

# *City of Falcon Heights Planning Commission*

City Hall  
2077 W. Larpenteur Avenue

Tuesday, April 25, 2017  
7:00 p.m.

## **A G E N D A**

- A. CALL TO ORDER: 7:00 p.m.
- B. ROLL CALL:           Chair Larkin \_\_\_\_ Samatar \_\_\_\_  
                                  Murphy \_\_\_\_ Stemper \_\_\_\_  
                                  Williams \_\_\_\_ Kotelnicki \_\_\_\_  
                                  Sunderland \_\_\_\_  
                                  Council Liaison Harris \_\_\_\_ Staff Liaison Moretto \_\_\_\_
- C. APPROVAL OF MINUTES for March 28, 2017
- D. AGENDA
  - 1. Welcome New Members
- E. WORKSHOP - PUD URBAN FARMING PHASE II
- F. INFORMATION AND ANNOUNCEMENTS
- G. ADJOURN

*If you have a disability and need accommodation in order to attend this meeting, please notify City Hall 48 hours in advance between the hours of 8:00 a.m. and 4:30 p.m. at 651-792-7600. We will be happy to help.*

**City of Falcon Heights  
Planning Commission Minutes  
March 28, 2017**

**PRESENT:** Commissioners Williams, Larkin, Murphy, Stemper, Kotelnicki, Liaison Harris  
**ABSENT:** Commissioner Alexander, Liaison Moretto

The meeting was called to order at 7:00 p.m. by Chair Larkin.

**The minutes of the October 23<sup>rd</sup>, 2016 meeting of the Planning Commission were approved.**

**AGENDA**

1. Welcome New Members – New members Stemper and Kotelnicki were introduced to the commission. A brief introduction was made to them by other members of the commission.

2. Approval of the Planning Commission Standing Rules – The Chair explained the standing rules of the commission that are available in the Commissioner’s packet. The Chair also made note that we will be working on the Comprehensive Plan. Conversation concerning planning and zoning took place.

**INFORMATION AND ANNOUNCEMENTS:**

**Community Forum: None**

**ADJOURNMENT:** The meeting was adjourned to workshop at 7:30 p.m.

Respectfully submitted,

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Paul Moretto  
Community Development Coordinator

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John Larkin  
Chair – Planning Commission

# **James E. Kelly, John R Otteson & Peter C. Austin Qualifications Summary**

## **James E. Kelly**

Kelly Brothers Ltd & Kelly Brothers Investments, LLC – President  
55 East Fifth Street - Suite 200  
Saint Paul, MN 55101

## **John R. Otteson**

55 East Fifth Street - Suite 200  
Saint Paul, MN 55101

## **Peter C. Austin**

Kelly Brothers Ltd - Vice President- Director of Finance  
55 East Fifth Street - Suite 200  
Saint Paul, MN 55101

**Mr. James Kelly** has been long-time St. Paul resident and commercial real estate broker for the past 30+ years. Mr. Kelly worked for Real Estate Dynamics beginning in the early 1980's until 1988. At Real Estate Dynamics, he specialized in brokering multifamily apartment complexes. In 1988 he left Real Estate Dynamics and founded Kelly Brothers Investments. Mr. Kelly began investing in income properties in 1983

**John R. Otteson** is a long-time resident of St. Paul Minnesota. Mr. Otteson has been a real estate sales executive for over 40 years. Mr. Otteson specialized in the sale of residential and commercial investment property. During his career with ReMax, in one calendar year he sold over 100 homes. Mr. Otteson holds his GRI and CRS professional designations as well as being a licensed real estate broker in the state of Minnesota.

Mr. Otteson has also been an award-winning member for the past 13 years of The Mike Ferry Organization ([www.mikeferry.com](http://www.mikeferry.com)). The organization is North America's leading real estate coaching and training organization.

For the past 35 years, he has been an active investor in commercial real estate which includes the ownership in 10 market rate and senior apartment projects totaling 979 units.

**Peter C. Austin** is a long-time resident of St. Paul, Minnesota. Mr. Austin's has spent 25+ years in the commercial lending industry, which included positions with commercial lending organizations including the 13 years he spent with Welsh Capital, LLC as a co-founder owner and senior manager. Mr. Austin currently is the Director of Finance for Kelly Brothers, Ltd. Mr. Austin's duties include arranging project financing, financial modeling for development activities and construction loan draw administration.

**Kelly Brothers Investments, LLC** was founded by James Kelly in 1988. Kelly Brothers Investments LLC was created to market large commercial real estate investments and provides services such as multi-party exchanges, income property real estate tax analysis and investment property counseling.

**Kelly Brothers, Ltd.** was founded in 1999 to provide property management services for the partnership investment-property portfolio developed/purchased through the auspices of Kelly Brothers Investments. Currently Kelly Brothers, Ltd. manages 979 residential units in 10 properties and over 782,266 SF of commercial space.

**Property Management** With offices in St. Paul, Minnesota and St. Cloud, Minnesota, with a staff of 29 professionals, Kelly Brothers, Ltd. manages the following properties:

Project	Location	Total Units	Ownership James Kelly	Ownership John Otteson
Ashwood Apartments (*)	North Branch, MN	56	16.7%	16.7%
Redwood Terrace – Elderly (*) (**)	Coon Rapids, MN	54	33.3%	33.3%
Birchwood North Branch (FNMA)	North Branch, MN	54	25.0%	25.0%
Westview – Partially Elderly (Section 8) (*)	Forest Lake, MN	32	22.5%	22.5%
Westview Phase II	Forest Lake, MN	32	22.5%	22.5%
Cedar Square	St. Cloud, MN	240	18.0%	18.0%
The Boulders Senior Housing – Elderly (**)	White Bear Lake, MN	93	25.0%	25.0%
Northway Apartments	St. Cloud, MN	96	0%	100%
7 <sup>th</sup> Place Apartments	St. Paul (CBD), MN	130	20.0%	20.0%
Oakwood Apartments (Freddie Mac)	St. Cloud, MN	120	33.3%	33.3%
Highlands on Graham (HUD)	St. Paul, MN	72	50.0%	50.0%
317 Washington (76,545 SF Single Tenant Office Bldg) (***)	St. Paul, MN		25.0%	25.0%
Alliance Bank Building (16 story/705,721 SF CBD Office Building with 650 stall Parking Ramp) (***)	St. Paul, MN		50%	0%
Total		979		

(\*) Section 42 – Compliance for Low/Moderate Income Tenants

(\*\*) In October of 2005, with the purchase of Redwood Terrace in Coon Rapids, Minnesota, Mr. Kelly and Mr. Otteson, along with their investment partners, began to institute a strategy to own and manage affordable senior apartment communities. Redwood Terrace and The Boulders were underperforming assets owned by the J. A. Wedum Foundation (<http://wedumfoundation.org/>). The Boulders was purchased in 2006. Highland on Graham is a HUD financed senior housing project that was purchased in June of 2013.

(\*\*\*) 317 Washington (317 on Rice Park) is a single tenant office building leased to the owners of the Minnesota Wild Hockey team. The building was purchased in April of 2013. The Alliance Bank Building was purchased in December of 2014. Kelly Brothers, Ltd provide property management and leasing services to the ownership.

**Properties Purchased for Investment and Sold:**

Canary Hill (MHFA)	Maplewood, MN	90
Lyndale Estates	Bloomington, MN	33
Total Units		123

**Properties Purchased for Investment and Converted to Condominiums:**

Grand Ridge	South St. Paul, MN	48
455 Dayton	St. Paul, MN	32
Total Units		80

**Properties Developed/Built:**

Ashwood Apartments	North Branch, MN	56
Westview – Phase II	Forest Lake, MN	32
Terra Springs II (Condos)	Stillwater, MN	46
BK 200 Grand	St. Paul, MN	
Highlands at River Road	Highland Park, MN	69
Total Units		203

BK 200 Grand is a commercial redevelopment project of the former St. Paul headquarters building of Kraus Anderson Construction. The building was demolished and a 16,986 SF build-to-suit office building was completed in 2015. The balance of the site is being developed into a 109-room Marriott Hotel. Mr. Kelly and his partner David Brooks purchased the vacant building in November of 2014.

Highlands at River Road is a recently completed 69-unit assisted living facility developed by Mr. Kelly and Mr. Otteson. The project included the acquisition and demolition of the former St. Mary's Nursing Home and construction of four story residential building. The property was purchased in June of 2014. Because the property provides medical services to the tenants, a third party licensed provider, Oxford Management, was hired to lease and manage the property.

**ORDINANCE NO. 13-02**

**CITY OF FALCON HEIGHTS  
RAMSEY COUNTY, MINNESOTA**

**AN ORDINANCE AMENDING CHAPTER 113 OF THE  
FALCON HEIGHTS CITY CODE, THE ZONING ORDINANCE,  
REZONING PROPERTY TO PLANNED UNIT DEVELOPMENT**

THE CITY COUNCIL OF FALCON HEIGHTS ORDAINS:

**SECTION 1.** Section 113-3 of the Falcon Heights City Code is amended by adding the following definitions:

Affordable apartment building means that at least 50% of the units are reserved for persons whose income is no more than 60% of the median, an additional 20% of the units are reserved for persons whose income is no more than 110% of the median and at least 10% of the units are reserved for persons whose income is no more than 150% of the median for the Twin Cities metropolitan area.

Urban Farm means the production, distribution and sale of food, excluding the production of poultry, livestock and bees.

**SECTION 2.** Chapter 113 of the Falcon Heights City Code is amended by adding Section 113-209 to provide as follows.

**113-209 URBAN FARM PLANNED UNIT DEVELOPMENT DISTRICT**

- (a) **LEGAL DESCRIPTION.** The legal description of this PUD is lots 1 and 2, block 1, Urban Farm Project Addition.
- (b) **PURPOSE.** The purpose of the Urban Farm PUD District is to provide for the mixed uses of an urban farm and an affordable apartment building.
- (c) **SCOPE.** The provisions of this Section apply to the Urban Farm Planned Unit Development.
- (d) **PERMITTED USES.** The following uses are permitted subject to the Development Plan for the PUD, Section 113-209(f), and the standards and requirements of the R-5M zoning district, except as modified herein:
  - (1) On lot 1, block 1 an urban farm. At least 29 paved parking spaces and space for 6 future parking spaces must be maintained next to the main building adjacent to Larpenteur Ave. The urban farm may have up to:

1,200 square feet of enclosed retail space;  
2,000 square feet of office space;  
2,000 square feet of training and classroom space;  
7,000 square feet of 2<sup>nd</sup> floor rooftop garden;  
14,000 square feet of warehouse, cooler and distribution space;  
3,000 square feet of shipping and receiving space; and  
12,500 square feet of indoor garden or aquaponics production.

- (2) On lot 2, block 1 a 47 unit affordable apartment building with at least 77 parking spaces. At least 40 of the required parking spaces must be below grade and integrated into the apartment building;
- (3) On lots 1 and 2, block 1 Essential services.

(e) **PERMITTED ACCESSORY USES.**

- (1) On lots 1 and 2, block 1 the accessory uses in the R-5M zoning district;
- (2) On lot 1, block 1 seasonal hoop houses for growing vegetables.

(f) **DEVELOPMENT PLAN.** The PUD must be maintained in accordance with the following development plan which is on file with the City and which is incorporated herein by reference.

- (1) Urban Farm Project Addition Plat;
- (2) Topographic Survey prepared by Jacobson Engineers & Surveyors dated April 15, 2013;
- (3) The following plans dated April 15, 2013 and May 15, 2013 prepared by LHB for Lot1, Block 1:

Architectural Site Plan,  
Site Plan,  
Grading and Utility Plan,  
Landscape Schematic,  
Site Perspectives,  
Basement/Garage Plan, First Floor Plan, Second Floor Plan;

- (4) The following plans dated May 15, 2013 prepared by LHB for Lot 2, Block 1:


Architectural Site Plan,  
Site Plan,  
Grading and Utility Plan,  
Landscape Schematic,  
Site Perspectives,  
First Floor Plan, Second Floor Plan;

**SECTION 3.** The zoning map of the City of Falcon Heights shall not be republished to show the aforesaid rezoning, but the City shall appropriately mark the zoning map on file in the City for the purpose of indicating the rezoning hereinabove provided for in this Ordinance, and all of the notations, references and other information shown thereon are hereby incorporated by reference and made a part of this Ordinance.

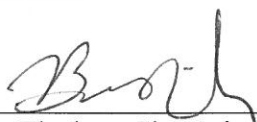
**SECTION 4.** This ordinance shall be effective immediately following Metropolitan Council authorization to amend the City's Comprehensive plan to allow urban farming in the Mixed Use Residential District and the recording of the final plat of Urban Farm Project Addition with the Ramsey County Recorder.

**ADOPTED** this 22<sup>nd</sup> day of May, 2013, by the City Council of the City of Falcon Heights, Minnesota.

CITY OF FALCON HEIGHTS

BY:   
Peter Lindstrom, Mayor

ATTEST:

  
Bart Fischer, City Administrator/City Clerk



**ORDINANCE NO. 17-XX**

**CITY OF FALCON HEIGHTS  
RAMSEY COUNTY, MINNESOTA**

**AN ORDINANCE AMENDING SECTION 113-209 OF THE  
FALCON HEIGHTS CITY CODE**

THE CITY COUNCIL OF FALCON HEIGHTS ORDAINS:

**SECTION 1.** Section 113-209 of the Falcon Heights City Code is amended as follows. Additions are shown with an underline and deletions are shown with a ~~striethrough~~.

**113-209 URBAN FARM PLANNED UNIT DEVELOPMENT DISTRICT**

(b) **PURPOSE.** The purpose of the urban farm PUD district is to provide for the mixed uses of an urban farm and an ~~affordable~~ apartment building.

(d) **PERMITTED USES.** The following uses are permitted subject to the Development Plan for the PUD, Section 113-209(f), and the standards and requirements of the R-5M zoning district, except as modified herein:

(1) On lot 1, block 1 an urban farm. At least 21 paved parking spaces must be maintained next to the main building adjacent to Larpenteur Avenue, as well as at least 24 overflow parking stalls. The urban farm may have up to:

976 square feet of retail space;

2,201 square feet of office/training/kitchen space;

8,580 square feet of distribution/warehouse space;

849 square feet of greenhouse space; and

576 square feet of yard storage building space.

(2) On lot 2, block 1, a ~~68~~ 47-unit ~~affordable~~ apartment building with at least ~~70~~ 77 parking spaces. At least ~~54~~ 40 of the required parking spaces must be below grade and integrated into the apartment building. The site may have up to:

60,537 square feet of residential living space;

Four (4) stores with underground parking; and

Private access easement between lot 1 and lot 2 to be recorded into the property record of both parcels.

(f) **DEVELOPMENT PLAN.** The PUD must be maintained in accordance with the following development plan which is on file with the City and which is incorporated herein by reference.

- (1) Urban Farm Project Addition Plat;
- (2) Topographic Survey and Grading, Drainage and Utility Plan prepared by Jacobson Engineers & Surveyors dated July 28, 2014;
- (3) The following prepared by LHB for Lot 1, Block 1:

Architectural Site Plan w/ Landscape Layout dated August 18, 2014,  
First Floor Plan dated August 18, 2014;  
Yard Storage Building – Color Option 1 dated July 28, 2014 or Yard Storage Building – Color Option 2 dated August 18, 2014;  
Exterior Elevations – Color Option 1 dated August 18, 2014 or Exterior Elevations – Color Option 2 dated July \*\*\*.

- (4) The following plans prepared by XXXXXXXXXXXXX for lot 2, block 1:

Architectural Site Plan w/Landscape Layout dated XXXXXXXXX  
Exterior Elevations – XXXXXXXXXXXXXXX  
Complete Floor Plan date XXXXXXXXXXXXXXX

**SECTION 2.** This Ordinance shall be effective upon adoption and publication according to law.

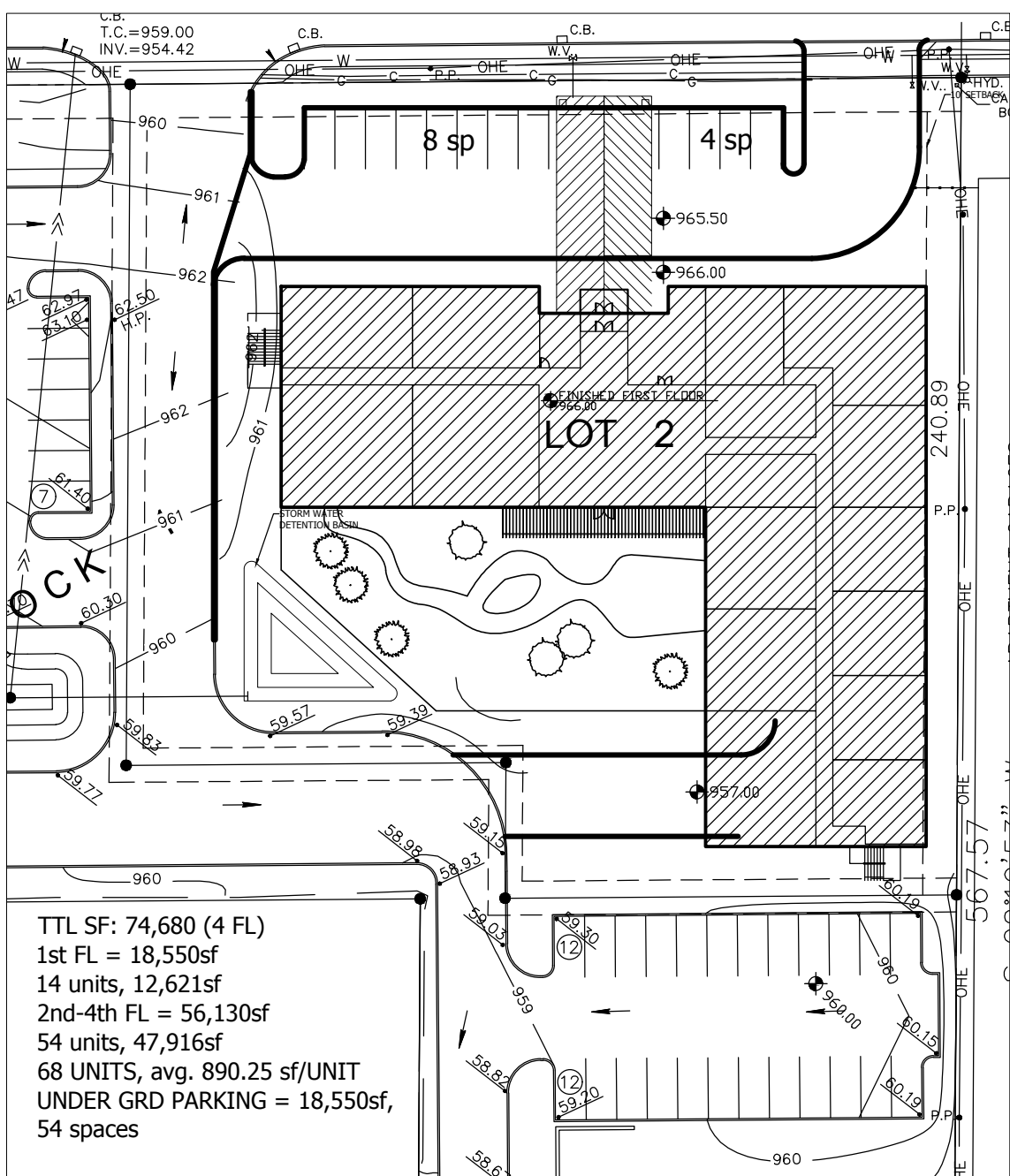
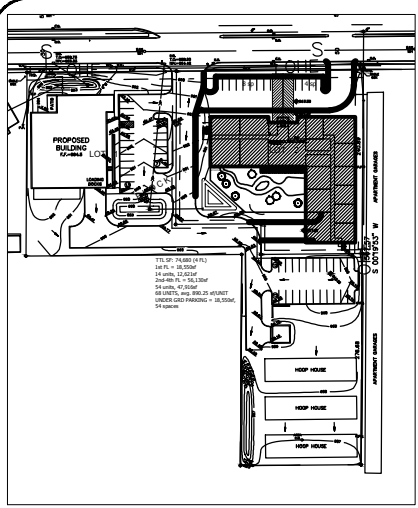
**ADOPTED** this XXth day of June, 2017, by the City Council of the City of Falcon Heights, Minnesota.

CITY OF FALCON HEIGHTS

BY: \_\_\_\_\_  
Peter Lindstrom, Mayor

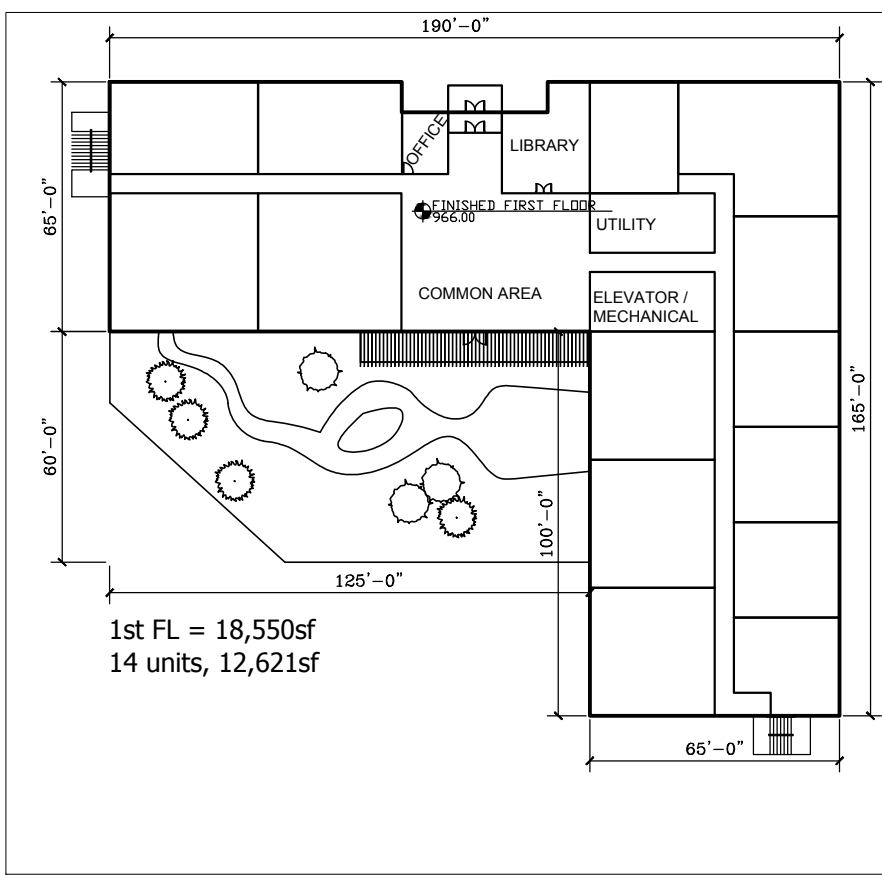
ATTEST:

\_\_\_\_\_  
Sack Thongvanh, City Administrator/City Clerk

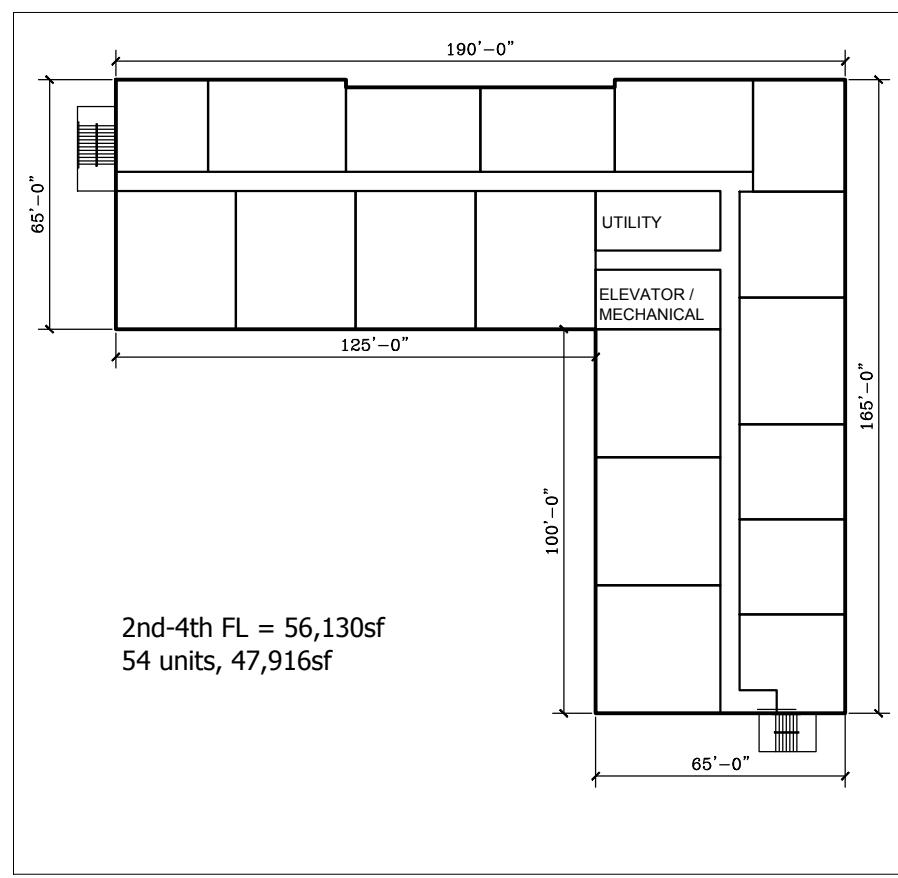


TTL SF: 74,680 (4 FL)  
 1st FL = 18,550sf  
 14 units, 12,621sf  
 2nd-4th FL = 56,130sf  
 54 units, 47,916sf  
 68 UNITS, avg. 890.25 sf/UNIT  
 UNDER GRD PARKING = 18,550sf,  
 54 spaces

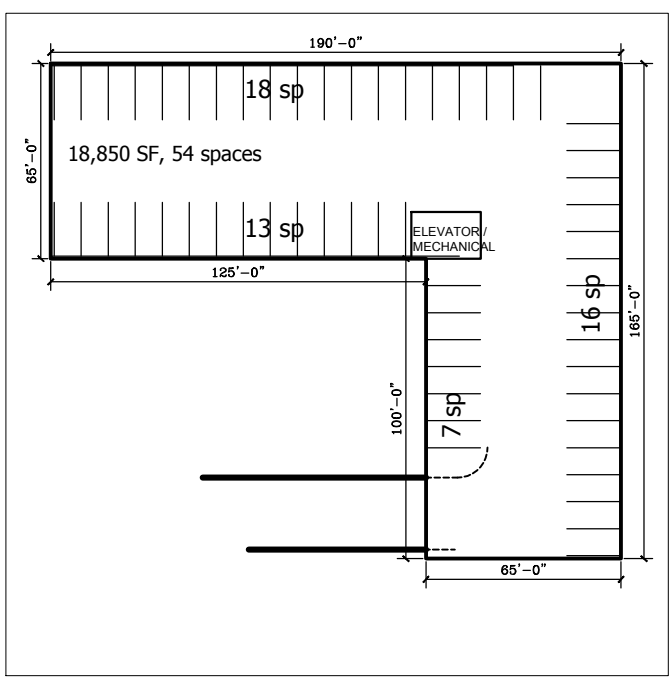
**1 SITE PLAN**  
 Scale: 1" = 50'-0"



**2 FIRST FLOOR PLAN**  
 Scale: 1" = 50'-0"



**3 2nd - 4th FLOOR PLAN**  
 Scale: 1" = 50'-0"



**4 UNDERGROUND PARKING**  
 Scale: 1/64" = 1'-0"



**5 ELEVATION**  
 Scale: NTS

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR CONTRACT DOCUMENTS WERE PREPARED BY ME OR UNDER MY SUPERVISION AND THAT I AM A duly LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.  
 DATE: \_\_\_\_\_  
 REC. NO. 10083

**GLEBSON ARCHITECTS ARCHITECTS + PLANNERS**  
 1175 HIGHWAY 96 E  
 SUITE 100, MN 55007  
 TELEPHONE: 612-449-1947

FILE: \_\_\_\_\_  
 DRAWN BY: CJO  
 CHECKED BY: DJG  
 DATE DRAWN: 3/30/2017  
 REV: 4/19/17

SHEET TITLE:  
 DESIGN DEVELOPMENT

OWNER:

PROJECT:  
 GOOD ACRE HOUSING DEVELOPMENT  
 FALCON HEIGHTS, MN

SHEET #  
 A1

Sec. 113-209. - Urban farm planned unit development district.

- (a) Legal description. The legal description of this PUD is lots 1 and 2, block 1, Urban Farm Project Addition.
- (b) Purpose. The purpose of the urban farm PUD district is to provide for the mixed uses of an urban farm and an affordable apartment building.
- (c) Scope. The provisions of this section apply to the urban farm planned unit development.
- (d) Permitted uses. The following uses are permitted subject to the development plan for the PUD, subsection 113-209(f), and the standards and requirements of the R-5M zoning district, except as modified herein:
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    - 8,580 square feet of distribution/warehouse space;
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    - 576 square feet of yard storage building space.
  - (2) On lot 2, block 1, a 47-unit affordable apartment building with at least 77 parking spaces. At least 40 of the required parking spaces must be below grade and integrated into the apartment building;
  - (3) On lots 1 and 2, block 1, essential services.
- (e) Permitted accessory uses.
  - (1) On lots 1 and 2, block 1, the accessory uses in the R-5M zoning district;
  - (2) On lot 1, block 1, seasonal hoop houses for growing vegetables.
- (f) Development plan. The PUD must be maintained in accordance with the following development plan which is on file with the city and which is incorporated herein by reference:
  - (1) Urban farm project addition plat;
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    - Yard Storage Building - Color Option 1 dated July 28, 2014 or Yard Storage Building - Color Option 2 dated August 18, 2014;
    - Exterior Elevations - Color Option 1 dated August 18, 2014 or Exterior Elevations - Color Option 2 dated July \*\*\*.

(Ord. No. 13-02, § 2, 5-22-2013; Ord. No. 14-02, § 1, 9-10-2014)