

**DEEPHAVEN CITY COUNCIL SPECIAL WORKSESSION
MONDAY, DECEMBER 5, 2011
MINUTES**

1. **CALL MEETING TO ORDER:** Mayor Paul Skrede called the meeting to order at 5:30 p.m.

PRESENT: Mayor Paul Skrede, Councilmembers Darel Gustafson, John Wheaton, Keith Kask and Josh Hackney

STAFF: Police Chief Cory Johnson, Zoning Coordinator Gus Karpas and City Administrator Dana Young

2. **NEW BUSINESS**

- A. **Discuss St. Therese Senior Housing Project**

Mayor Skrede informed the Council that staff has had some preliminary discussions with the Church of St. Therese regarding the future development of their property. The church has requested this work session to discuss their vision and to receive Council feedback.

Ed Smith, Business Manager for the church, thanked the Council for their time on this matter. He said the current city ordinance permits a maximum density of six units per acre and a maximum of six acres permitted for development. He raised the question of what exactly is a unit since the type of development they are looking at is not a conventional unit. He said recent market studies have shown there is a demand in this area for senior care facilities including assisted living and memory care.

Mr. Smith said the church has between eleven and fourteen acres available for development and the site plan before the Council shows a two-story structure which takes up four of the acres. He said the existing convent would remain as part of the development. He said the existing access to the property would be moved to the west to align with Shaver's Lake Road. He said the overall project follows the "age in place" concept where residents would move throughout the structure as their needs intensify.

Susan Farr, Ebenezer Management Services, gave an overview of Ebenezer's services and said they have a number of buildings around the Twin Cities area and discussed a recent development in Edina. She said that campus opened on April 1st and is already to capacity.

Mayor Skrede asked if there is a definition of "senior" and if the units would be private pay. Ms. Farr said the current definition of senior varies but the average age of their residents is 82. She said the structure would contain residents using both HUD funds and private pay. She discussed the elderly waiver in which a percentage of the units are subsidized. She said on average only ten percent of a structure is used under the elderly waiver, with the remainder being private paying residents. She said Ebenezer is unique in that it doesn't charge an entrance fee for residency.

Police Chief Johnson asked if Ms. Farr had any information regarding the average number of police calls to their facilities due to medical emergencies. Ms. Farr said she could do that research and have an answer at a future meeting. She said the number of calls has been greatly reduced over the years due to technology which monitor residents and alerts the nurses before there is a full blown issue.

Councilmember Kask asked how large of a facility is needed to make the project feasible taking into account full staffing of the structure. Ms. Farr said it depends on the mix of care units, but typically sixty units or above. Mr. Smith said the structure on the site plan shows a seventy-eight unit structure.

Councilmember Wheaton asked what a typical patient to staff ratio was. Ms. Farr said seven to one in memory care and ten to one in assisted living. Ms. Farr discussed the "care suite" concept where there are a number of private pay suites within the building where people can go to rehab after major surgery. They are temporary occupancy units.

Councilmember Hackney referred to the proposed number of units in the structure but asked what the actual number of residents would be. Ms. Farr said, on average, only about five percent of the units are double occupancy.

Mayor Skrede said when the PUD ordinance was originally drafted, the ordinance referenced typical unit types such as townhomes and houses. He stated that the Council at that time was not thinking of different types of units such as this. He said he would like to know what the actual size of the building would be including common areas.

Mayor Skrede discussed parking noting that it appeared the structure would utilize some existing church parking. Ms. Farr said the need for parking is minimized since most residents do not drive. Mr. Smith said in addition to the surface parking shown, the proposal includes a partial underground parking area which would also house the mechanical equipment and provide for additional storage.

Mr. Smith said an issue raised in the past was the increased traffic due to a structure like this. He said traffic studies have been done on a similar structure which showed only an increase of thirteen trips per hour. He stated that would include all services such as garbage, food delivery and staff trips.

Councilmember Wheaton asked where most of the residents come from, their own homes or other facilities. Ms. Farr said most come from their own homes and most from a five to seven mile radius. Many of their residents stay in close proximity to their old home because the area is familiar to them. Wheaton asked if residency would be for Catholics only. Mr. Smith said that would not be a requirement, though there has been a lot of interest within the Parish. Wheaton asked who would own the structure. Mr. Smith said a 501C3 Corporation would be created and overseen by a Board of Directors. He said the church would make up 80% of the board and Ebenezer the other 20%. He said the land itself would be donated to the 501C3.

Councilmember Kask discussed the intent of the City Council in terms of unit limitations when the PUD ordinance was originally drafted. He said they looked to stay relatively close to the density of the surrounding area. Kask asked what the plan was for the remaining vacant land. Mayor Skrede asked if the intent was to create independent living structures where the residents transition to the main building. He said the entire plan for the site is important so decisions made now don't tie the hands of future Councils. Kask clarified that he wasn't opposed to future uses, he said the Council just needs an understanding of what that might be.

Planning Commissioner Kent Carlson discussed the number of units per acre, noting the proposed units are a different product than what the city is used to. He suggested the city consider a master plan for the entire site. He said he's not afraid of twenty units per acre for the large structure and a smaller density for the remainder of the land. He would encourage the city to think broadly when considering the development of this land.

Planning Commissioner Barbarajean Brandt asked for clarification on the exact number of acres available for development. Mr. Smith said somewhere between eleven and fourteen, but that a new survey will be conducted to get the exact amount. Ms. Brandt asked how many acres would be used for the large structure. Mr. Smith said about four.

Mayor Skrede asked if the applicant had an idea of what the ground floor square footage would be. He discussed a concept where the city would take the total square footage of what the Council was willing to permit using the average floor area of a conventional unit and use that as a total area permitted for the entire lot. This could mean the more square footage used for the main structure, the lower density available for the outlying area in the second phase.

Councilmember Gustafson asked Ms. Farr how long Ebenezer has been managing structures such as these. Ms. Farr said about fifteen years. Gustafson discussed the minimum number of units required to "break even." He expressed concern that the approved number of units may turn out to be not enough and the city could be approached at a later date seeking more units. He stated concern that the city would be forced to choose between allowing more units or being left with an unmaintained structure. Mr. Smith said a formula has been built into the project which would cover a minimum of thirty years of maintenance.

Mayor Skrede echoed Gustafson's concern stating the city wouldn't want the structure to turn into subsidized housing. He said the applicant needs to provide a product the city understands so it doesn't eventually become something the city doesn't want.

Mayor Skrede summarized the discussion and asked Councilmembers what they would like to see at the next meeting with the applicant.

Councilmember Kask said he would like to see a master development plan showing all phases including what land and amenities remain to service the existing school. He believes there is a need to preserve some open space for the school.

Chief Johnson said he would like to see information on the number of emergency calls for structures similar in size and nature of use.

Mayor Skrede said he would like to see more information regarding utilities, especially the agreement with the City of Minnetonka for water. He would also like the applicant to work with both the cities of Minnetonka and Deephaven in terms of mutual aid for emergency calls. Councilmember Kask commented that past developments that included the City of Minnetonka have had conditions attached to them which were not favorable to the City of Deephaven. He informed the applicants that if such issues arise, they would be dealt with by the city from the standpoint that the City of Deephaven is an independent city.

Planning Commissioner Pete Onstad stated that he would like to see a proposed site plan overlaid on what currently exists so there's a clearer understanding of what is being done. He used the example of the street access being moved further west.

Councilmember Hackney said he just wants to see a master plan for the entire property.

Councilmember Gustafson agreed with the other Councilmember's comments. Councilmember Wheaton agreed a concept master plan needs to be provided.

Father Doug thanked the Council for their time and consideration.

It was agreed this item will be discussed at a future work session.

B. Other

There was no Other Business this evening.

3. ADJOURNMENT

The meeting adjourned at 6:45 p.m.

Respectfully submitted,

Gus Karpas
Zoning Coordinator