adjust practices or modify procedures (eg: meeting times, employee schedules, hours of operation, etc.) as necessary to ensure that the parking demand created by the business does not exceed the amount of parking provided on site.
 - b. Separate sign permits are required for any new or relocated sign.
 - c. All required parking spaces shall remain available year-round and shall not be used for snow storage.
 - d. The property owner is responsible for the ongoing maintenance of all landscaping in accordance with approved plans.
 - e. The applicant is responsible for obtaining all required permits, and compliance with all other City, County and State regulations.
 - f. No lighting changes are proposed or approved.
 - g. The size variance for the sign is to facilitate the reuse of the existing frame. If the frame of the sign is rebuilt, its size should be reduced to comply with code.

Prior to the issuance of a building permit, the applicant shall:

- h. Provide a SAC determination from the Met Council.
- i. Provide proof of having recorded a copy of this resolution of approval.
- j. Execute the reciprocal access easement agreement.
- k. Provide a detailed landscaping plan for staff review and approval, showing number, size, species, and location of plants.
- I. Provide bike rack details and specifications for staff review and approval.
- m. Provide grading details for how the ADA requirements will be met.

Prior to the issuance of a Certificate of Occupancy, the applicant shall:

- n. Provide a surety equal to 125% of the value of any improvements not yet complete.
- Regrade the lot and/or sidewalk in the area of the ADA parking to meet ADA requirements.
- p. All parking areas must be patched/resurfaced and restriped.
- q. Bike racks shall be installed according to manufacturer's specifications.

Prior to the release of the surety, the applicant shall:

- r. Extend the Penn Avenue curb as shown on the plan.
- s. Install directional signage.
- t. Relocate and lower the freestanding sign, and paint or refinish the poles.
- u. Install all landscaping and raised planters.
- v. Provide proof of having recorded the reciprocal access easement agreement.
- 4. This approval shall expire one year from issuance unless the use for which the permit was granted has commenced, substantial work has been completed or upon written request by the applicant, the Council extends the expiration date for an additional period, as required by the Zoning Ordinance, Section 547.13, Subd. 9.

	9.	mig cramanos, coston c 17.10, caso
Febru	Adopted by the City Council of the City of Rary, 2023.	Richfield, Minnesota this 14th day of
ATTE	ST:	Mary B. Supple, Mayor
Chris	Swanson, Acting City Clerk	

	R	ES	OL	.UT	ION	NO.	
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RESOLUTION AUTHORIZING A SHARED ACCESS AGREEMENT BETWEEN THE CITY OF RICHIELD AND MSP COMMERCIAL AT 6436 AND 6444 PENN AVENUE SOUTH

WHEREAS, a land use application has been filed with the City of Richfield which requests the consolidation of two adjacent access openings into one, as depicted in the attached graphic; and

WHEREAS, during the Penn Avenue Corridor study, the City discussed district-wide strategies, including parking and access; and

WHEREAS, consolidating access points has the potential to simplify turning movements, improve sidewalk connections, reduce maintenance costs, and increase parking, all of which would benefit both the subject site and the public; and

WHEREAS, the shared access agreement shall govern the responsibilities of both the City and MSP as related to liability and maintenance;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richfield, Minnesota, as follows:

- 1. That the Shared Access Agreement between the City of Richfield and MSP Commercial is authorized and approved.
- That the Mayor and Manager are authorized to execute the Agreement and deliver any and all documents necessary to carry out the intentions of this resolution and the agreement.
- 3. That the Mayor and Manager are authorized the execute minor amendments and modifications to the agreement as may be required from time to time.

Adopted by the City Council of the City of Richfield, Minnesota, this 14th Day of February, 2023.

ATTEST:	Mary B. Supple, Mayor
Chris Swanson, Acting City Clerk	

RECIPROCAL ACCESS EASEMENT

	This Reci	iprocal Acc	ess Easemei	nt Agr	eement (this	"Agre	eement")) is ente	ered into	this
day of	·	, 20	023, by the	City	of Richfield	(the	"City")	, a Mi	nnesota	municipal
corpora	ation, and	MSP Met	ro Operating	Com	pany, LLC,	a Mir	nnesota	limited	liability	company
("MSP	") (each a	"Party" and	d collectively	, the "	Parties").					

Recitals

- A. The City is the fee owner of certain real property located at 6444 Penn Avenue South, Richfield, in Hennepin County, Minnesota (PID No. 29-028-24-14-0021) legally described on the attached Exhibit A (the "City Parcel");
- B. MSP is the fee owner of certain real property located at 6436 Penn Avenue South, Richfield, in Hennepin County, Minnesota (PID No. 29-028-24-14-0022) legally described on the attached Exhibit B (the "MSP Parcel");
- C. The Parties desire to share an access drive along the lot line between the City Parcel and the MSP Parcel (the "Shared Driveway"); and
- D. The Parties grant and convey to each other reciprocal easements for access along the shared access drive according to the terms and conditions contained herein.

Terms of Easements

1. <u>Grant of Easement to MSP.</u> For good and valuable consideration, the City grants and conveys the following easement to MSP:

A perpetual, non-exclusive easement for common driveway purposes over, under, across and through that part of the City Parcel described on the attached <u>Exhibit C</u> (the "Easement Area"), and depicted in the sketch attached as <u>Exhibit D</u>.

2. <u>Grant of Easement to the City.</u> For good and valuable consideration, MSP grants and conveys the following easement to the City:

A perpetual, non-exclusive easement for common driveway purposes over, under, across and through that part of the MSP Parcel described on the attached <u>Exhibit C</u> (the "Easement Area"), and depicted in the sketch attached as <u>Exhibit D</u>.

- 3. <u>Scope of Easements</u>. The perpetual easements being exchanged include the right of the Parties, their contractors, agents, employees, and invitees to enter the Easement Area at all reasonable times for the purposes of ingress and egress, and for the construction, operation, maintenance, repair, replacement, and removal of a driveway.
- 4. <u>Compliance with Laws</u>. In conducting their activities hereunder, the Parties will, at their sole expense and effort, comply with all laws, ordinances, permits, rules, and regulations, enacted by any federal, state, or local governmental agency having jurisdiction or control over any activity occurring upon the Easement Area resulting from or applicable to usage based upon this Agreement. The Parties further agree to obtain all required permits for activities hereunder and to comply with all such permits.
- 5. <u>Obstructions</u>. The Parties agree to keep the Shared Driveway free and clear of all obstructions, including vehicles and other items or debris which would cause the Shared Driveway to become unusable for either Party.
- 6. Routine Maintenance/Costs. The Parties' maintenance costs will be determined by the Parties' respective percentage of ownership of the underlying Easement Area. The City owns approximately 75% of the underlying Easement Area, with MSP owning approximately 25% of the underlying Easement Area. The City will be responsible for 75% (the "City's cost-share percentage") of the total cost of maintenance for the Shared Driveway. MSP will be responsible for 25% ("MSP's cost-share percentage") of the total cost of maintenance. Routine maintenance includes, by way of example but without limitation, tasks such as snow removal, filling potholes, and removing debris and vegetation. It does not include re-paving, which would constitute a repair under Paragraph 7 of this Agreement. The City will perform all routine maintenance of the Easement Area and will request reimbursement from MSP for MSP's cost-share percentage within 30 days of completed maintenance work. If MSP does not reimburse the City MSP's cost-share percentage within 30 days of the City's request for reimbursement, the City will assess the MSP Parcel in the amount of the requested reimbursement. MSP waives all notice, hearing, and appeal rights under Minnesota Statutes Chapter 429 and applicable City codes, relating to such assessment.
- Repair Work/Costs. If the City reasonably determines that the Shared Driveway is in need of repair, reconstruction, or improvement, all outside of routine maintenance addressed above, the City will contract for and oversee the work (the "Repair Work"). The City will share all plans for Repair Work with MSP upon request. The Parties shall share the costs associated with the Repair Work according to the Parties' respective percentage of underlying ownership of the Easement Area as outlined in Paragraph 6 of this Agreement. MSP will reimburse the City based on MSP's share of the actual work completed, within 30 days of the City's request for reimbursement. If MSP does not reimburse the City within 30 days of the City's request for reimbursement, the City will assess the MSP Parcel in the amount of the requested reimbursement. MSP waives all notice, hearing, and appeal rights under Minnesota Statutes Chapter 429 and applicable City codes, relating to such assessment.

- 8. <u>Liability</u>. Each Party shall be responsible for its own acts, the acts of its respective officials, employees and agents, and the results thereof to the extent authorized by law. Neither Party shall be responsible for the acts of any others or the result thereof. By entering into this Agreement, the City is not waiving any immunities to which it may be entitled under applicable statutes or common law.
- 9. <u>Damage to Easement Area</u>. The Parties must take all reasonable precautions to prevent any damage to the Easement Area, and each Party will fully reimburse the other for any damages resulting from its use of said Easement Area.
- 10. <u>Assignment</u>. The City or MSP may assign their rights under this Agreement only upon written consent of the other Party.
- 11. <u>Existing Utilities</u>. The Parties acknowledge that there may be existing utilities located within the Easement Area. When either Party makes any improvements or modifications within the Easement Area, that Party takes responsibility for determining the location of any existing utilities to prevent damage to or interference with any rights held by other easement holders.
- 12. <u>Captions.</u> The paragraph headings or captions appearing in this Agreement are for convenience only and are not to be considered in interpreting this Agreement.
- 13. <u>Entire Agreement; Modification</u>. This Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the Parties. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in writing executed by the parties.
- 14. <u>Binding Effect</u>. The terms and conditions of this instrument shall run with the land and be binding on the Parties, their successors, and assigns, for the benefit of the City Parcel and the MSP Parcel.
- 15. <u>Controlling Law.</u> This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.
- 16. <u>Authority.</u> The parties represent and warrant that they have full power and authority to execute, deliver and perform under this Agreement.

STATE DEED TAX DUE HEREON: NONE

[Signature pages to follow.]

Dated this day of	, 20
	CITY OF RICHFIELD
	By: Mary B. Supple, Mayor
	Mary B. Supple, Mayor
	By: Katie Rodriguez, City Manager
STATE OF MINNESOTA)) ss
COUNTY OF HENNEPIN	,
2023, by Mary Supple and	nent was acknowledged before me this day of, Katie Rodriguez, the Mayor and City Manager of the City of ipal corporation, on behalf of the municipal corporation.
NOTARY STAMP OR SEA	Notary Public

Dated this	day of	, 20
		MSP METRO OPERATING COMPANY, LLC
		By:Alex Young, Manager
STATE OF M	MINNESOTA)) ss.)
2023, by Ale	ex Young, the	acknowledged before me this day of Manager of MSP Metro Operating Company, LLC, a Minnesota behalf of the company.
NOTARY ST	SAMP OR SEA	Notary Public

THIS INSTRUMENT DRAFTED BY:

Kennedy & Graven, Chartered Fifth Street Towers, Suite 700 150 South Fifth Street Minneapolis, MN 55402 (612) 337-9300

EXHIBIT A

Legal Description of the City Parcel

That part of the North 125 feet of the South 155 feet of the East 167 feet of Lot 1, Richfield Gardens, except Road.

Hennepin County, Minnesota Abstract Property.

EXHIBIT B

Legal Description of the MSP Parcel

That part of the North 115.9 feet of the South 270.9 feet of the East 167 feet of Lot 1, Richfield Gardens, which lies South of the North 354.5 feet of said Lot 1.

Hennepin County, Minnesota Abstract Property.

EXHIBIT C

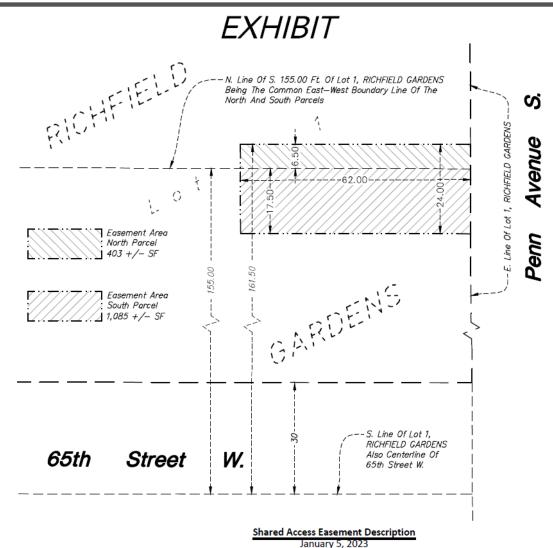
Legal Description of the Easement Area

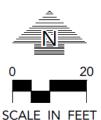
The North 6.50 feet of the South 161.50 feet of the East 62.00 feet of Lot 1, RICHFIELD GARDENS, Hennepin County, Minnesota.

AND

The North 17.50 feet of the South 155.00 feet of the East 62.00 feet of Lot 1, RICHFIELD GARDENS, Hennepin County, Minnesota.

EXHIBIT DDepiction of the Easement Area





North Parcel

The North 6.50 feet of the South 161.50 feet of the East 62.00 feet of Lot 1, RICHFIELD GARDENS, Hennepin County, Minnesota.

South Parcel

The North 17.50 feet of the South 155.00 feet of the East 62.00 feet of Lot 1, RICHFIELD GARDENS, Hennepin County, Minnesota.

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I are a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Jared J Averkeck - PLS

License No. 53642

Date

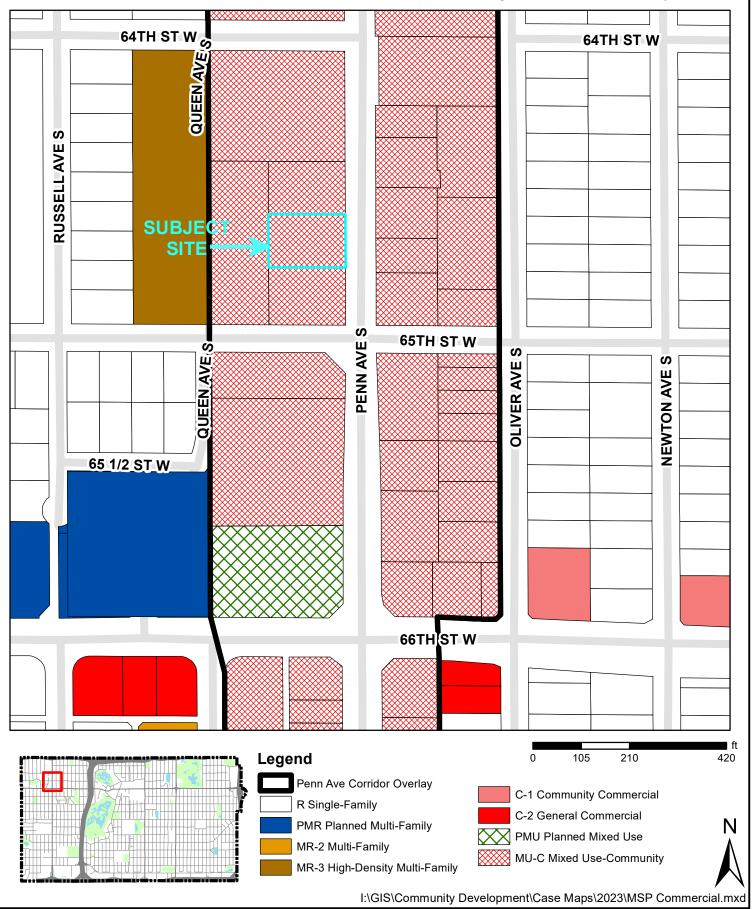
Loucks Project No. 22660



6436 Penn Avenue South

Location and Zoning Map

MSP Commercial



Required Findings MSP Commercial / 6436 Penn Avenue

Part 1 - Site Plan Approval (Subsection 547.13) In evaluating a site plan, the Planning Commission and Council shall consider its compliance with the following:

- a) Consistency with the various elements and objectives of the City's long range plans including, but not limited to, the Comprehensive Plan.
 While the Penn Avenue Corridor is intended for redevelopment, redevelopment is not eminent. The subject use will help span the gap between current day and future redevelopment, while the proposed changes improve the property as much as possible given the conditions. Therefore, the proposed use is consistent with long-range plans and the comprehensive plan.
- b) Consistency with the purposes of the Zoning Code.

 The proposed office use is allowed in the MU-C zoning district and is otherwise consistent with purpose and intent of the Zoning Code. Mixed use is desired but not required for sites less than 2 acres in size.
- c) Preservation of the site in its natural state, insofar as practicable, by minimizing tree and soil removal, and designing any grade changes so as to be in keeping with the general appearance of neighboring developed or developing areas.
 The site is not being developed or redeveloped, it is simply being remodeled. Nevertheless, the proposed improvements include a small strip of greenspace between the parking lot and the public sidewalk that is not there currently, so the amount of landscaping on site will increase, including landscaping under the freestanding sign and potted planters near the front entrance. The general grading of the site is not proposing to change except for the relocation of the ADA parking stall which will require some grade adjustment to meet the existing sidewalk entrance.
- d) Creation of a harmonious relationship of buildings and open spaces with the terrain and with existing and future buildings having a visual relationship to the proposed development. The proposed use is harmonious: the relocation of the freestanding sign will help improve maintenance of the public sidewalk, the consolidation of the Penn Avenue access openings will improve sidewalk connections and reduce maintenance costs, and the landscaping along the east property line softens the streetscape while enhancing the pedestrian experience.
- e) Creation of a functional and harmonious design for structures and site features including:
 - i. Creation of an internal sense of order for the various functions and buildings on the site and provision of a desirable environment for occupants, visitors, and the general community;
 - The proposal will improve the generally desirability of the environment for occupants, visitor and the general community: The ADA stall will be relocated closer to the main entrance, required exterior and non-required interior bicycle parking will be added, and one-way directional signs will improve on-site circulation in support of the existing angled parking.
 - ii. Appropriateness of the amount and arrangement of open space and landscaping to the design and function of the development; The design and function of open space at this property is minimal but is an existing condition that is improving.
 - iii. Appropriateness of the materials, textures, colors and details of construction as an expression of the design concept of the project and the compatibility of the same with the adjacent and neighboring structures and functions;

- Details of construction are compatible to the area, the building façade will be updated and the rooftop mechanical equipment screened by a new parapet feature.
- iv. Adequacy of vehicular, cycling and pedestrian circulation, including walkways, interior drives and parking, in terms of location and number of access points to the public streets, width of interior drives and access points, general interior circulation, separation of pedestrian, cycling and vehicular traffic and arrangement and amount of parking so as to be safe, convenient and, insofar as practicable, compatible with the design of proposed buildings, structures and neighboring properties. The proposal significantly improves bike parking, vehicle parking, vehicle circulation and pedestrian circulation.
- f) Creation of an energy-conserving design through design location, orientation and elevation of structures, the use and location of glass in structures, and the use of landscape materials and site grading.
 - The applicant is proposing to replace all the storefront windows and doors, which will naturally be more energy efficient than the existing ones. The existing overhead doors will also be replaced with new glass overhead doors (or windows) to bring in natural light and outdoor elements as weather allows.
- g) Protection of adjacent and neighboring properties through reasonable provisions for such matters as surface water drainage, sound and sight buffers, preservation of views, light and air, and those aspects of design, not adequately covered by other regulations, which may have substantial effects on neighboring land uses. There are no exterior changes and no negative aspects of the design are expected to affect neighboring properties.

Part 2 – Parking Variance: (Subsection 547.11) In evaluating a variance, the Planning Commission and Council shall consider the following:

- a) There are "practical difficulties" that prevent the property owner from using the property in a reasonable manner.

 In the continuum of parking demand, an office use is the mid to low end of the spectrum. Restaurants and retail create more demand while service businesses create a relatively equal amount. The size of the building relative to the amount of non-building area available for parking is a condition which creates a difficulty if the owner desires to activate the space with anything more dynamic than a wholesale business or storage/warehouse type use. The applicant proposes to use the property in a reasonable manner not permitted by the zoning code and the considerations are not economic along in nature.
- b) There are unusual or unique circumstances that apply to the property which were not created by the applicant and do not apply generally to other properties in the same zone or vicinity.
 The existing conditions may be similar to other properties in the immediately surrounding area, however, they were not created by the applicant, in fact they are being reduced by the applicant to the extent possible.
- c) The variances would not alter the character of the neighborhood or the locality. The applicant has committed to insuring that the demand created by the business does not exceed the parking available. Condition #2.b of the resolution of approval is a key element in staff's recommendation for approval.
- d) The variances are the minimum necessary to alleviate the practical difficulty.

 The applicant has made considerable effort to maximize the amount of parking on site to

ensure that the variances requested are the minimum variance necessary to alleviate the difficulty.

e) The variances are in harmony with the general purpose and intent of the ordinance and consistent with the Comprehensive Plan.

In relation to the zoning ordinance, the purpose and intent of the Penn Avenue Corridor District is to "provide for a balanced mix of commercial, office and residential uses that together create a cohesive and pedestrian-friendly area". The proposed changes to the curb cut and parking layout are moves in that direction, as well as replacing asphalt with landscaping along the public sidewalk softens the streetscape and enhances the pedestrian experience. In relation to the Comp Plan, while the Penn Avenue Corridor is intended for redevelopment, redevelopment is not eminent. The subject use will help span the gap between current day and future redevelopment, while the proposed changes do as much as possible given the conditions.

Part 3 – Sign Variances: (Subsection 547.11) In evaluating the variances, the Planning Commission and Council shall consider the following:

- a) There are "practical difficulties" that prevent the property owner from using the property in a reasonable manner.
 - The existing site conditions are the practical difficulties that hinder full code compliance. The proposed relocation of the existing monument sign is bringing the sign closer to conformance with current code in three ways: size, height and setbacks. These improvements are the most conformance with current code possible given the existing conditions. The applicant proposes to use the property in a reasonable manner not permitted by the zoning code and the considerations are not economic along in nature.
- b) There are unusual or unique circumstances that apply to the property which were not created by the applicant and do not apply generally to other properties in the same zone or vicinity.
 - The existing conditions may be similar to other properties in the immediately surrounding area, however, they were not created by the applicant, in fact they are being reduced by the applicant to the extent possible.
- c) The variances would not alter the character of the neighborhood or the locality.

 Because the variances bring the sign closer to conformance with current code, they represent an improvement to the character of the neighborhood or locality.
- d) The variances are the minimum necessary to alleviate the practical difficulty.

 The applicant has made considerable effort to ensure that the variance requested is the minimum variance necessary to alleviate the difficulty.
- e) The variances are in harmony with the general purpose and intent of the ordinance and consistent with the Comprehensive Plan.

 Because the proposal brings the signage as close to meeting code as possible given the existing conditions, the variances are in harmony with the zoning ordinance. The Comprehensive Plan does not speak directly to signage, but in the overall context of the request, the variances are consistent with the Comp Plan.





www.mspcommercial.com 1215 Town Centre Drive Suite 130 Eagan, MN 55123

December 22, 2022

Samantha Crosby, Planner II City of Richfield Planning Commission 6700 Portland Avenue Richfield, MN 55423

RE: 6436 Penn Avenue: Change of Use and Variance Request

Dear Samantha,

As a follow up to MSP Commercial's initial submittal in November and in response to the ARC Report dated 11/21/22, please accept this updated request from MSP Commercial for Change of Use and Variance Request for 6436 Penn Avenue.

About MSP Commercial

MSP is a commercial real estate developer and property management company, focusing primarily on healthcare real estate. We have been focused on this specialized industry in the Twin Cities Metro area since 2003. Currently we have 14 full-time employees that will be relocating from our corporate office in Eagan to this new location.

Existing Building and Tenant

- -The building is currently zoned Mixed-Use Community
- -The current tenant employs 23 people, of which 17 work at this location.
- -Current site parking accommodates 17 parking stalls.
- -Existing tenant utilizes overhead doors for service/warehousing access.
- -Current hours of business operation is 8am-5pm.

Proposed MSP Commercial Use

- -MSP plans to utilize the building for our corporate office, relocating from Eagan.
- -MSP has 14 employees
- -Space is designed to allow for future growth of approximately 22-25 employees over the next 10 yrs.
- -MSP employees are often off site at other properties and do work remotely during business hours.
- -MSP has minimal scheduled visitors and deliveries.
- -The building would be a mix of offices and support space, storage and some fun recreation area for staff gatherings. The current building is approximately 9301 SF. The proposed plan is to build out about 8210 SF of office space and conference rooms and 1091 SF of Storage.
- -Existing overhead doors will be replaced with new glass overhead doors or windows to bring natural light and outdoor elements into the space as weather allows. The overhead door for storage will remain.
- -Operating hours: 8am-5pm.



Parking/Site Improvements

Exhibits:

Existing site Survey,

Proposed Site Parking & Improvements

Turning Exhibit

After consideration and discussions with yourself, the City Engineer, County and taking initial comments and suggestions proposed from the ARC report, MSP hired an outside engineer to help assist and look at the best parking and site improvement options that would both help meet the parking requirements as well as traffic flow and access to the site along with adjacent sites. One of the suggested proposed options from the city was to implement a shared access agreement between MSP and the City, which the proposed parking/site plan identifies.

Existing site deficiencies

- -17 parking stalls (Non-conforming) 25 required.
- -No bike parking
- -Parking surface in need of resurfacing
- -No green space/plants
- -Current parking imposes on ROW
- -Existing site sign imposes on ROW and sidewalk and proximity to utility pole makes it difficult for snow and sidewalk clearance in ROW.
- -Two access points off Penn Ave between this site and adjacent liquor store.

Proposed Site Improvements

- -Site plan accounts for 26 parking stalls. (25 required)
- -ADA compliant Parking Stall
- -One way traffic, with exit only at North Access to Penn for better traffic flow through the site.
- -Site plan incorporates parking for 8 bicycles. (4 near front of building, 4 inside for employees)
- -Site plan incorporates a greenspace buffer between sidewalk and parking area.
- -Site plan will incorporate raised planter beds near the entrances.
- -Entire lot will milled and resurfaced
- -Relocation of sign to provide greater setback from Penn Ave curb line and ROW
- -Shared access agreement with City Liquor store will allow for more conforming entrance off of Penn Avenue and space for the monument sign to be relocated.
- -Rework entrance curb and apron as needed. Patch sidewalk as needed.



Signage Variance

Exhibits

Variance Application

Existing sign dimensioned Photo

Site Plan showing existing and proposed location

Exterior Building Enhancements

Exhibits

Exterior Elevations and Renderings.

- -Removal of existing fabric Awning
- -Raising of the south parapet 18" to give building some variation in heights and help better screen existing RTU's. Existing RTU's to remain.
- -Remove and replace existing storefronts, windows, doors and replace with new. Provide and install one main entrance vestibule.
- -Add Metal cladding over existing brick on Southeast corner of building.
- -Replace parapet metal cap flashing to align with new building finish colors.
- -Existing brick on northeast of building to remain and incorporated with new color scheme.
- -May consider painting or staining existing exposed brick.
- -All existing CMU will be repainted.
- -Existing overhead doors will be replaced with new glass overhead doors or windows to bring natural light and outdoor elements into the space as weather allows. Overhead door for storage area does not need to be accessible by employees for any reason, but will be used for trash, staff bicycles, and miscellaneous storage.
- -No modifications at the northern most wall adjacent to property to the north so existing separation between buildings to remain as-is.

Interior Building Enhancements

Exhibits

Existing Building Interior Layout

MSP Proposed Interior Fit plan designed by Pope Architects

- -Demo and remove all existing gyp walls, ceilings, finishes for new construction.
- -Utilize existing RTU's
- -Construct new layout as proposed per fit plan incorporating new finishes, lighting, conference rooms and open office floor plan.
- -Space designed for 22 employees.
- -Leave existing CMU bearing walls in place and incorporate into the space as much as possible.
- -Incorporate blend of open ceiling space and architectural ceiling features.
- -Utilize existing windows, overhead doors, storefronts to capture natural light to office spaces.

Garbage Collection

Trash will be housed inside at storage area and delivery/pick up coordinated with waste management services. See Proposed interior Plan layout for location.



Project Schedule/Timeline

-Complete final construction drawings for permit application upon Planning Commission and City Council approval

-Submit permit drawings: 3/1/23 -Construction: 3/20-7/15/23

-MSP move in: 7/15/23

Please let me know if there are any further questions or information you need as part of the application process.

Thank you for your consideration. MSP Commercial is excited to have the opportunity to bring our company and employees to Richfield.

Sincerely,

Rodney Hintz

Sr. Project Manager MSP Commercial



SITE NAME: RICHFIELD

SWEDIN PROPERTIES

PROJECT ADDRESS

6436 Penn Ave S Richfield MN 55423

ALTA/NSPS Land Title Survey

BASED UPON TITLE COMMITMENT NO. 71247 OF CHICAGO TITLE INSURANCE COMPANY BEARING AN EFFECTIVE DATE OF OCTOBER 19, 2022 @ 7:00 A.M.

To Charis Properties, LLC, a Minnesota limited liability company; Swedin Properties Inc.; Chicago Title Insurance Company and Commercial Partners Title:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2021Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 3, 4, 5, 6(a), 6(b), 7(a), 7(b)(1), 7(c), 8, 9, 10, 13, 14, 16, 17, 18 and 19 of Table A thereof.

The fieldwork was completed on November 14, 2022.

Registration No. 43808 - In the State of Minnesota Registration No. 7131 - In the State of North Dakota

DATE OF FIELD WORK: November 14, 2022 DATE OF MAP: November 21, 2022			JOB NO: 202291 DRAFTED BY: CRM	HORIZONTAL DATUM: NAD83 2011ADJ Hennepin County
REVISION:	DATE	, 20		
REVISION:	DATE	, 20	CHECKED BY: DSH_	<u>VERTICAL DATUM:</u> NAVD 88

Commitment Legal Description

The Land is described as follows:

That part of the North 115.9 feet of the South 270.9 feet of the East 167 feet of Lot 1, Richfield Gardens, which lies South of the North 354.5 feet of said Lot 1

Hennepin County, Minnesota Abstract Property

THE ABOVE DESCRIPTION DESCRIBES THE SAME PROPERTY AS IN TITLE COMMITMENT FILE NO. CP71247 OF CHICAGO TITLE INSURANCE COMPANY DATED OCTOBER 19, 2022.

Containing 0.44 Acres, more or less. Containing 19,194 Sq. Ft., more or less

Notes Corresponding to Schedule B

- $_{\chi}$ Terms and conditions of and easements contained in Deed of Appurtenant Easement dated February 15, 1954, filed February 25, 1954, as Document No. 2861432 in Book 1990 of Deeds, Page 353. (PLOTTED, SHOWN HEREON)
- Terms and conditions of Resolution No. 20-0373R2 adopted October 20, 2020, filed October 26, 2020, as Document No. A10853594. (NOT PLOTTED, NO PLOTTABLE) SURVEY RELATED ITEMS)



Utility Notes

NO UNDERGROUND UTILITIES HAVE BEEN LOCATED AS PART OF THIS SURVEY, THE SURVEYOR MAKES NO GUARANTEE THAT THE UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. PLEASE CONTACT GOPHER STATE ONE CALL TO HAVE THE UNDERGROUND UTILITIES PHYSICALLY LOCATED ON THE GROUND.

FLOOD NOTE: By graphic plotting only, this property was found to be located within Flood Zone(s) X of the Flood Insurance Rate Map, Community Panel No. 27053C0368F which bears an effective date of 11/04/2016 and is not in a Special Flood Hazard Area. No field surveying was performed to determine this zone and an elevation certificate may be needed to verify this determination or an application for a variance from the Federal Emergency Management Agency.

Surveyor's Notes

1. At the time of this survey, there was no observable surface evidence of earth moving work, building construction or building additions within recent months.

- 2. At the time of this survey, there was no observed evidence of substantial areas of refuse.
- 3. At the time of this survey, there was no observable evidence of any recent changes in street right-of-way lines either completed or proposed, and available from the controlling
- 4. At the time of this survey, there was no observable evidence of any recent street or sidewalk construction or repairs.
- 5. Property has direct physical access to Penn Ave S being a publicly dedicated and maintained Right-of-Way.
- 6. Based on observed evidence only the site does not contain any cemeteries or burial
- 7. Orientation of this bearing system is based on the Hennepin County Coordinate System
- 8. Subsurface buildings, improvements and/or Environmental issues may exist on site that we were not made aware of and therefore were not examined or considered during the process of
- 9. Adjoining ownership information shown hereon was obtained from the Hennepin County Parcel Information website. Ownership information is subject to revision upon receipt of a title search by a title insurance company.
- 10. All statements within the certification, and other references located elsewhere here on, related to: utilities, improvements, structures, buildings, party walls, parking, easements, servitude's, and encroachments; are based solely on above ground, visible evidence, unless another source of information is specifically referenced hereon.
- 11. This survey meets or exceeds the survey standards/standards of care as set forth in section 3 of the 2021 ALTA/NSPS survey requirements.
- 12. Building areas shown hereon are to the footprint of the building only.
- 13. There is a possible airgap between the two buildings that was closed off with brick on the east and west side and covered with a rubber membrane on the roof. This assumption is based on the extension of the subject propety building and the adjoining property building and their 2nd story wall limits. This possible airgap could also only be in the area of the 2 story portion of the building.

Significant Observations

THIS IS A LISTING OF OBSERVED IMPROVEMENTS THAT CROSS DEED LINES. THIS IS NOT A STATEMENT OF OWNERSHIP OR POSSESSION.

ADJOINING PROPERTY TO THE NORTH 2ND STORY OVERHANG FALLS UP TO 1.7 FEET ON TO SUBJECT PROPERTY.

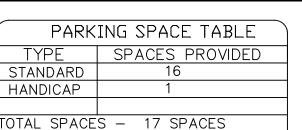
OVERHEAD UTILITY LINE RUNNING NORTHWESTERLY ACROSS SUBJECT PROPERTY TO ADJOINING PROPERTY FROM THE POWER POLE IN THE

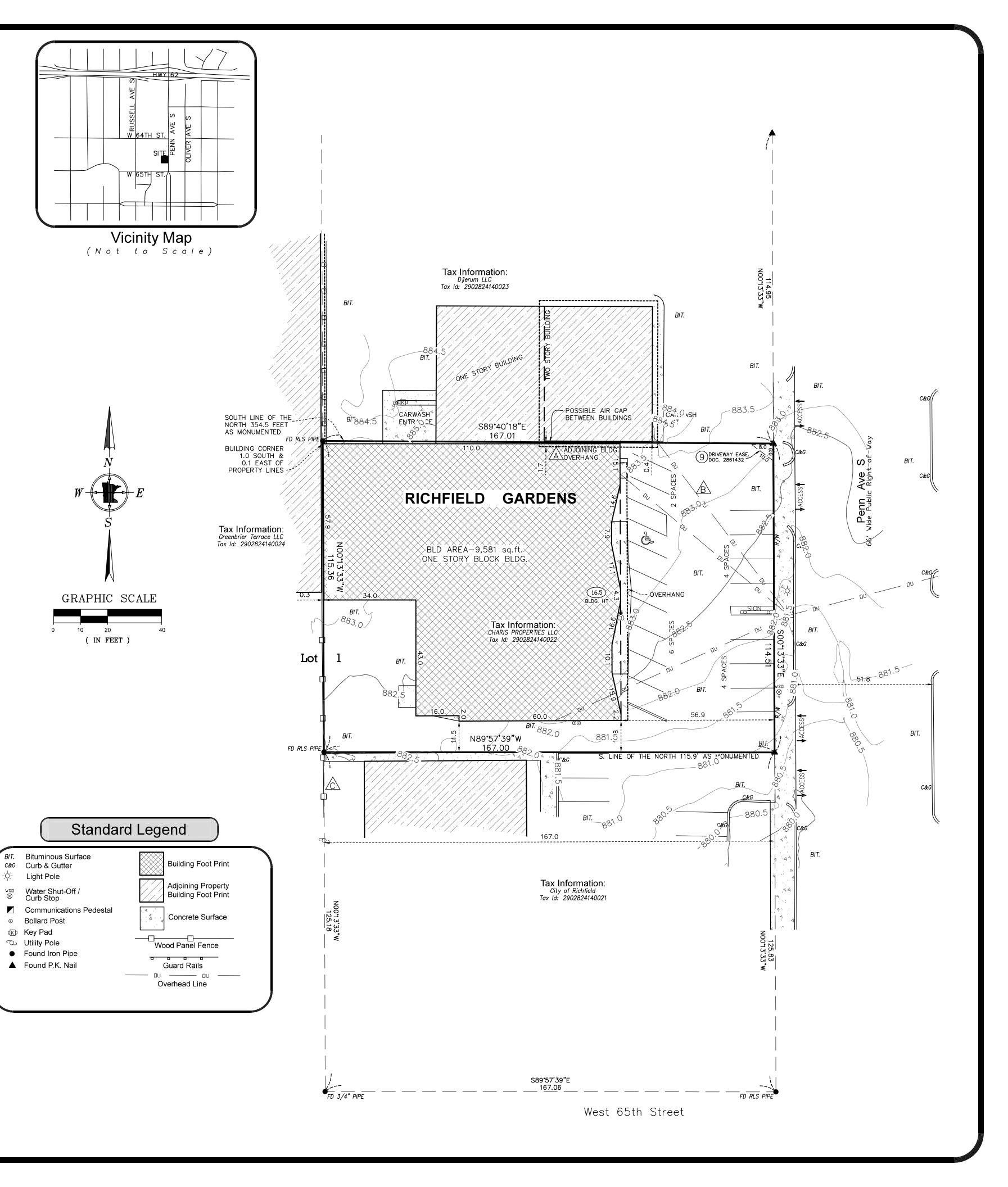
SINGLE WIRE APPEARS TO BE COMMUNICATION LINE FOR SUBJECT PROPERTY CROSS FROM POWER POLE ON PROPERTY TO THE SOUTH

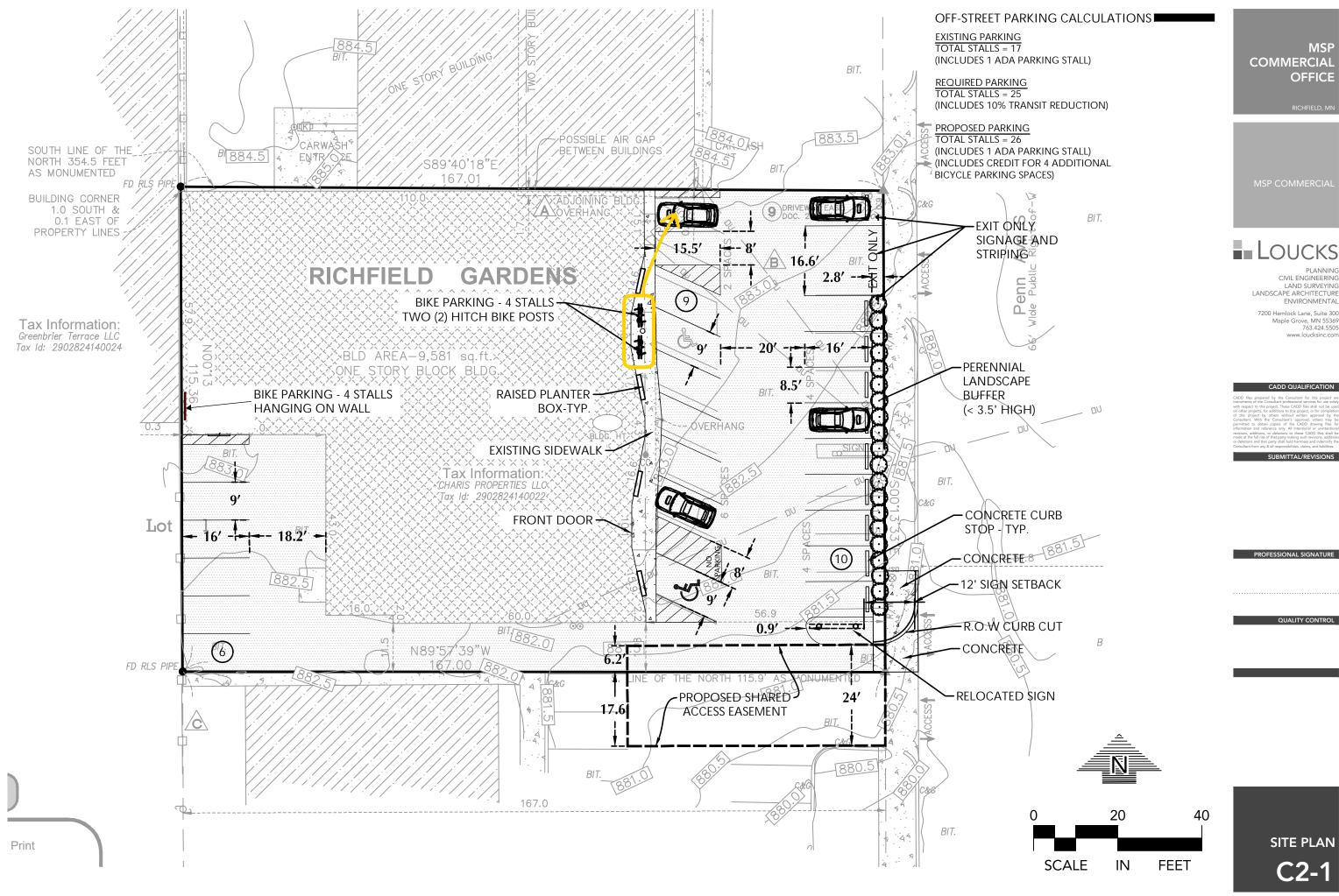
RIGHT OF WAY WITHOUT THE BENEFIT OF AN EASEMENT.

Zoning Information

ZONING INFORMATION NOT PROVIDED BY THE CLIENT AT TIME OF SURVEY.







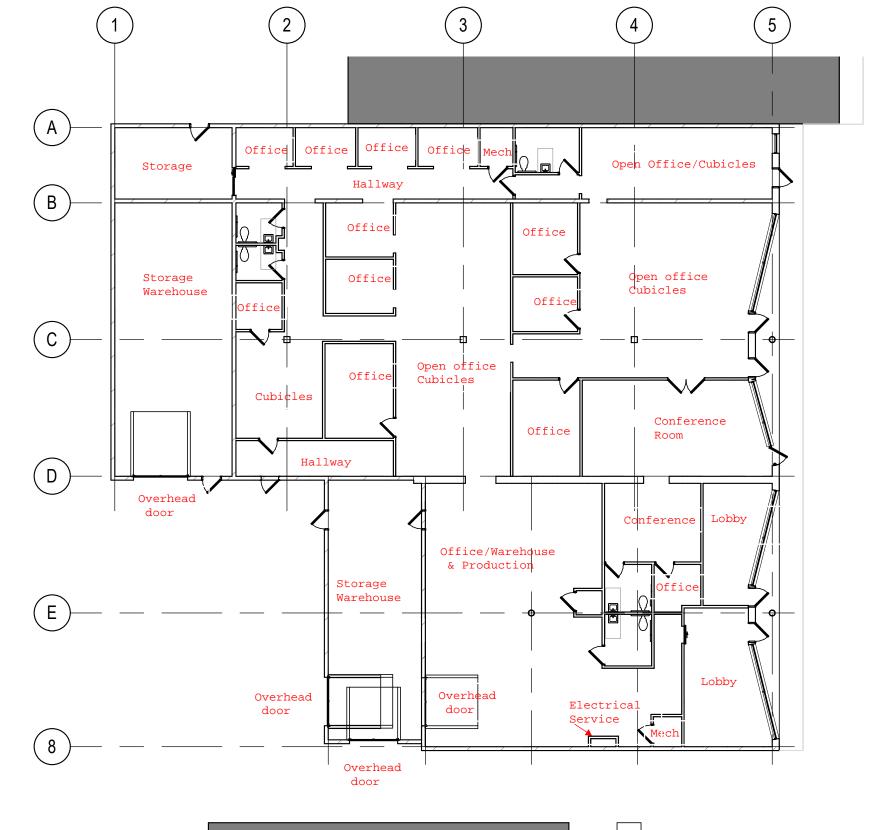
MSP **OFFICE**

LAND SURVEYING LANDSCAPE ARCHITECTURE ENVIRONMENTAL

7200 Hemlock Lane, Suite 300 Maple Grove, MN 55369 763.424.5505 www.loucksinc.com

QUALITY CONTROL

SITE PLAN





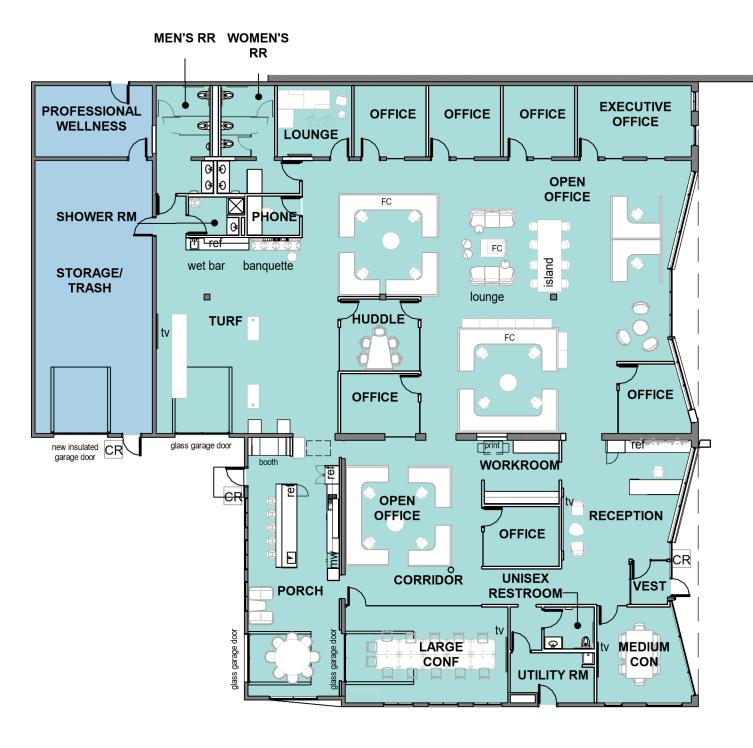
FIRST LEVEL EXISTING PLAN

1/16" = 1'-0"









LEGEND

- OFFICE
- STORAGE

BUILDING FOOTPRINT 9581
INTERIOR SF 9301
INTERIOR OFFICE SF 8210
STORAGE SF 1091

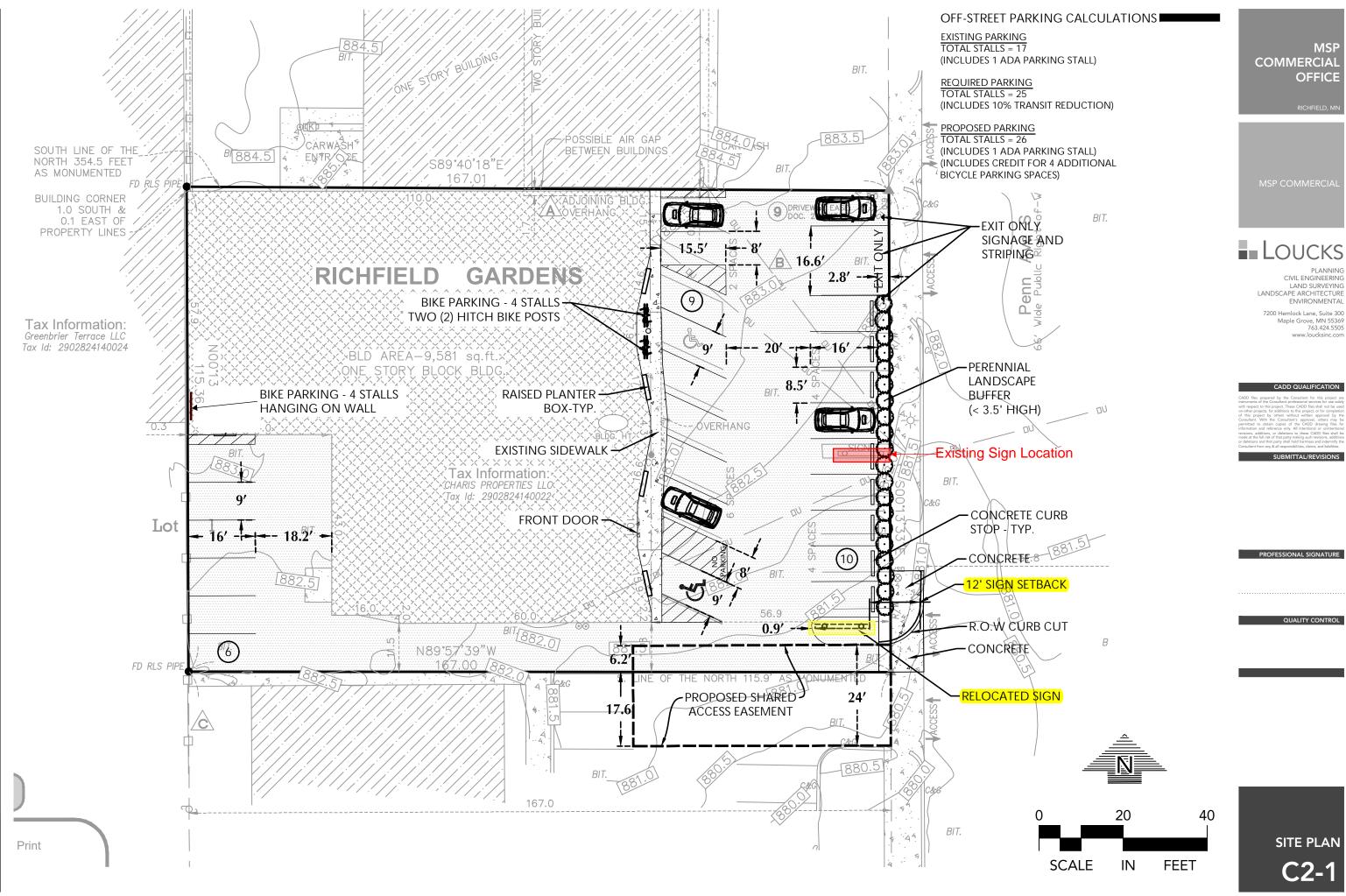
- CURRENT MSP EMPLOYEE'S 14
- SPACE DESIGNED TO ACCOMMODATE 22 EMPLOYEES.

FLOOR PLAN









MSP **OFFICE**

ENVIRONMENTAL

Maple Grove, MN 55369 763.424.5505 www.loucksinc.com

QUALITY CONTROL

SITE PLAN

6346 Penn Avenue Sign Relocation Variance Request.

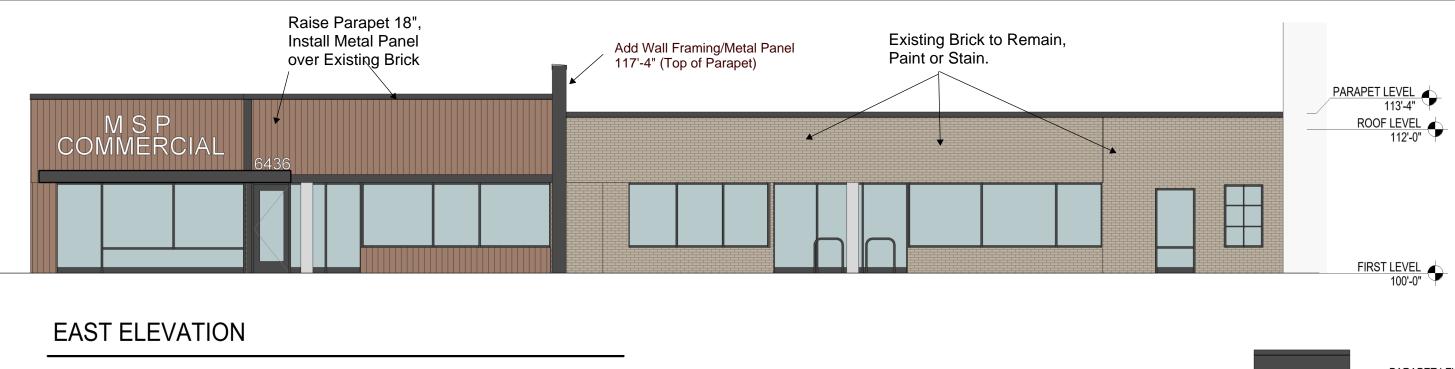


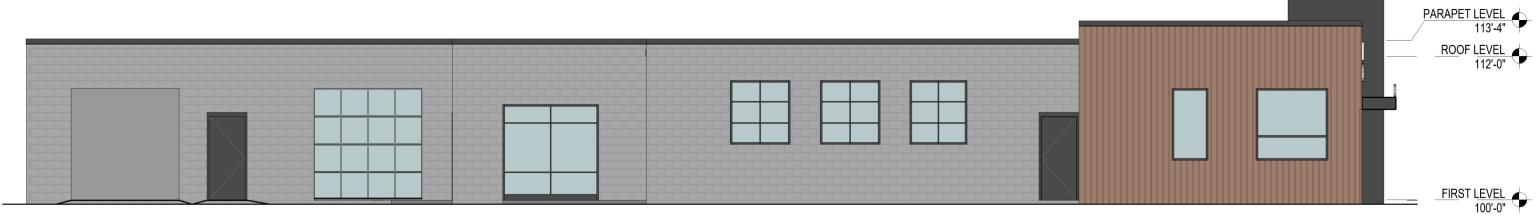
Existing Sign

- -Existing upper sign Cabinet 104SF
- -Existing lower sign Cabinet 34SF
- -Current Height 22'
- -Current Setback from Curb 9'.
- -Reuse upper sign cabinet with new singage.
- -Repaint steel post and cabinet.

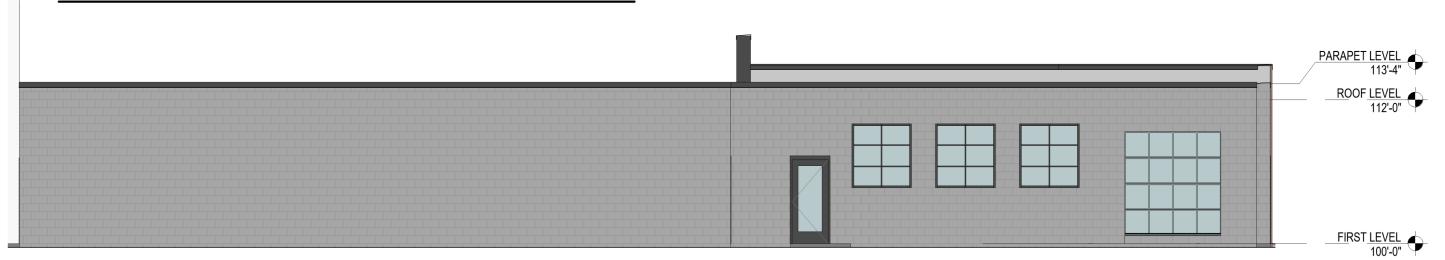
Proposed Sign Location

- -See Included Site plan located to the south.
- -Set back to 12' from curb
- -Provides better clearance between power pole and existing sign for sidewalk clearance.





SOUTH ELEVATION



WEST ELEVATION







NW PERSPECTIVE



SE PERSPECTIVE





Existing East Elevation 6436 Penn Avenue

- -Remove existing fabric Awning
- -Raise parapet and wall framing feature at south end and center of the building to provide some variation to parapet heights and provide additional screening for RTU's.
- -Mill/Repave parking lot surfaces.

