

**REQUEST FOR ACTION  
CHASKA CITY COUNCIL  
JANUARY 22, 2018**

**Subject: ALDI, Chipotle, Starbucks in Hazeltine Plaza - Concept Plan**

Applicant: ISG, Inc.

Location: 1110 Hazeltine Boulevard - Southeast corner of Highway 41 and Hazeltine Boulevard

Case No.: PC No. 18-01

Synopsis: The applicant is requesting approval of a concept plan to construct a new ALDI, Chipotle and Starbucks on Lot 1, Block 1 of Hazeltine Plaza

Prepared By: Elizabeth Hanson

Staff Recommendation: Adopt Resolution No. 2018-09

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**BACKGROUND**

In September 2005, the City approved (Resolution # 05-92) the concept plan and rezoning for Hazeltine Plaza (PC 05-24), which included two retail buildings along the "main street" area at the northwest corner of the site (Lot 1, Block 1).

In June 2007, the City approved (Resolution # 07-52) the preliminary plat, and the preliminary site and building plans for Hazeltine Plaza (PC 07-12), which included the two retail buildings along the "main street" area at the northwest corner of the site (Lot 1, Block 1).

In July 2007, the City approved (Resolution # 07-59) the final plat, and the final site and building plan for Kohl's located on Lot 4, Block 1 of the Hazeltine Plaza development (PC 07-12).

In March 2012, the City approved (Resolution # 12-08) the preliminary and final site and building plan for McDonald's located on Lot 2, Block 1 of Hazeltine Plaza (PC 12-04).

In July 2012, the City approved (Resolution # 12-34) the preliminary and final site and building plan for Park Dental located on Lot 5, Block 1 of Hazeltine Plaza (PC 12-07).

Tonight we are looking at a concept plan to develop Lot 1, Block 1 of Hazeltine Plaza.

**Goals**

As the "Best Small Town in Minnesota", it is important in maintaining Chaska's unique, historic small-town image and sense of community is of upmost importance. The overall project goal is to develop these establishments in a high-visibility area with convenient access that will create a high-quality, dynamic, pedestrian-friendly retail center to serve the residents of Chaska, while maintaining the community's small-town charm and core values.

## **Existing Conditions**

The subject property is located at 1110 Hazeltine Boulevard, legally described as Lot 1, Block 1, Hazeltine Plaza, and consists of 3.49 acres. The site is currently vacant and has high visibility due to its location on the southeast corner of Highway 41 and Hazeltine Boulevard. The existing site was graded as part of the original development which conveys stormwater from the entire development to the existing regional stormwater pond that was also constructed as part of the original development. Currently, there is a retaining wall along the north and west sides of the property that provide protection for the existing Oak trees. A City-owned path meanders along the west and north sides of this property.

## **CURRENT REQUEST**

The request this evening is for Concept Plan approval for the construction of three new retail establishments which include Starbucks, Chipotle, and an ALDI grocery store in Hazeltine Plaza. Subsequently, the applicant will be requesting to split the lot into three separate lots for each establishment. Although there has been a previous concept plan approved for this site, the applicant is proposing something different than previously approved and thus would require another Concept Plan approval.

## **Adjacent properties**

The site is bounded on the south by Park Dental and Kohl's; the north by Hazeltine Boulevard and the Goodman Group building; the west by Highway 41 and Chaska Heights Senior Living; and the east by McDonald's.

## **Use**

The use of this site for additional retail is consistent with the approved zoning for the property (Planned Commercial District - PCD-15). The intent of this district is to "create high-quality, pedestrian-friendly, lifestyle retail center that serves the day-to-day needs of Chaska residents for retail goods and services." The use is also consistent with the City's 2030 Comprehensive Plan.

## **ALDI Building Location/Design (Lot 1)**

The ALDI grocery store is planning to locate on a 2.36 acre lot on the southern portion of this subject site and be approximately 23,200 square feet in size. The entrance of the building will face north and east. The ALDI store was orientated such that visibility of the loading dock would be minimized from the public right-of-way. To further reduce visual impact, the loading dock is proposed to be recessed below grade which will provide additional screening of the dock in conjunction with the earth berm located between the site and Highway 41. Landscaping such as plantings, trees, and other landscape design elements will also be incorporated around the loading dock to provide further screening from public view, while maintaining the natural character of the site.

The proposed design of this building is rectangular in footprint, one-story in height, and consists of a neutral color palette. ALDI typically utilizes architectural features such as Nichiha natural wood patterned panel, metal wall panel, two complementing colors and textures of brick, and stone veneer in neutral colors, as well as spandrel glass. A loading dock is also proposed on the southwest end of the building, which will gain access from the internal private drive of Hazeltine Plaza.

ALDI plans to have 12-14 total employees, with a total of 6 working during peak hours.

ALDI/Chipotle/Starbucks – Hazeltine Plaza - Concept Plan (PC No. 18-01)

### *Staff Recommendation/Analysis*

The location of the proposed ALDI will be the closest building in Hazeltine Plaza to Highway 41. The loading dock will be the main element facing this significant sightline, which is of concern to staff, however, there are ways that can help minimize or allow this element to blend in. Screening will be required by way of an architectural wall that matches the principal building; in other words, the wall needs to blend in seamlessly with the principal building's design. Landscaping, by way of plantings and berming, will also be very important in this area to help minimize the sightlines. Staff will need to see a cross-section drawing of this element from Highway 41 to understand the sightlines. This will need to be submitted during the preliminary.

The City of Chaska has certain building design and material requirements for commercial buildings. A portion of it is stated as follows:

*"Office, Commercial, Public and Institutional buildings shall use at least three (3) Class I materials and shall be composed of at least seventy (70) percent Class I materials and shall not exceed thirty (30) percent Class II or Class III materials."*

The applicant must show in the preliminary submittal how they meet the City's Building Design/Materials ordinance by calling out each material on the elevations and their percentage make-up. Given the proposed building's high visibility staff would require the building to use 360-degree architecture for all sides of the building. Or, in other words, have a consistent design and material composition throughout. If brick is used on the building, then it should be advised that only full modular face brick is classified as a Class I material. Brick veneer is not a Class I material. The same should be noted for stone; natural stone is classified as a Class I material, whereas stone veneer is not.

Because this building is a part of a larger development area, it would be appropriate and highly advised to show consistency in design between the other buildings (i.e. Chipotle, Starbucks, Kohls, etc). The preliminary submittal will have to exemplify how this building will achieve this.

### **Chipotle Building Location/Design (Lot 2)**

The Chipotle building is planning to locate on a 0.48 acre lot on the north portion of the subject site and be approximately 2,300 square feet in size. The main entrance of the building will face south. The building will also be rectangular in format and one-story in height. It should be noted that there are some site constraints due to the orientation and narrowing of the parcels on both the northeast and southwest portions along Highway 41 and Hazeltine Boulevard, which were determining factors for the site layout and building orientation. The buildings and parking area also need to be set back in a manner that allows adequate separation between the development and the retaining walls/Oak trees to ensure preservation of these trees.

Chipotle's building design typically utilizes a neutral colored façade with a contemporary feel by incorporating whites and dark and light greys, along with stucco/EFIS or metal panels and a simple canopy. The dining area will be surrounded with glass, and the restaurant will feature a decorative fenced outdoor patio with landscaping.

Chipotle plans to have 30-40 total employees, with 8-10 working during peak hours.

*Staff Recommendation/Analysis*

The location of the building rears up to the existing retaining wall on the north side of the subject site. Staff questions the proposed location of the outdoor patio as it is surrounded mainly by the parking lot, and does not appear to be in a desirable eating area. Staff would advise the applicant to look into the relocation of the outdoor patio to the rear (north) of the building to take advantage of the significant oak trees and its shade. This could be done by either locating it adjacent to the building on the north side or by elevating the patio on the retaining wall. Relocating the patio outside of the parking lot will also free up a couple parking spaces. It should also be noted that the patio will be required to use a wrought iron and brick pillar fence design as is typical for these establishments in Chaska.

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Because this building is a part of a larger development area, it would be appropriate and highly advised to show consistency in design between the other buildings (i.e. Chipotle, Starbucks, Kohls, etc). The preliminary submittal will have to exemplify how this building will achieve this.

**Starbucks Location/Design (Lot 3)**

The Starbucks building is planning to locate on a 0.65 acre lot on the northeast side of the subject site and be approximately 2,200 square feet in size. Starbucks was placed nearest to the entrance to allow for efficient and quick access, and to allow for ideal maneuverability for both walk-in and drive-thru customers. It will provide a drive-thru function on its north edge that will be accessed from the internal parking lot. Queuing of such drive-thru will provide space for at least four vehicles from the distance of the drive-thru entrance to the menu board.

Starbucks stores are typically designed with neutral colored brick, metal corrugate panel, Nichiha vintage wood composite wall panel, and fabric awnings and canopies. This specific store plans to feature a glass storefront and dining area, decorative fenced outdoor patio with landscaping, and a drive-thru.

*Staff Recommendation/Analysis*

The location of the building rears up to the existing retaining wall on the north side of the subject site. It should be noted that the retaining will be modified slightly to accommodate the new Chipotle and Starbucks. Staff questions the length of the proposed drive-thru queuing

distance from the drive-thru entrance to the menu board. Only four cars can be accommodated before placing their orders. If more than four cars are waiting to order, then it can create dysfunctional activity to the parking lot and entrance into the subject site. It would be beneficial to move the menu board up around the drive-thru more (north then west) so that more cars are able to stack before placing their orders.

It should also be noted that the outdoor patio will be required to use a wrought iron and brick pillar fence design as is typical for these establishments in Chaska.

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The applicant must show in the preliminary submittal how they meet the City's Building Design/Materials ordinance by calling out each material on the elevations and their percentage make-up. Given the proposed building's high visibility staff would require the building to use 360-degree architecture for all sides of the building. Or, in other words, have a consistent design and material composition throughout. If brick is used on the building, then it should be advised that only full modular face brick is classified as a Class I material. Brick veneer is not a Class I material. The same should be noted for stone; natural stone is classified as a Class I material, whereas stone veneer is not.

Because this building is a part of a larger development area, it would be appropriate and highly advised to show consistency in design between the other buildings (i.e. Chipotle, Starbucks, Kohls, etc). The preliminary submittal will have to exemplify how this building will achieve this.

**Parking/Access/Circulation**

The site is proposing to incorporate 133 parking spaces. The following charts summarize the overall parking demand on the site, based on the approximated sizes of the conceptual uses:

Uses	Approx. Size	Code Req.	Est. Parking Req.
Retail	27,700 sf	1ps/200sf	138 parking spaces
			<b>REQUIRED</b>
			<b>138 parking spaces</b>
			<b>PROVIDED</b>
			<b>133 parking spaces</b>

The site is designed with the intent that parking will be shared among all three establishments. This shared parking will provide 133 stalls. While the amount of shared parking is slightly less than the required 138 stalls per City Code based on building area or approximate seating, the site design and orientation of the development provides the maximum amount of parking feasible. This design also takes into consideration the peak hours for each establishment. Because peak hours for the establishments vary, with Starbucks' primary peak hours in the morning, Chipotle's primary peak hours during lunch and dinner, and ALDI's primary peak hours in the late morning and early evening, the amount of parking provided will be sufficient for all establishments. Also, all three retailers have reviewed and approved the site layout and parking as proposed, and are confident that the quantity of parking is sufficient to serve their

establishments. In addition, there is a Reciprocal Easement Agreement (REA) in place for Hazeltine Plaza which will allow patrons of these establishments to utilize the parking area east of the private drive, if necessary.

The project is proposing to use existing entrances and exits into the development site. The private drive that runs north to south within Hazeltine Plaza will provide direct access to the subject site. The site is proposing three points of access off this private drive; one to access the loading dock of ALDI, and two to access the shared surface parking. The applicant believes that due to the intended use and consistent commercial traffic flow expected, no traffic impacts to the transportation network, subject property, or neighboring properties are anticipated.

*Staff Recommendation/Analysis*

Staff took the liberty to visit a couple ALDI stores in the metro area during peak time hours to understand the parking volumes generated. The stores visited were in Eden Prairie and Richfield at the times of 5:30pm and 6:00pm on a weekday. Eden Prairie has 98 parking stalls and only two-thirds was full at peak time. Richfield has 77 parking stalls and only one-half was full at peak time. With this data observed, staff can start to say that the amount of parking provided for the Chaska site will be more than enough to accommodate peak time hours. The applicant has provided an initial summary of the parking demands for each establishment and indicates that the parking count will work as well. However, staff would like to see a detailed parking summary during the preliminary site plan submittal to ensure the parking plan works, detailing out other metro locations of the proposed establishments and their peak time parking data. In addition to that, we would like to see the Reciprocal Easement Agreement for Hazeltine Plaza to understand the parking arrangements. Staff has also highlighted a potential area on and near the site that could be used for additional parking if need be. This area is just south of the proposed parking lot on the south side of the ALDI building along the private drive.

In addition to that, staff will emphasize the importance in meeting the City’s requirement for planting islands within the parking lot. That requirement is to provide at least 10% of the hard surface area of the parking lot for planting islands. These planting islands must at least 10 feet in width in order them to meet code.

Smooth traffic flow into and out of Hazeltine will be important. The location of the Starbucks drive-thru shows initial concern with how it may or may not impact traffic into the site at the northern-most access point from the private drive. As mentioned previously, maneuvering the menu board of Starbucks more north and west could provide more queuing time for drive-thru users, which could also minimize traffic conflicts within the overall development.

**Setbacks and Other PCD-15 Regulations**

The required setbacks for the site are as follows:

<b>BUILDING SETBACKS</b>	
<b>Direction</b>	<b>Setback</b>
Highway 41	100 feet from centerline
Northern-most Property Line	25 feet
Interior Property Lines	10 feet

<b>PARKING SETBACKS</b>	
<b>Direction</b>	<b>Setback</b>
Highway 41	90 feet from centerline
Hazeltine Boulevard	10 feet from ROW
Interior Property Lines	5 feet

Other requirements for the site are as follows:

<b>MAXIMUM BUILDING COVERAGE</b>
17% of any lot or tract

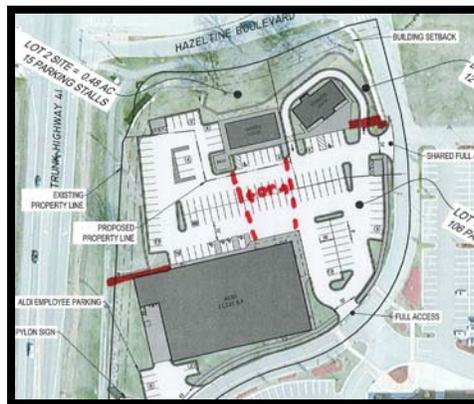
<b>MINIMUM AMOUNT OF OPEN/LANDSCAPED AREA NOT COVERED BY IMPERVIOUS SURFACES</b>
25% for any individual lot and 29% for the overall shopping center

**Sidewalks and Pedestrian Connections**

Sidewalks will be provided around the eastern edge of the subject site and through the interior to connect the multiple establishments. As mentioned previously there is a pedestrian trail on the west side of the subject site that abuts Highway 41 and wraps around the north side of the site.

*Staff Recommendation/Analysis*

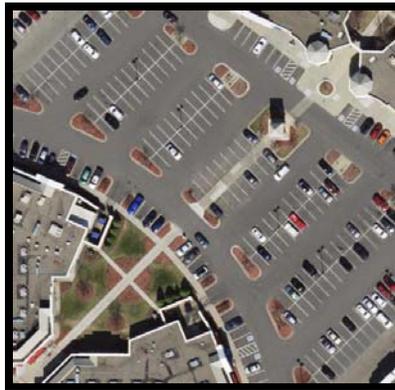
Staff’s recommendations for pedestrian connections can be seen in the following marked-up exhibit and described in the paragraphs below that. These recommendations are to reinforce the statement and intent of this zoning district in creating a “pedestrian-friendly” retail center.



Currently the site plan is not showing a pedestrian connection on the west side to connect to the trail along Highway 41. Staff would advise a connection here; perhaps a sidewalk to tie into the sidewalk just north of the ALDI store. This will provide adequate pedestrian flow for the site, which would also stay in line with the PCD-15’s intent of creating a pedestrian-friendly retail center.

To further achieve the intent of this development, staff would advise the applicant to provide a pedestrian connection into the Starbucks site from the private drive. The sidewalk currently cuts off at the private drive and does not provide an east-west connection into the site. Staff would request this connection be made, and done so in a safe and clear manner since it would be crossing the drive-thru lane.

Another missed pedestrian connection is between the three establishments in the center of the site. Although the center of the site is a parking lot, it would be beneficial to provide a safe and clear connection point between the three establishments. This could be done by providing different colored concrete to delineate this thoroughfare. Parking spaces could also be converted to a refuge point in this pedestrian connection; much like what you see in Chaska Commons seen below.



### **Tree Preservation**

Currently, there is a retaining wall along the north and west sides of the property that provides protection for the existing four (4) Oak trees. Some minor modifications to the retaining wall are anticipated to accommodate the proposed development. As recommended by the City, an Arborist was retained to evaluate and implement best practices to preserve the existing Oak trees. The Arborist treated the trees with iron injection and growth hormone in the Fall of 2017, and will be coordinating additional tree protection methods during construction. The concept site plan, including proposed modifications to the retaining wall, has been reviewed and approved by the Arborist. Preserving the mature Oak trees and other natural conditions ensures that the proposed development exceeds City requirements for green space and further promotes a sense of community. A copy of the report prepared by the Arborist has been enclosed to provide additional information pertaining to the maneuvering of the retaining walls and preservation of the Oak trees.

### **Landscaping**

Landscaping will have to meet the City's ordinance in terms of quantity and size. The applicant will be required to submit a landscape plan with the preliminary submittal to show how they meet this ordinance. The landscape plan will also have to show how the site will meet the planting island requirement in the parking lot in terms of size and percent coverage. Boulevard trees and landscaping will be required along the eastern edge of the site, consistent with Hazeltine Plaza's existing landscaping. It should be noted that the sidewalk on the east edge of the site near the southern access point into the parking lot tapers off the boulevard area. Staff would advise the applicant to reconfigure this area in order to provide for a sidewalk and an adequate boulevard area so that the boulevard design is carried all the way through the development.

Screening in the form of landscaping will also be required where the architectural, screen wall is proposed for the ALDI loading dock.

### **Lighting**

The parking lot lighting proposed for this plan should be fully screened and face downward. The applicant must provide specs and photometrics for any new lighting proposed within the parking lot. The lighting shall also match what is existing in Hazeltine Plaza.

### **Signage**

The existing pylon sign located at the southwest corner of site near Highway 41 is proposed to be utilized for identifying each of the establishments. Building signage is proposed at the main entrance of each establishment, along with signage for the Starbucks drive-thru. Due to the unique site and building orientation, building signage is also proposed on the exterior portions of the buildings that face the public right-of-way of Highway 41 and Hazeltine Boulevard.

Signs will have to meet the required sign regulations for this development and be reviewed and approved through a separate permit process with the City.

### **Utilities**

Water and sewer are available to serve this site. Details on the connections to the public utilities will need to be coordinated with the City Engineer.

### **Stormwater**

The applicant will work with the City and the Watershed district to determine if the drainage plan that was approved for the overall development will suffice. A grading and drainage plan will be required to be submitted at the time of a preliminary application.

### **Staging**

Construction is anticipated to start as soon as all approvals are obtained. The applicant hopes to break ground this upcoming June.

### **CONCLUSION**

Staff concludes that the proposed ALDI, Chipotle, and Starbucks will be a positive addition to the Hazeltine Plaza area. This site has been vacant for some time and thus these proposed retail establishments will help bolster the area.

### **PLANNING COMMISSION ACTION TAKEN 1/10/18**

Motion to recommend approval of the ALDI, Chipotle and Starbucks Concept Plan in Hazeltine Plaza (PC#18-01), subject to the following conditions:

1. Approvals shall be based on the following graphic exhibits:
  - a. Project Narrative (pgs 1-4), submitted by ISG, Inc., dated December 21, 2017.
  - b. Chaska Oaks Preservation Plan (pgs 1-10), submitted by Faith Appelquist of Tree Quality, LLC, dated September 29, 2017
  - c. Concept Plan, submitted by ISG, Inc., dated December 18, 2017.
  - d. Vehicle Movements exhibit, submitted by ISG, Inc., dated December 18, 2017.
2. Adherence with the Engineers Memo dated January 4, 2018.
3. Compliance with section 9.11 Building Design/Materials and Site Design for all three buildings.

4. Provision of material boards submitted at the preliminary site plan application showing the proposed material selections for ALDI, Chipotle and Starbucks.
5. Provision to show some general design consistency between the three buildings and Hazeltine Plaza so as to convey that they are a part of the same development.
6. Provision that full modular face brick will be used in order to be classified as a Class I material.
7. Provision that natural stone will be used in order to be classified as a Class I material.
8. Provision of ALDI loading dock to be screened by landscaping and an architectural wall that will be designed cohesively and blend in seamlessly with the principal building.
9. Provision of a cross-section drawing showing the views of the loading dock from Highway 41 to be submitted at the preliminary site plan.
10. Provision for all outdoor patios to utilize a wrought iron and brick pillar design, and to be shown in the preliminary site plan submittal drawings.
11. Provision to re-evaluate the location of Chipotle's outdoor patio to the north end of the building near the existing oak trees.
12. Provision of an east-west pedestrian connection between Starbucks and the sidewalk along the private drive.
13. Provision of a pedestrian connection in the center of the site between ALDI and Chipotle's site.
14. Provision of a east-west pedestrian connection on the west side of the site to connect to the public trail on Highway 41.
15. Compliance with section 9.6.5.4 Planting Islands.
16. Provision of a tree preservation plan for the four oaks to be submitted at the preliminary site plan application.
17. Provision of a parking summary/analysis to be completed and the Hazeltine Plaza Reciprocal Easement Agreement submitted for preliminary site plan submittal.
18. Provision of lighting specs and photometrics to be submitted with preliminary site plan submittal and to be consistent with the existing Hazeltine Plaza lighting.
19. Provision of trash enclosure details and drawings to be submitted during preliminary site plan application.
20. Provision that all mechanical equipment will be fully screened from view.
21. Coordination with the City Engineer for the provision of public utilities to the site.
22. Provision of a storm water management plan meeting City and Carver County WMO standards.
23. Compliance with applicable zoning requirements, in particular Chapter 9 (General Requirements).
24. Any and all building signage shall be submitted separately, and shall require approval by staff prior to installation.
25. Provision to submit As-Builts prior to issuing a building permit.

#### **CITY COUNCIL ACTION REQUESTED**

Adopt Resolution No. 2018-09 approving the ALDI, Chipotle and Starbucks Concept Plan in Hazeltine Plaza (PC#18-01).