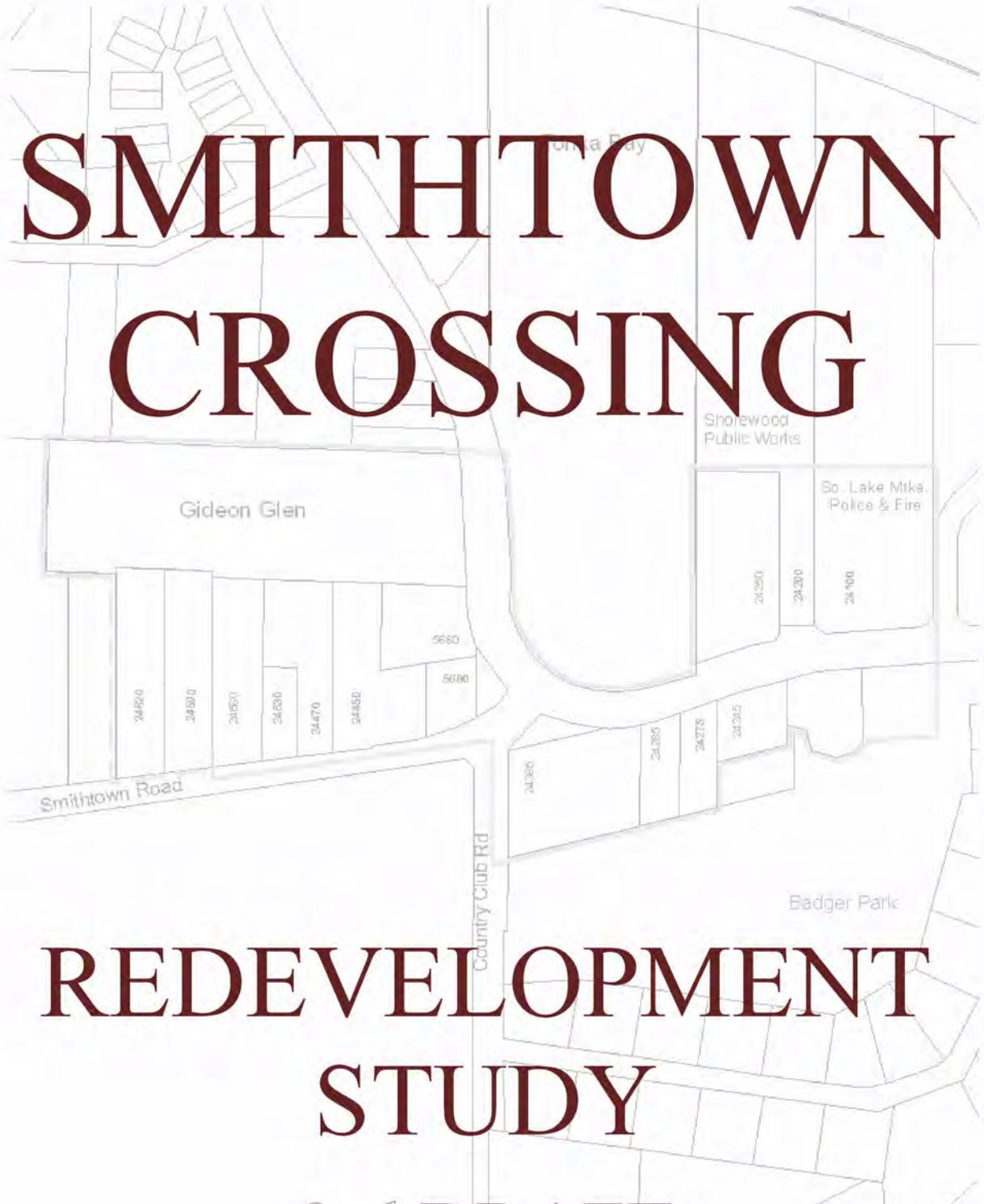




**APPENDIX D**

Smithtown Crossing Project



# SMITHTOWN CROSSING

## REDEVELOPMENT STUDY

3rd DRAFT

June 2012

# Smithtown Crossing Redevelopment Study

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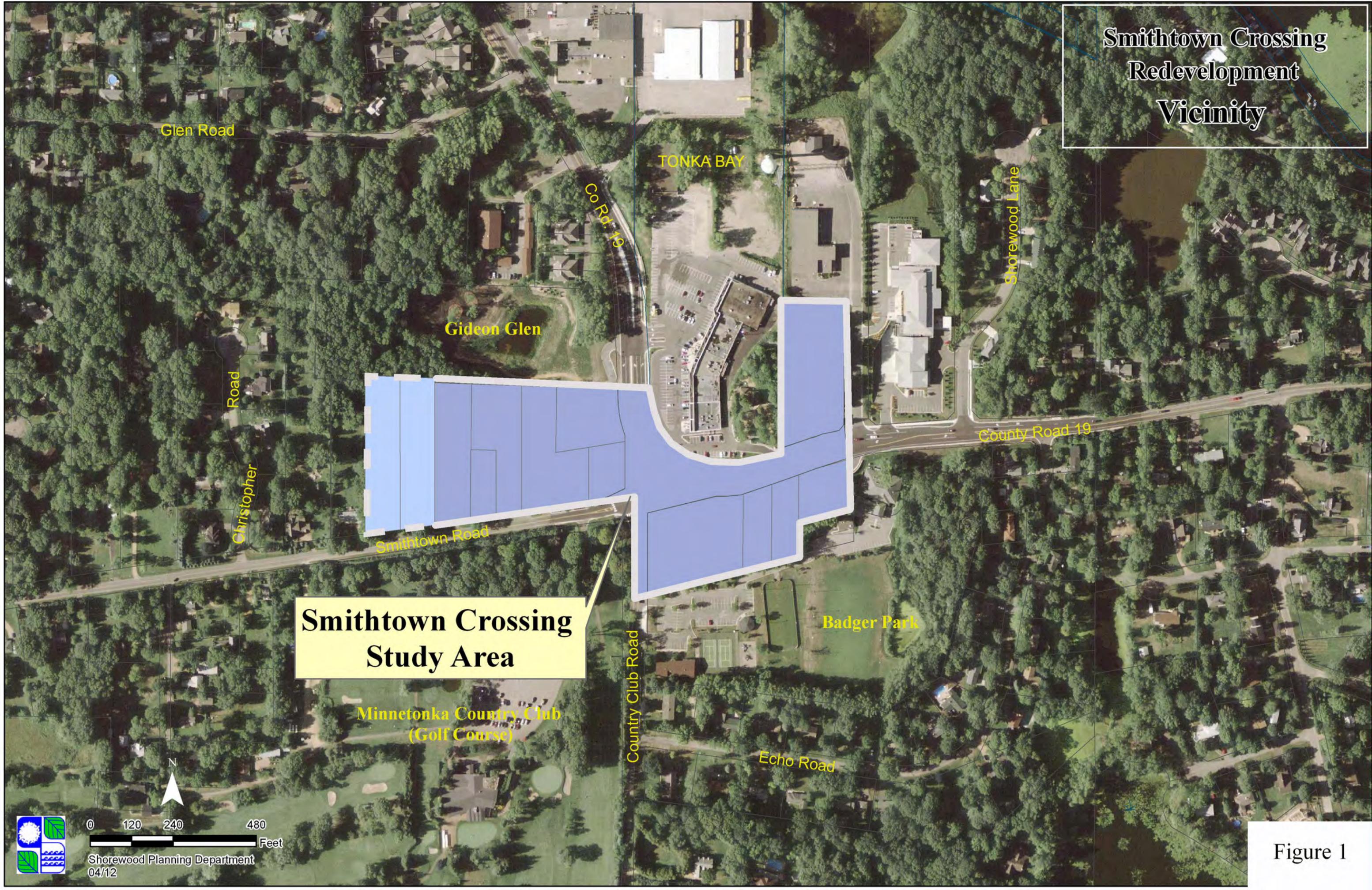
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# Executive Summary

While readers are encouraged to read the entire Study, following is a summary of the recommendations included therein:

- Encourage unified/coordinated redevelopment versus a piece-meal/individual approach.
- Consider various incentives to achieve coordinated and higher quality development.
- Utilize Planned Unit Development (P.U.D.) and establish parameters for mixed use (residential and commercial).
- Incentives and rewards will be tied to compliance with the City’s redevelopment “guiding principles”.
  - Consider use of Tax Increment Financing (TIF) to encourage land assembly, common open area and high quality architecture and landscaping.
  - Consider City acquisition of land as it becomes available to help facilitate land assembly.
- Require marketability and traffic studies for proposed activities.
- Provide for bicycle/pedestrian connections and circulation within the Study Area.
- Require substantial, natural, low maintenance landscaping in order to create buffers and achieve incentives.
- Include public/common open space internal to the project.
- Encourage well articulated architecture with pitched rooflines, tiered levels, interesting shadowing and natural materials.

**Smithtown Crossing  
Redevelopment  
Vicinity**



**Smithtown Crossing  
Study Area**

Figure 1

# Introduction

Geographically, the intersection of Smithtown Road and County Road 19 (Smithtown Crossing) is relatively centered in the City of Shorewood. The City considers the area surrounding the intersection to be somewhat of a northern gateway to the community. As such, considerable time, energy and money have been invested to enhance the area. The City has developed a “civic campus” including the Shorewood Public Works Facility, the South Lake Public Safety Building, the South Shore Community Center, and a newly remodeled City Hall. Badger Park and the Gideon Glen Conservation Open Space area provide active and passive recreational opportunities for the area, and proximity to the Lake Minnetonka Regional LRT Trail provides pedestrian and bicycle access for South Lake Minnetonka residents. Finally, the intersection itself was redesigned and reconstructed in 2005.

To date, private investment adjacent to Smithtown Crossing has not kept up with public investment. Commercial properties in the area are characterized as disjointed, with buildings that are low-valued and underutilized and, in many cases do not comply with current Shorewood zoning standards. In this regard, the Shorewood Comprehensive Plan has identified the area as being prime for redevelopment.

In order to facilitate redevelopment that makes better use of land, better serves the residents of the community, enhances tax base, reflects the quality and character of the community, and is commensurate with the highly desirable, highly visible Smithtown Crossing area, the City has begun exploring options and incentives to assist the area in realizing its true potential.

The Planning Commission began working on the Smithtown Crossing Redevelopment Study in early 2010. The study area boundary was established as shown on Figure 1, preceding, and Figures 2 and 3 in the following pages. The study area contains a total of 10.9 acres and consists of three locations: 1) the northwest quadrant of the intersection; 2) the southeast quadrant of the intersection; and 3) the area north of County Road 19, just west of Shorewood Lane. The study focused primarily on the northwest quadrant of the intersection, which contains anywhere from 4.52 to 6.56 acres, depending on how far west a project might extend. The southwest quadrant of the intersection contains another 2.74 acres. The area to the north of County Road 19 has 1.59 acres.

A brief planning inventory, examining the various uses in the district, property ownership, zoning and values was prepared and is contained in the Appendix of this report. With the exception of the American Legion, a retail/office building and a small, nonconforming apartment building, the area is predominantly occupied by auto-oriented uses (sales, auto repair, fuel station, car wash, etc.). Two single-family homes are also included in the study area.

**Smithtown Crossing  
Redevelopment  
Study Area**  
(See Appendix for  
detailed lot information)

Tonka Bay

Shorewood  
Public Works

South Lake  
Public Safety

**Gideon Glen  
(Conservation Open Space)**

5660

(.73 ac.)

24250

(1.59 ac.)

Co. Rd. 19

24620

24590

24560

24530

24470

24450

5680

(1.05 ac.)

(.99 ac.)

(.97 ac.)

(.33 ac.)

(.95 ac.)

(1.18 ac.)

(.36 ac.)

South Shore  
Community Center

24245

(.46 ac.)

Badger Park

Country Club Rd

24365

(1.45 ac.)

24285

(.42 ac.)

24275

(.41 ac.)

Smithtown Road

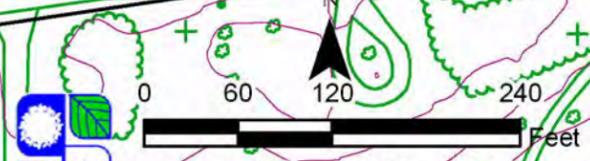
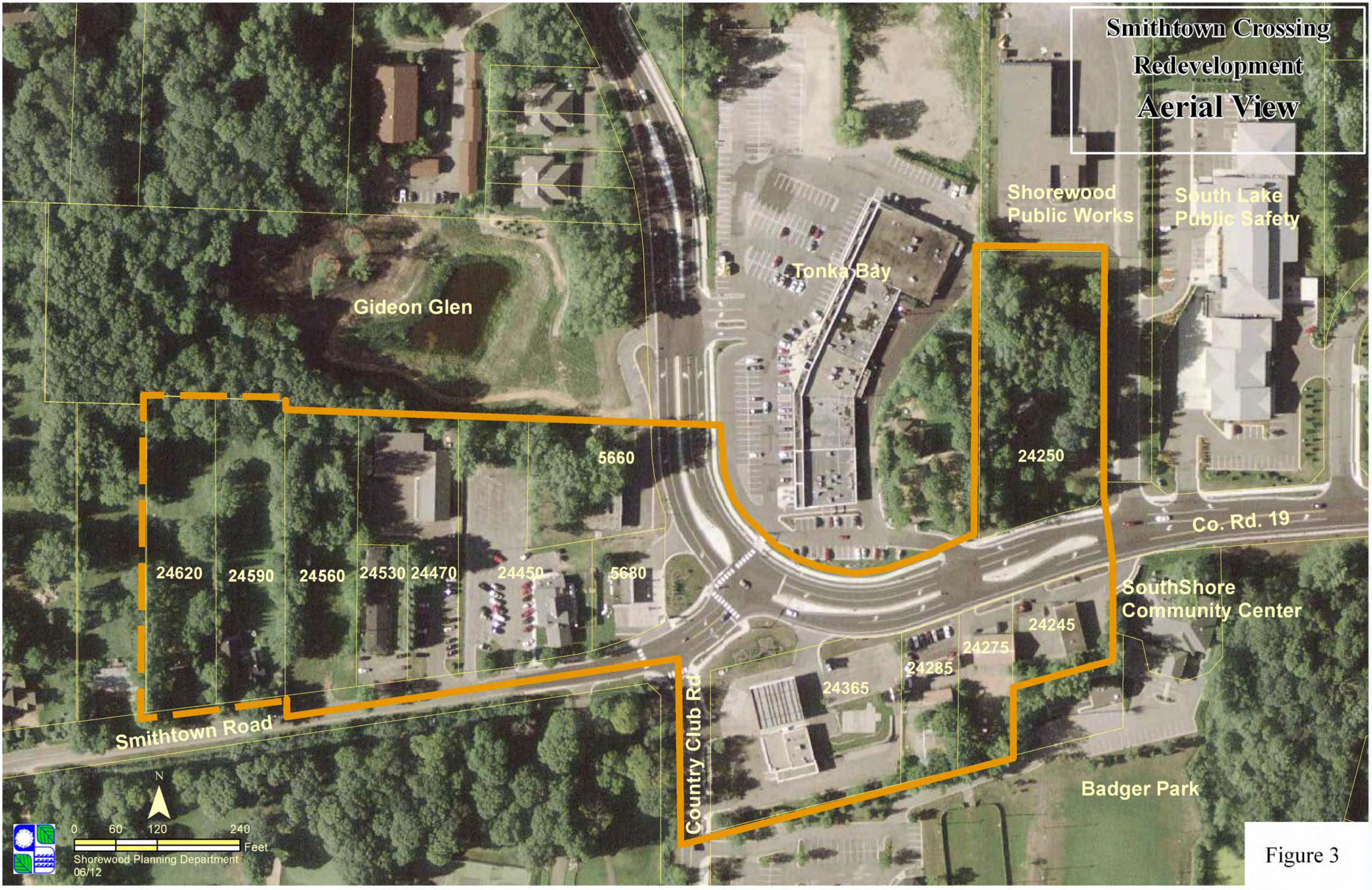


Figure 2

**Smithtown Crossing  
Redevelopment  
Aerial View**



Shorewood  
Public Works

South Lake  
Public Safety

Gideon Glen

Tonka Bay

5660

24250

Co. Rd. 19

24620

24590

24560

24530

24470

24450

5680

SouthShore  
Community Center

24245

24275

Smithtown Road

Country Club Rd

24365

24285

Badger Park



Figure 3

# Planning Issues

One of the first steps taken by the Planning Commission in its study was to identify planning issues associated with the study area. Following are a list of issues identified to date. These are also illustrated on Figure 2 on the following page.

- Study Area west boundary (it was decided that this edge of the study area could remain somewhat flexible, in the event a developer chooses to acquire one or more of the single-family residential lots that lie west of the commercial area)
- Land uses (considerable interest has been expressed in exploring mixed use for the Study Area)
- Buffering and land use transitions
- Taking advantage of views into Gideon Glen while preserving natural views from across and within Gideon Glen
- Access (vehicular) – to and from County Road 19 and to and from Smithtown Road
- Internal circulation – vehicular and pedestrian
- Phasing
- Redevelopment of lots on an individual basis versus unified/coordinated development\*
- Future development of golf course property
- Land use and zoning of single-family residential property at 24250 Smithtown Road
- Pedestrian connection from Badger Park to north side of Smithtown Road
- Drainage\*\*

\*The table on the following page sets forth the advantages of unified/coordinated redevelopment versus a piece-meal approach.

\*\*Note. This is a significant issue and supports the concept of a unified development effort. The City Engineer advises us that properties within the study area not only need to address rate control, but also the new volume of water that comes from redevelopment. This supports the concept of a coordinated redevelopment scenario versus piece-meal redevelopment of individual sites. Individually, the properties would have to come up with their own ponding for each site.

## Unified/Coordinated versus Piece-meal Redevelopment Smithtown Crossing

### Unified/Coordinated

### Piece-meal

Maximize exposure to County Rd 19	Only two properties front on County Rd 19
Maximize view of Gideon Glen	Two properties - no view
Efficient drainage	Each site provides its own separate pond for rate control and volume storage; more land consumed by ponding
P.U.D. provides flexibility relative to internal setbacks - more efficient use of land	Strict adherence to setback requirements
Opportunity for joint-use parking	Each site provides its own parking, resulting in less efficient land use and circulation
Opportunity for 75% hardcover (site is large enough for on-site treatment)	Maximum 66% hardcover (individual sites too small for treatment solutions)
Consolidated access	Potential congestion from multiple access points
Project identity - "Smithtown Crossing"	Each business on its own
Possibility of City assistance (e.g. T.I.F.)	Each owner on its own
Pedestrian access/circulation	Less attractive to pedestrians (crossing driveways and parking lots)
Efficiency of landscaping	Each site on its own

# Smithtown Crossing Redevelopment Planning Issues

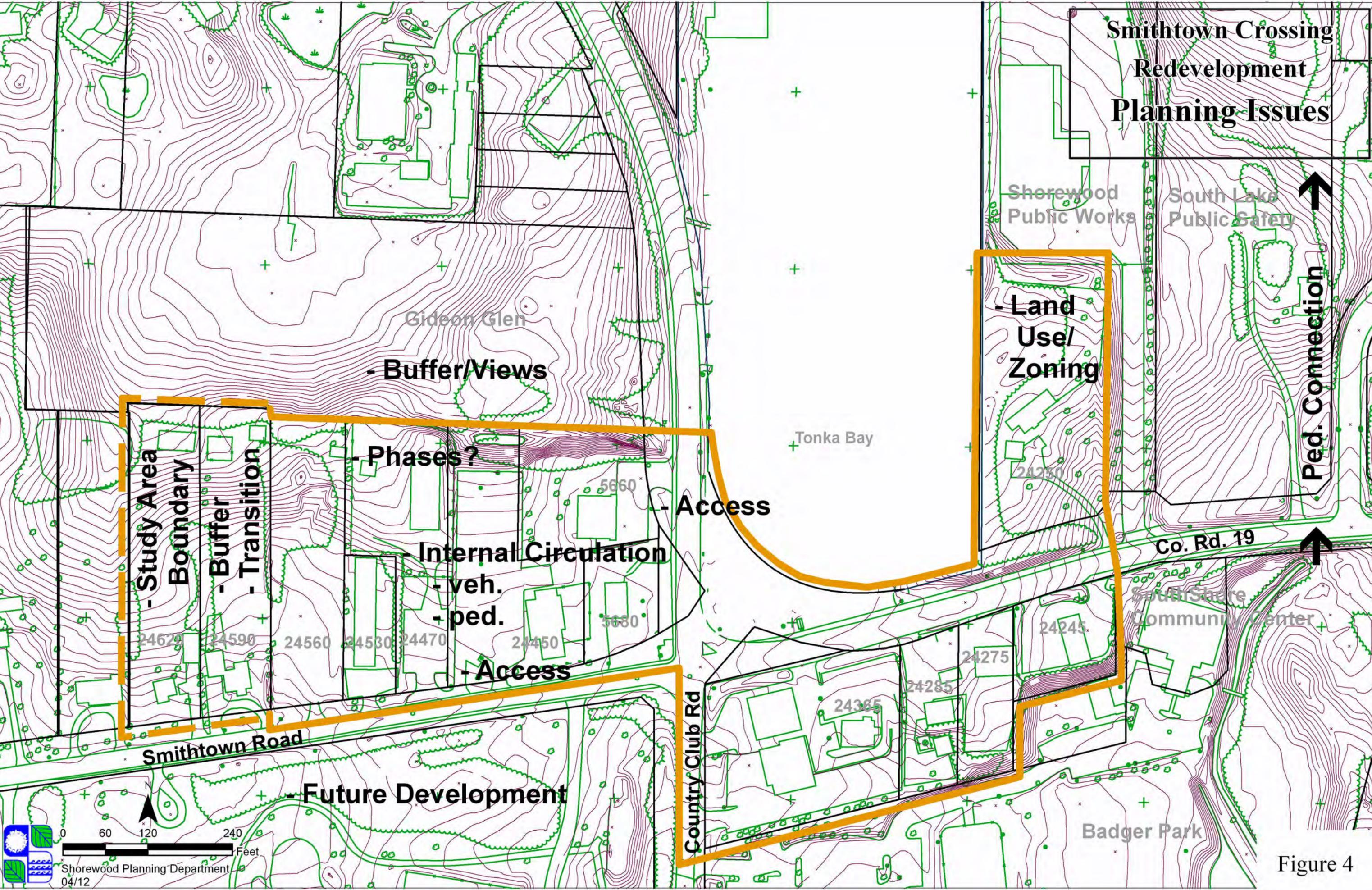


Figure 4

# Redevelopment Guiding Principles

Having identified issues associated with the study area, it was determined that a clear picture of what the City hopes to see for the subject area should be formulated – for lack of a better term, we will use “redevelopment guiding principles”. This is the point where we step back and view the area as we would like to see it, say in the next 10-15 years. The redevelopment guiding principles should be a positive expression of what the City wants, rather than a list of what we don’t want to see.

The proposed redevelopment guiding principles starts with the Shorewood Comprehensive Plan, which identified an interest in the following:

- Unified/coordinated development; assembly of land parcels
- Planned unit development
- Possible mixed use – commercial/residential
- Opportunity for additional senior housing
- Predominant retail and office uses versus service commercial\*

\*Since this was written, the Planning Commission held a meeting with real estate development professionals, the consensus of whom indicated that there may not be a strong market for retail. It was suggested that a stronger market may exist for personal service commercial (i.e. banking, health and beauty services, etc.).

In addition to the above, the Planning Commission discussed other factors such as pedestrian/bicycle circulation and connectivity, architectural treatment (e.g. residential character and natural materials), natural landscaping, and compatibility with surrounding land use activities as parameters for the redevelopment of the area. From this, the following was derived:

## Redevelopment Guiding Principles – Smithtown Crossing

1. The project will result in a unified/coordinated pattern of development.
2. The use or mixture of uses of property in the study area shall be based on market needs and analysis of detailed traffic study.
3. Site design should take advantage of views afforded by existing natural areas and parks.
4. Uses within the study area shall be arranged to create a transition between higher intensity commercial development and surrounding lower density housing. Any use of land not currently zoned for commercial development shall be limited in building height to 35 feet or two and a half stories. The westerly edge of the project area shall be densely landscaped to enhance the transition.

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5. Any housing component should add to and enhance the variety of housing choices in the community.
6. Commercial activities should serve not only the residents of the project area, but the community as a whole.
7. Access to and egress from, and circulation within Smithtown Crossing must be pedestrian/bicycle friendly.
8. Useable, inviting outdoor spaces shall be integrated into the development.
9. Landscaping will be natural and substantial, diminishing parking lot massing and softening and framing buildings on the site.
10. Attractive and articulated architecture with pitched rooflines and natural materials will reflect the residential character and quality of the community.
11. Reduction of building mass may be achieved by using a combination of the following techniques:
  - a. Variations in roofline and form.
  - b. Use of ground level arcades and covered areas.
  - c. Use of protected and recessed entries.
  - d. Inclusion of windows on elevations facing streets and pedestrian areas.
  - e. Retaining a clear distinction between roof, body and base of building.

# Smithtown Crossing – Plan

From the very beginning of this study, it has been realized that properties within the study area may develop or redevelop individually. It is not the City’s intent to stand in the way of property owners wishing to improve their land. Individual site development will be expected to adhere to the development regulations currently in place.

What is the intent of this study is to encourage a higher level of quality than might occur with piecemeal development under the current rules. In this regard, there are a number of ways that the City can reduce regulatory obstacles and even incite or reward development built to the higher standards envisioned by this study. The greater a project complies with the City’s vision for the area, the greater the incentive with respect to zoning flexibility and even City participation in the project.

## Zoning Parameters

With the exception of the public facilities located north of County Road 19 and the three residential properties in the study area, all of the subject lots are zoned C-1, General Commercial (see Figure 4). Individual lots must adhere to the standard of that zoning district, including height limitations. Any coordinated development of several or all of the subject properties should be done by Planned Unit Development (P.U.D.), using the C-1 District and the R-3B, Multiple-Family Residential District as the underlying standards for the project. Any use of currently zoned residential lots shall be residential with building heights not exceeding 35 feet and two and a half stories.

The single-family residential property on the north side of County Road 19 is surrounded by commercial development in Tonka Bay and public facilities (public works, police and fire). The City should be open to a rezoning of this site to R-C, Residential/Commercial.

## Update Regulations

While the City’s current P.U.D. provisions could be used to process a mixed use type of project, involving a mixture of commercial and residential development, it is recommended that the Shorewood Zoning Code be amended to specifically address mixed use. This update of the Code would include provisions tying flexibility and reward to the level of compliance with City’s vision for the area. One such provision might include an allowance for additional building height based on architectural design and extent and type of landscaping. For certain types of housing in a mixed use project, higher densities than what current regulations allow might be considered where it could be demonstrated that the density would be compatible with surrounding uses and where resulting traffic volumes would not adversely affect existing streets. In this regard, a mixed use project would be required to submit a traffic study as part of its application submittals.

## Design Criteria

Inherent to any mixed use development project is attention to pedestrian and bicycle circulation. Site planning should include both internal circulation as well as connections to existing and

# Smithtown Crossing Redevelopment Zoning Districts

## RESIDENTIAL DISTRICTS

- R-1A *Single-Family (40,000 sq. ft.)*
- R-1B *Single-Family (30,000 sq. ft.)*
- R-1C *Single-Family (20,000 sq. ft.)*
- R-1D *Single-Family (10,000 sq. ft.)*
- R-2A *Single/Two-Family (20,000/30,000 sq. ft.)*
- R-2B *Single/Two-Family (15,000/20,000 sq. ft.)*
- R-2C *Single/Two-Family (10,000/15,000 sq.ft.)*
- R-3A *Two-Family/Multiple (20,000/30,000 sq. ft.)*
- R-3B *Two-Family/Multiple (15,000/20,000 sq. ft.)*

## COMMERCIAL DISTRICTS

- C-1 *General Commercial*
- C-2 *Service Commercial*

## SPECIAL DISTRICTS

- L-R *Lakeshore-Recreational*
- PUD *Planned Unit Development*
- S** *Shoreland*
- GD *General Development*
- RD *Recreational Development*
- NE *Natural Environment*
- \*FL *Fire Lane*

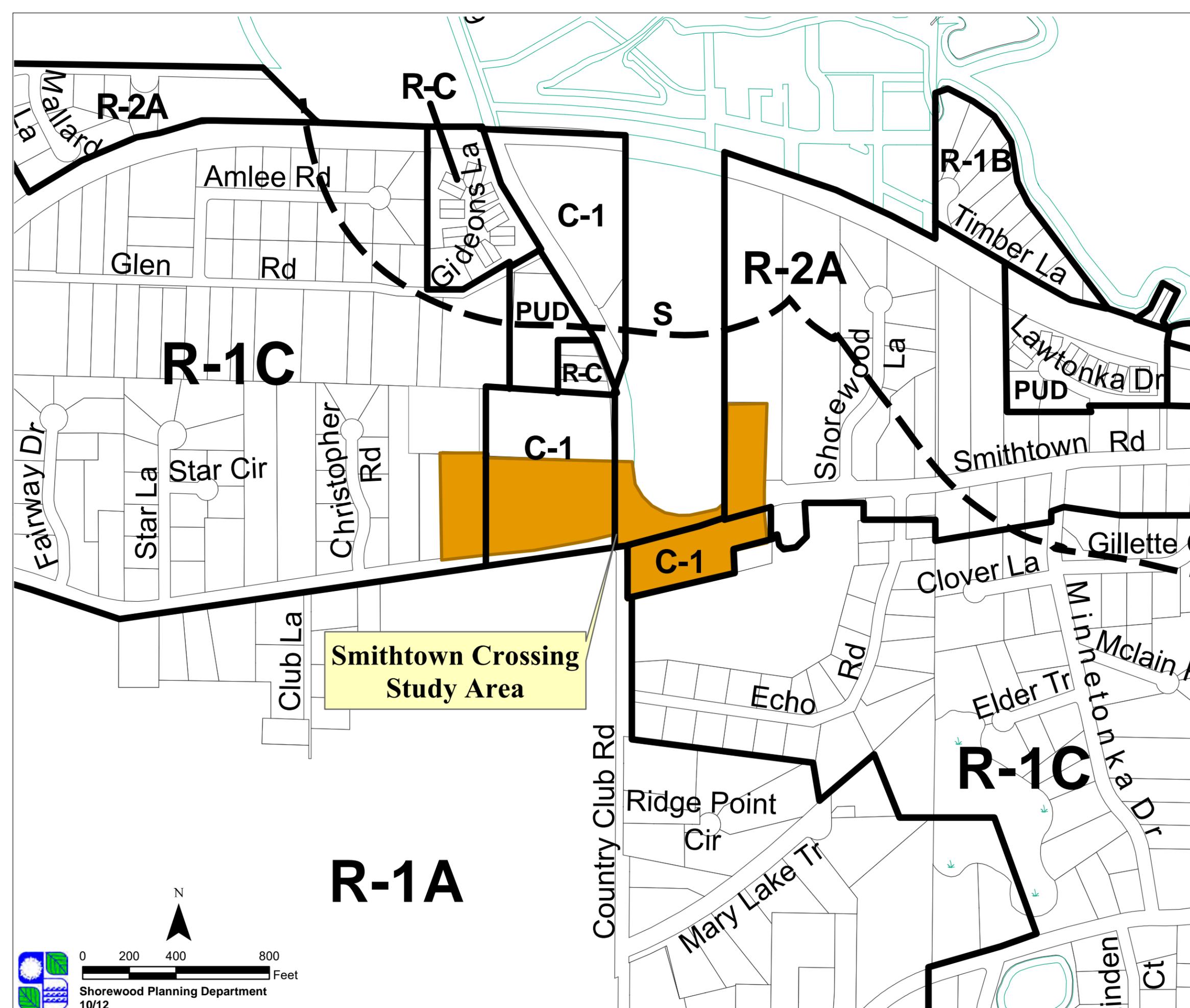


Figure 5

future trails and sidewalk systems. Sidewalks built with the reconstruction of the intersection in 2005 will ultimately provide connection with the LRT Trail to the north and to the City Hall/Badger Field complex south and east of the intersection. The County Road 19 Corridor Study illustrates an entire network of pedestrian/bicycle segments to the east of the study area. Smithtown Crossing should link to that system as well as extend west along Smithtown Road to the westerly extent of the project.

Landscaping has long been recognized as an effective means of creating buffers, diminishing the impact of building massing, enhancing architecture and screening and cooling of parking lots. The County Road 19 Corridor Study, adopted in 2003 sets forth concepts for streetscaping along the corridor as it passes through Shorewood. These concepts should be implemented on both the County Road 19 and Smithtown Road sides of the project, converging at the northwest corner of the intersection. This public



*Example: Landscaping, screening/cooling parking lots*

right-of-way area should be redone and incorporated into the Smithtown Crossing design. Current landscape practice focuses on natural designs that require low to no maintenance, minimizing sprinkling and conserving water. Developers hoping to achieve additional density or



*Example: Landscaping, public space*

building height will want to substantially exceed the minimum landscaping requirements currently found in the City's zoning regulations, both in terms of size and quantities of plant materials.

Site planning and landscaping for Smithtown Crossing should incorporate some sort of public space or common area that invites visitors to spend a little more time in the area, relaxing or connecting with others.

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It is not the intent of this report to dictate a certain type of architecture. This does not, however, diminish the importance of this critical design element. Shorewood has in the past placed great value on buildings that are in keeping with the residential character of the community. While no formal definition of “residential character” exists, certain characteristics have been identified that begin to describe what the City is looking for. Well articulated buildings with pitched rooflines, tiered levels and interesting shadowing go far in mitigating the visual impact of larger, taller buildings. Similarly, features such as awnings, natural building materials, balconies and lighting help to diminish building masses and create a human scale for the project. And, as mentioned in the previous section, nothing does more to soften and enhance a building than landscaping.



*Example: Architecture—pitched roofs, natural materials, shadow, articulation*

At present, the C-1 zoning district allows buildings to be three stories or 40 feet in height, whichever is least. The visual impact of such a building can be mitigated by the means discussed above as well as by building placement on the property and use of the natural terrain. For example, the topography found in the northwest quadrant of the intersection may lend itself to partially below-grade levels or underground parking.



*Example: Architecture—diminish visual impact of building height with construction materials, landscaping*

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# Smithtown Crossing Redevelopment Concept

From the beginning of this study the City has deliberately avoided trying to dictate the design of the site or the buildings to be located within the project area. Rather, this plan is intended to convey the character of development the City wishes to see in the Study Area. During various public meetings at which the study was presented, it became clear that those interested in the project wanted more visual depictions of what was being described. Preceding pages include photographic examples of the types of buildings and landscaping the City desires. While no attempt has been made to produce an illustrative site plan for the Study Area, the Concept Sketch on the following page attempts to show the potential functional relationships of the various elements of future development.

# Smithtown Crossing Redevelopment Concept Sketch

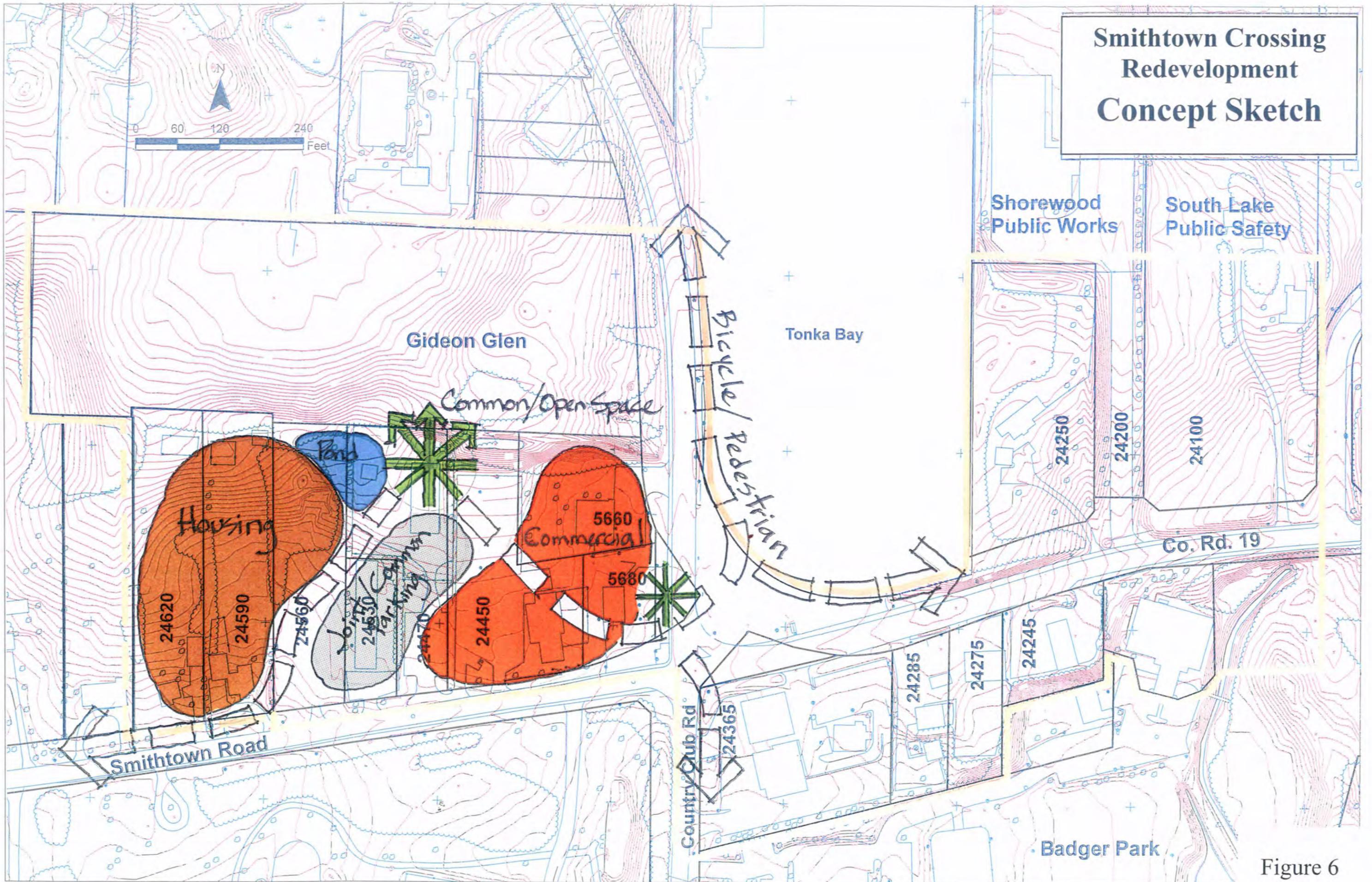


Figure 6

# City Participation

While the plan for the redevelopment of Smithtown Crossing includes reducing regulatory obstacles, that alone may not be enough to entice the type of development envisioned in this study. Since the City’s vision for the area requires development to substantially exceed current regulations (e.g. extra landscaping, architectural standards, acquisition and combination of land parcels), it will likely take some investment on the City’s part. The greater the City’s involvement, the greater say the City has in how the property develops. Following are possible ways in which the City can be involved.

## **Tax Increment Financing**

Early on in the conversations about redeveloping the Smithtown Crossing area, tax increment financing (TIF) was mentioned as a possible tool for enticing developers to invest in a project. TIF is a financing tool that uses future gains in tax revenues to finance the cost of current improvements, including - in some cases- writing down the cost of land. Shorewood has used TIF successfully in the past when building the intersection at Old Market Road and Highway 7. In that case, the City opted for a “pay-as-you-go” method where any future risk is assumed by the developer. This is what is recommended for Smithtown Crossing. While there are projects done involving cities assuming some or all of the risk, this method is not recommended for the Smithtown Crossing redevelopment project.

## **Acquisition of Land**

One of the most difficult obstacles to overcome in a redevelopment project is assembling land for a unified, cohesive development. It is strongly suggested that, as parcels within the redevelopment area become available on the market, the City consider acquiring them. These properties should be viewed as an investment in the redevelopment and could be sold to an ultimate developer “at cost” as a demonstration of the City’s commitment to the project. This would also provide leverage toward the City having more input on the type, quality and design of the project.

## **Economic Development Authority**

Shorewood already has an Economic Development Authority (EDA) which has been used successfully in the redevelopment of the property currently occupied by the South Lake Public Safety facility. The EDA can be useful with regard to tax increment financing as well as in the acquisition of property. Assisting in the correction of problem soils is yet another function of an EDA.

# Appendix

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## **Smithtown Crossing Meetings**

The Shorewood Planning Commission has spent many months preparing the Smithtown Crossing Redevelopment Study. Following is a list of Planning Commission meetings at which the Study was discussed. Some of the “milestone” meetings have been highlighted and summaries of selected meetings are provided below. It is worth noting that some of the early discussions referred to Planning District 3 from the Shorewood Comprehensive Plan.

February 17, 2009

April 7, 2009

January 19, 2010

February 16, 2010

March 2, 2010

March 16, 2010

April 6, 2010           Tax Increment Financing (T.I.F.)

April 20, 2010        Vision Statement

May 4, 2010           Joint Meeting with City Council

May 18, 2010         Meeting with Landowners \*

June 29, 2010        Meeting with Developers (Forum) \*\*

July 20, 2010

August 17, 2010     Discussion of Mobile Tour \*\*\*

September 14, 2010 Mixed Use

February 15, 2011

March 1, 2011

\*The Planning Commission met with a number of owners of land within the study area. The purpose of the meeting was to get feedback from them on issues related to redevelopment and to illustrate to them the advantages of a unified, cohesive redevelopment versus a piecemeal approach. The consensus of those attending the meeting appeared to agree with the direction the Commission was proposing.

\*\*Early on it was determined that input from people who actually do projects was important to the ultimate success of the project. A panel of development professionals was asked to comment on the Vision Statement and the concept drawings that had been reviewed by the Commission. The panel members all commented on the materials and then answered questions from the

## **Meetings (continued)**

Commission. The general consensus of the panel was that Shorewood's development regulations are in need of revision in order to make a redevelopment project viable. Four key points were made:

- 1) The site is not well suited for retail commercial. Rather, some sort of service commercial development (e.g. banking, personal services, possibly office, etc.) should be expected.
- 2) The City should consider allowing something higher than the three stories allowed under the current regulations.
- 3) Whether the housing element was market or senior, Shorewood's current density limits are too low.
- 4) In this economy, redevelopment may not occur for some time.

\*\*\*The Commission spent an evening visiting mixed use and senior housing projects. There was consensus that two projects in Golden Valley, Town Square and the Commons, contained elements that would be desirable for Smithtown Crossing. A mixed use redevelopment project in Glen Lake (Minnetonka) illustrated how the impact of building height could be mitigated with construction materials, siting, and landscaping. Some of the photographs used in this report came from the mobile tour.

