

Meeting: Board of Managers Meeting date: 6/27/2024 Agenda Item #: 12.1

Item type: Board Discussion

Title: Lost Lake Development Review

Prepared by: Name: Veronica Sannes, Permitting Technician

Phone: 952-641-4580

vsannes@minnehahacreek.org

Purpose:

To introduce and obtain preliminary feedback from the Minnehaha Creek Watershed District (MCWD) Board of Managers regarding development proposed by Monarch Development Partners at 2400 and 2420 Commerce Boulevard, Mound.

Project Background:

Location and Project Scope:

Monarch Development Partners, LLC (Applicant) is proposing to develop two former single-family home properties totaling approximately 8.09 acres at 2400 and 2420 Commerce Boulevard in the City of Mound. The proposed development consists of three, four-unit, two-story condominium buildings, totaling 12 units (Project), as shown on pages 4-6 of Attachment A. The development site lies east of County Road 110 (Commerce Boulevard), and west of Lost Lake, a large wetland complex connected to the north side of Cooks Bay on Lake Minnetonka via approximately 2,000 feet of channel (Attachment B)

City Vision:

Along Commerce Boulevard, which runs north-south between Langdon Lake to the west and Lost Lake to the east, existing land use includes single-family detached, multifamily, retail-commercial, and institutional, with Our Lake of the Lake Church immediately west of the site.

In a January 2024 amendment to the Comprehensive Plan, the City of Mound guides this area for mixed use, a designation that is, "meant to recognize that the characteristics of these areas are unique and can support a variety of uses, including commercial, public, and residential including townhomes, row houses and existing multifamily." This designation "is intended to provide flexibility so that property owners and developers have options when considering infill development in the areas." The comprehensive plan identifies that areas south of Shoreline Drive on Commerce Boulevard are anticipated to contain a greater percentage of residential development as part of the mixed use.

Site Conditions and Constraints

The site has an average depth of 83.5' from the east side of Commerce Boulevard to the west side of the Lost Lake public water wetland. Based on a review of aerial photographs, and information provided by Monarch Development Partners, the former single-family homes constituted approximately 0.25 acres of impervious surface and extended to within approximately 13-25 feet of the wetland edge. Some of the structures affiliated with this former use were removed between 2006 and 2009, and some remain.

The current development layout has front setbacks from the sidewalk along Commerce Boulevard as narrow as 12.4', with other larger front setbacks constrained by adjacent property boundaries and geometry along the road. Given the site depth, even with relatively narrow front setbacks, and an evolution in the development program that has eliminated rear parking in favor of internal parking under the residential structure, the site is challenged to meet wetland buffer setbacks from Lost Lake to the east.

Monarch - Mound - MCWD - DNR Coordination:

On February 8, 2024, MCWD hosted a coordination meeting to discuss the initial site plan, and proposals to dredge Lost Lake to support navigational access for the development. This meeting included the City of Mound's Mayor, City

Manager, Community Development Director, and planning consultant; State Representative Andrew Myers; a Lake Minnetonka Conservation District Board member, its Executive Director, and regulatory staff; Monarch Development Partners; and MCWD's Board President, Administrator, and regulatory staff.

During this meeting, MCWD and the DNR reviewed the historical navigational capacity of Lost Lake, including the 1990s dredging to maintain the existing channel and remove fill from the wetland affiliated with the development of a post office, and the configuration of docks in area. The meeting participants discussed that Monarch's proposal to expand navigational dredging into the Lost Lake wetland would not be permissible under MCWD or DNR rules.

Following this meeting, Monarch Development Partners took steps to evaluate and adjust the site plan and dredging proposal, and on May 28, 2024, presented a revised concept to the Mound City Council.

Design Evolution:

Among the notable revisions to the design, initially proposed external driveways to access parking in the rear of the site, along the west side of Lost Lake, were eliminated. The revised design proposes to incorporate connected driveways and parking underneath the proposed units. This modification increases setbacks from the wetland edge and increases wetland buffer widths and total areas relative to the initial proposal. These changes to the site plan also remove hardcover from within the 25' shoreland impact zone, implemented by the City of Mound. These plan modifications are shown on page 3 of Attachment A and the current proposal in relation to the shoreland impact zone is shown on page 9.

Other significant changes to the plan include removing the proposal to dredge for navigational access. The original Project proposed a variety of dock configurations that were accompanied with proposals to dredge Lost Lake wetland. The current plan instead proposes the construction of a dock extending to existing open water, within and adjacent to the property, towards the north side of Lost Lake. This modification is outlined on page 15 of Attachment A.

To address the site constraints that result in a shortfall of wetland buffer width and acreage, Monarch Development Partners has evaluated maximizing the treatment of area-wide stormwater runoff and expanding buffer in alternate locations across the site, and will explore vegetative or soil enhancements to the wetland buffer. The revised design proposes to treat the site's approximate 0.66 acres of impervious surface to regulatory standards and, in addition, divert and treat 0.97 acres of Commerce Boulevard right-of-way that presently drains untreated to Lost Lake.

District Rule Analysis:

Erosion Control Rule

The proposed Project will disturb over 5,000 square feet of land and excavate over 50 cubic yards of earth, therefore triggering Section 2 of the MCWD's Erosion Control Rule. MCWD will need to review the Project's Erosion Control plan to determine compliance with this rule.

Wetland Protection Rule

The Project triggers section 4(a)(1) of the Wetland Protection rule. This section states that if an activity requires a permit under the Stormwater Management Rule, a permanent vegetated buffer is required on the part of a wetland that is downgradient of the new or reconstructed impervious surface. Lost Lake is classified as a Preserve wetland and so requires a 75-foot buffer. The current proposal does not meet this rule, as outlined in the Constraints Section below.

Stormwater Management Rule

The Project is subject to Section 2(a) of the Stormwater Management rule and triggers the rule due to the site size, disturbance, and increase in impervious surface. Because the Project proposes to increase site impervious surface by over 50%, the entire site's post-development impervious surface must be treated for volume and rate control. The current proposal is to use underground filtration (consisting of underground detention pipes/chambers and a proprietary filter system) and a surface rain garden. As an additional benefit, the Applicant intends to expand treatment to include currently untreated runoff from public road right-of-way (Commerce Boulevard) to meet and exceed the Stormwater Management Rule requirements. Pages 13 and 14 of Attachment A show the existing and proposed stormwater drainage.

Floodplain Alteration Rule

The Applicant would need to provide compensatory storage for any fill below the 100-year floodplain elevation of 931.5'. No grading or fill is currently proposed within the 100-year floodplain. The low opening elevations for the proposed buildings must be a minimum of 2 feet above the 100-year floodplain. Page 10 of Attachment A shows the current proposal in relation to the 100-year floodplain, and the applicant has confirmed that based on site elevations freeboard requirements will be met.

Constraints:

Site Size

As described above, given the average site width of 83.5 feet between Commerce Boulevard and the Lost Lake wetland, it is likely that any infill redevelopment attempting to increase density at this location in guidance with the City of Mound's Comprehensive Plan would be constrained by the required 75-foot wetland buffer. Requiring development to occur wholly outside of the required 75-foot wetland buffer may render the property essentially unbuildable, beyond replacing single family homes with similar setbacks.

Wetland Buffers

Lost Lake is identified by MCWD's Functional Assessment of Wetlands (FAW) as a Preserve Wetland, requiring a 75-foot buffer. Monarch Development Partners has been working with Kjolhaug Environmental Services, which has raised the potential to adjust the management classification from Preserve to Manage 1. This would reduce the required wetland buffer width to 40 feet, which would apply to all future wetland buffers that the District wetland rule would impose around Lost Lake. MCWD reviews any proposed wetland classification change under the Minnesota Routine Assessment Method (MnRAM), and with affiliated data, and would require detailed case-specific technical analysis that demonstrates that the proposed reclassification is due to unique characteristics of this site. Pages 11 and 12 of Attachment A contains site plans with the 75' and 40' buffers overlayed. In either case, the proposal would not meet the District's buffer requirement.

Variance and Exception Considerations

Under either a Preserve or a Manage 1 wetland classification, the currently proposed Project would require a Variance or Exception from the Wetland Protection Rule. This is due to the current site layout having multiple locations where the minimum buffer width is not met and the site being unable to achieve the required buffer area.

The northern condos cannot be moved closer to Commerce Boulevard and further from Lost Lake due to northern parcel location and setback requirements. The southern condos are constrained by the placement of stormwater facilities and guest parking locations.

Through the evolution of design, Project ecological impact has been reduced. The wetland buffer area has increased by redesigning and relocating the parking that was previously adjacent to the units, to instead be underneath the units, moving the Project footprint further away from Lost Lake. Plan adjustments away from proposed new dredging to installing a dock that provides access to shared boat slips, located at 2362 Commerce Blvd, also results in a smaller ecological impact by eliminating the proposal to dredge within the emergent vegetative area of Lost Lake.

The Applicant proposes underground filtration and a rain garden to meet and exceed stormwater requirements. In addition to treating the site's impervious surface, the Project proposes to capture approximately 0.97 acres of Commerce Blvd's currently untreated stormwater. The MCWD will require more detailed stormwater submittals included in the permit application, but the conceptual plan appears to meet and exceed the Stormwater Management rule requirements.

Monarch has also discussed the potential to enhance portions of the wetland buffer through soil amendments, native plantings, or other means to improve the buffer's ecological function that, when coupled with additional stormwater management, serves to offset shortfall in buffer area and width.

June 27, 2024 Board Discussion:

During the June 27, 2024 Board Meeting, staff and Monarch Development Partners will introduce and obtain preliminary feedback from the Minnehaha Creek Watershed District (MCWD) Board of Managers regarding development proposed by Monarch Development partners at 2400 and 2420 Commerce Boulevard, Mound.

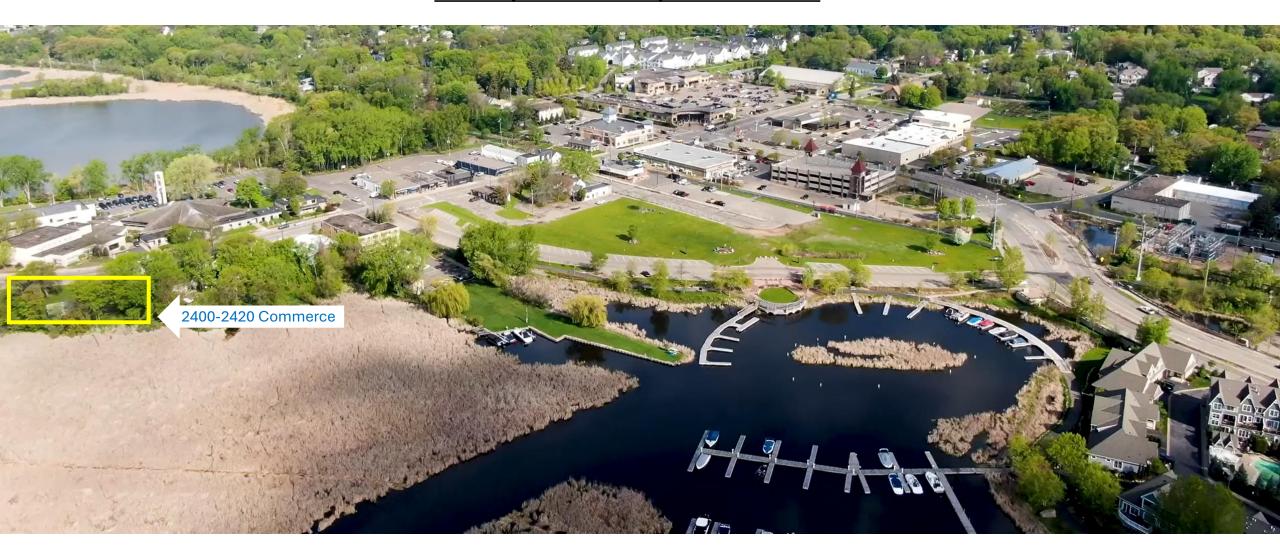
The Board will be asked to (1) identify questions you may have regarding the project vision and constraints (2) outline additional analysis you may wish to be completed to support the proposed application; and (3) offer preliminary feedback regarding a potential variance or exception measured against the evolution of the proposed site plan.

Attachments:

Attachment A – Development Concept Introduction Attachment B – Site Location



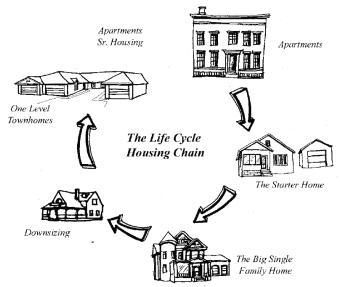
2400-2420 Commerce Blvd, Downtown Mound <u>Development Concept Introduction</u>



Submitted for June 27th Minnehaha Creek Watershed District Meeting

2400-2420 Commerce Blvd, Downtown Mound Alignment with Mound's 2040 Comp Plan (Amended January 2024)







Facade articulation through multiple materials and setbacks creates visual interest



Pitched roofs with dormers and cupolas replicate Mound's historical character



Landscaping within and around development makes for pleasant movement throughout



Townhouses and row houses should be setback from major roadways



Medium density residential is a supported land use at 2400-2420 Commerce, including townhouses and row homes.



Downsizing Mound residents seeking walkability and lake access is the development concept's target buyer demographic.



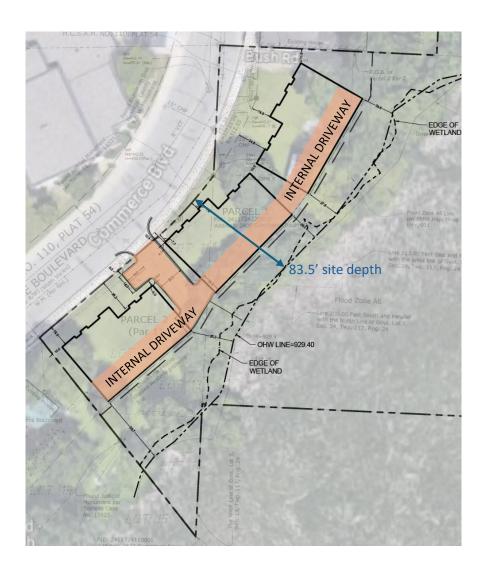
The development concept's architectural character and landscaping will enhance and enliven a vacant stretch of Commerce Blvd.

Site Plan Design Evolution at 2400-2420 Commerce Blvd.



Original Concept

- Two-story rowhouses (11 units) with walk-up entrances
- External driveway access



Revised Concept

- Two-story condos (3 bldgs, 4-units each) with walk-up entrances
- Internal driveway access set back closer to Commerce Blvd.

Proposed Site Plan at 2400-2420 Commerce Blvd.

- √ 8.33 units per acre (12 units / 1.44 acres buildable)
- √ 12 ft to 38 ft front setbacks from existing sidewalk
- ✓ 25 ft to 48 ft rear setbacks from Lost Lake shoreline
- ✓ HOA maintained driveways (internal and external)
- Enhanced landscaping and streetscape
- ✓ Improved stormwater management opportunities (see p. 14)



Proposed Development Concept at 2400-2420 Commerce Blvd.



VIEW FROM COMMERCE BLVD.

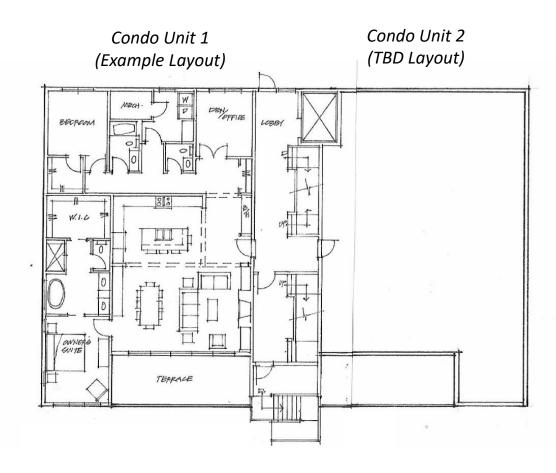


VIEW FROM LOST LAKE

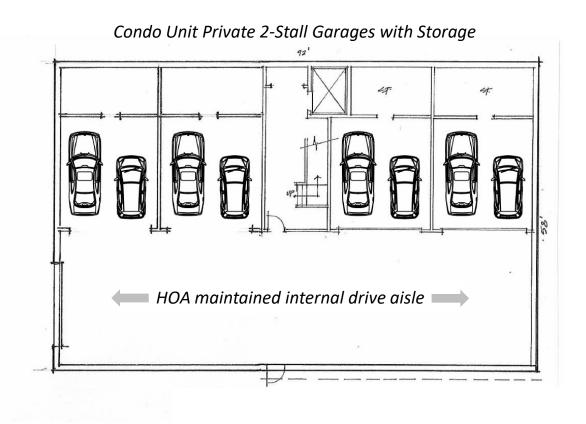
2400-2420 Commerce Blvd Flats

12 units (three 4-unit residences)
HOA maintained
Walk-up entrances from the sidewalk
Parking garages below grade
1,750 sq ft to 2,250 sq ft unit sizes

Proposed Development Concept at 2400-2420 Commerce Blvd.



Levels 1 & 2 Typical Floorplate (Two units per level)

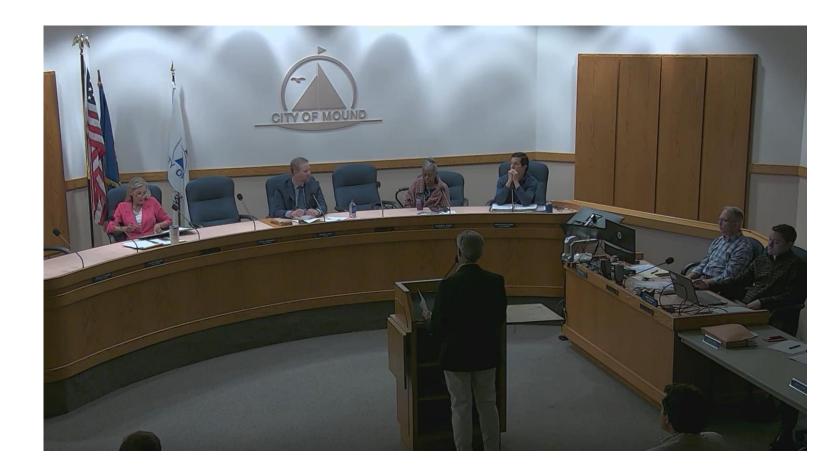


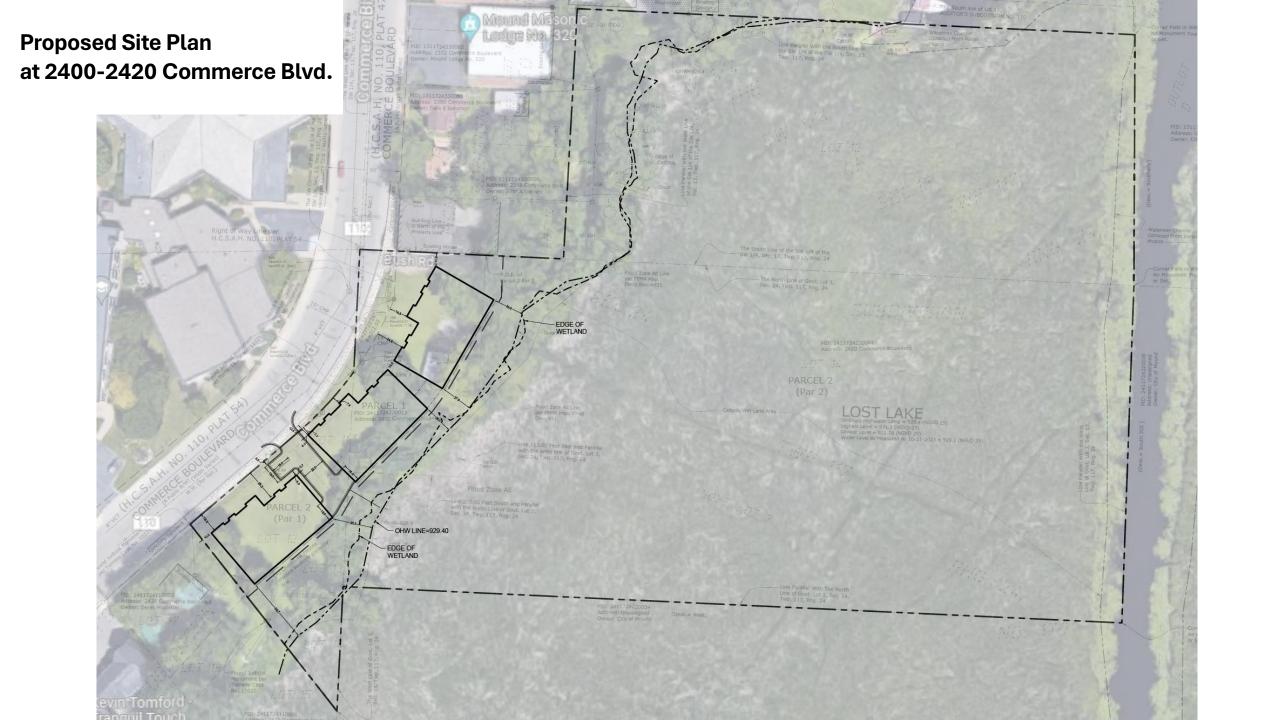
Level P1 Garage Typical Floorplate (Four 2-stall garages)

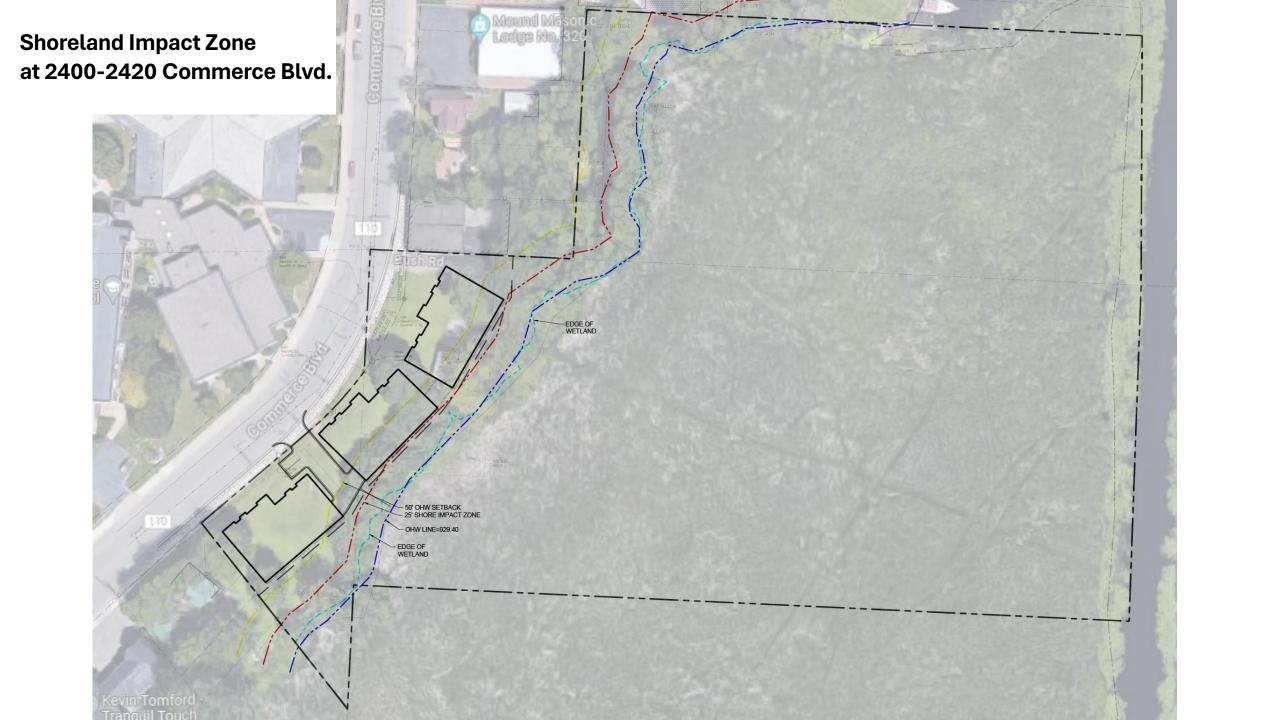
Mound City Council Meeting May 28th, 2024

The development concept was introduced to the Mound City Council for feedback on land use and design prior to advancing a full application (no votes were taken).

- Mayor Holt and Council Member Castellano said this project is what the Council is looking for [in adherence to the comp plan]
- Council Member McEnaney said the design looks beautiful
- Council Member Pugh said this project creates neighborhood cohesiveness
- Encouraged by the Council's support, city staff said the next steps are for the development group to prepare the applications and preliminary plat which will be presented to the Planning Commission and City Council [in August-September]
- Link to the meeting video:
 https://www.youtube.com/watch?v=-2mlq2iWquE

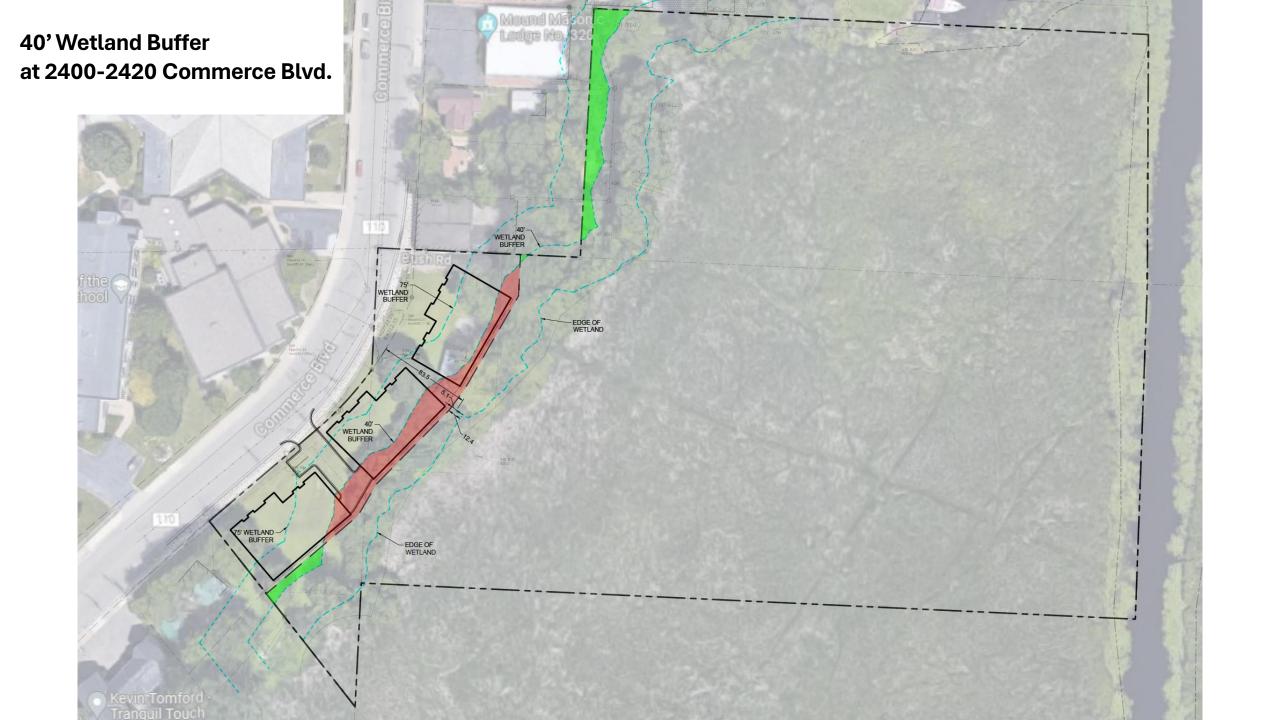


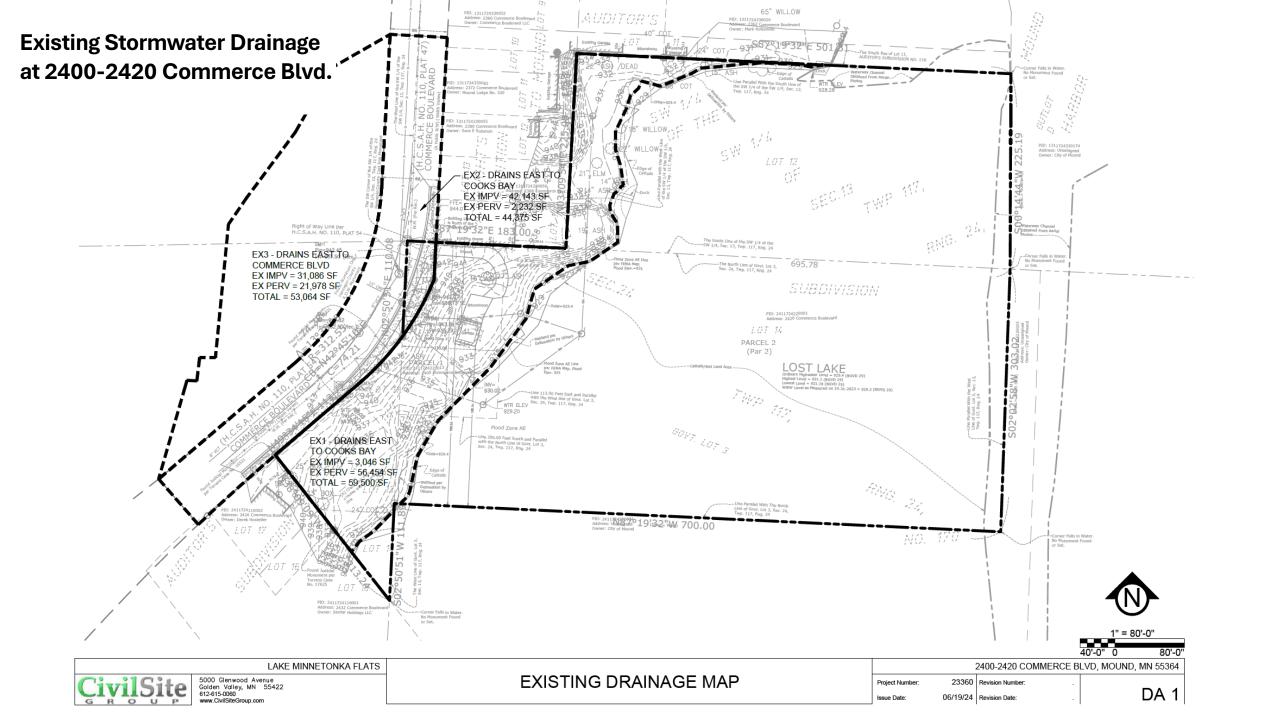


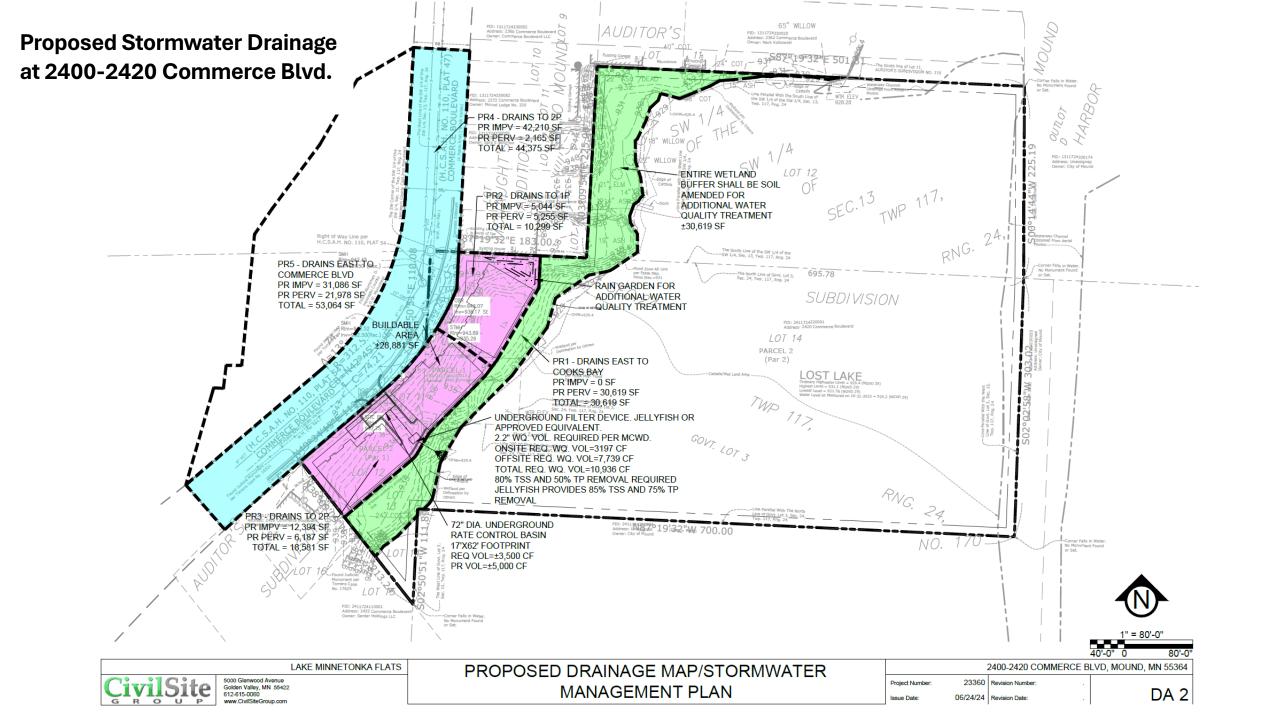




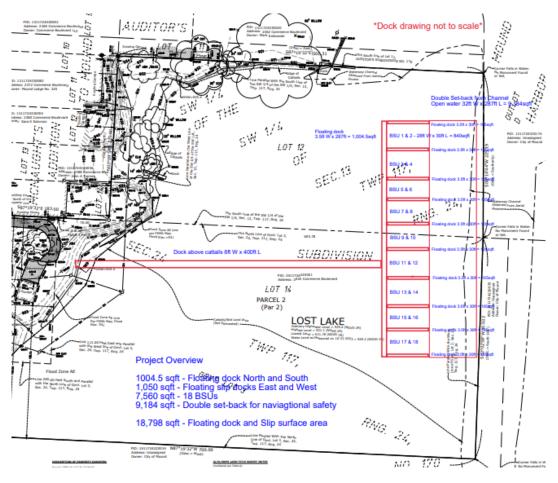








Proposed Location of Docks in Open Water Area



Original Concept

 Proposed dredging for docks on Falness parcel adjacent to Lost Lake open water channel



Revised Concept

- No proposed dredging on Falness parcel
- Proposed piling boardwalk to connect residences to new docks on existing open water (per LMCD rules)
- Proposed boat slips added to existing open water in a shared dock arrangement with 2360 Commerce Blvd property owner (to be governed and maintained by HOA)



