

## Staff Report

**North Grand Mall – Submittal of Application**

September 13, 2011

**BACKGROUND:**

On July 12, 2011, Mr. Greg Kveton, of GK Development, addressed the Council over the question of whether the City should call upon the bond held for completion of parking lot improvements on Lot 2 of the North Grand Mall site. Mr. Kveton expressed concern over what impacts drawing upon the bond would have on his efforts to secure tenants for the mall. After discussing the City's options to draw or not draw upon the bond, the Council denied any extensions to the deadline and directed staff to continue negotiations with G.K. Development toward the submission of a new site plan by no later than September 1, 2011. The decision anticipated that the City would not draw upon the bond if a site plan were submitted by the September 1 deadline, but it left the City with the ability to draw upon the bond without further negotiation if GK failed to perform.

**In accordance with their promise, G.K. Development submitted the attached site plan for Lot 1 on September 1. G.K. Development has informed staff that they are in current negotiations with two new major tenants for the property.**

The City Council will no doubt now want to know how this latest submittal impacts the performance bond, as well as the parking and landscaping requirements reflected in the current Adaptive Reuse Plan (ARP). An initial review of the newly submitted site plan indicates it does not comply with current landscaping standards because it does not provide the required landscape medians in the parking lot. It also does not comply with the alternative landscape plan previously approved under the current Adaptive Reuse Plan, since it does not include any additional landscaping in the right-of-way surrounding the site. It also does not include any of the decorative pavement design that was intended to compensate for lack of greenery on the site. (Both of these provisions were required to make up for landscaping otherwise not provided on the site.)

**It should be remembered, however, that the City Council is allowed to be very creative and flexible in its approval of an ARP. What was required in the previously approved plan might not be as important to the Council as it considers this new plan. Ultimately, this revised plan will be brought back to the Council for final approval. However, as the staff begins working with the developer to perfect a new plan, we would appreciate some direction regarding these landscaping and parking issues. This direction is being sought so that we can avoid any lengthy negotiations that might hinder the leasing of this property to new major tenants.**

### **APPLICATION OPTIONS:**

Staff has identified the following three options for processing the site plan that was recently submitted for Lot 1:

Option 1. Process the current application as an amendment to the approved Adaptive Reuse Plan (ARP), and:

- Conclude that the proposed landscaping is adequate for Lot 1 only.
- Maintain current ARP landscaping standards for Lot 2. Then we either:
  - a. Condition approval of landscaping for Lot 1 upon installation of landscaping on Lot 2; **or**,
  - b. Approve proposed landscaping on Lot 1 with no strings attached. This sub-option would not negate the previously approved landscaping requirements for Lot 2. However, it should be noted that under this approach, we would have no leverage to compel its installation since at this time there are no other buildings on Lot 2 that will require issuance of an occupancy permit. (Occupancy permits are commonly not issued until all site improvements have been completed.)
- Direct staff to work with the applicant to amend the Developer's Agreement, eliminating the stipulation that the owner not apply for occupancy permits for any development of the site without reconfiguration of Lot 2 to comply with the minimum off-street parking standards.
- Require the developer to reconfigure the parking on Lot 2 by a specific date, and thereby continue to hold the current performance bond.\*

Inasmuch as the amendment to the developer agreement and remote parking option would primarily benefit the applicant, it would not be necessary to hold up approval of the site plan pending approval of these two issues.

Option 2. Require submittal of a site plan for Lot 1 that reflects the landscaping features that were approved in the current ARP. This option would require:

- Full perimeter landscaping as shown on the approved ARP;
- Colored/Textured pavement design near entrances and on sidewalks connecting the building to the street; and
- Installation of pedestrian scale designer light fixtures.
- Require the developer to reconfigure the parking on Lot 2 by a specific date, and thereby continue to hold the current performance bond.\*

Option 3. Require submittal of a site plan for Lot 1 that fully complies with current codes while retaining the ARP concept for Lot 2. This option would:

- Require full landscaping of the parking lot on Lot 1; and
- Amend the approved ARP by eliminating Lot 1 from the ARP, while retaining the provisions of the ARP for Lot 2.
- Require the developer to reconfigure the parking on Lot 2 by a specific date, and thereby continue to hold the current performance bond.\*

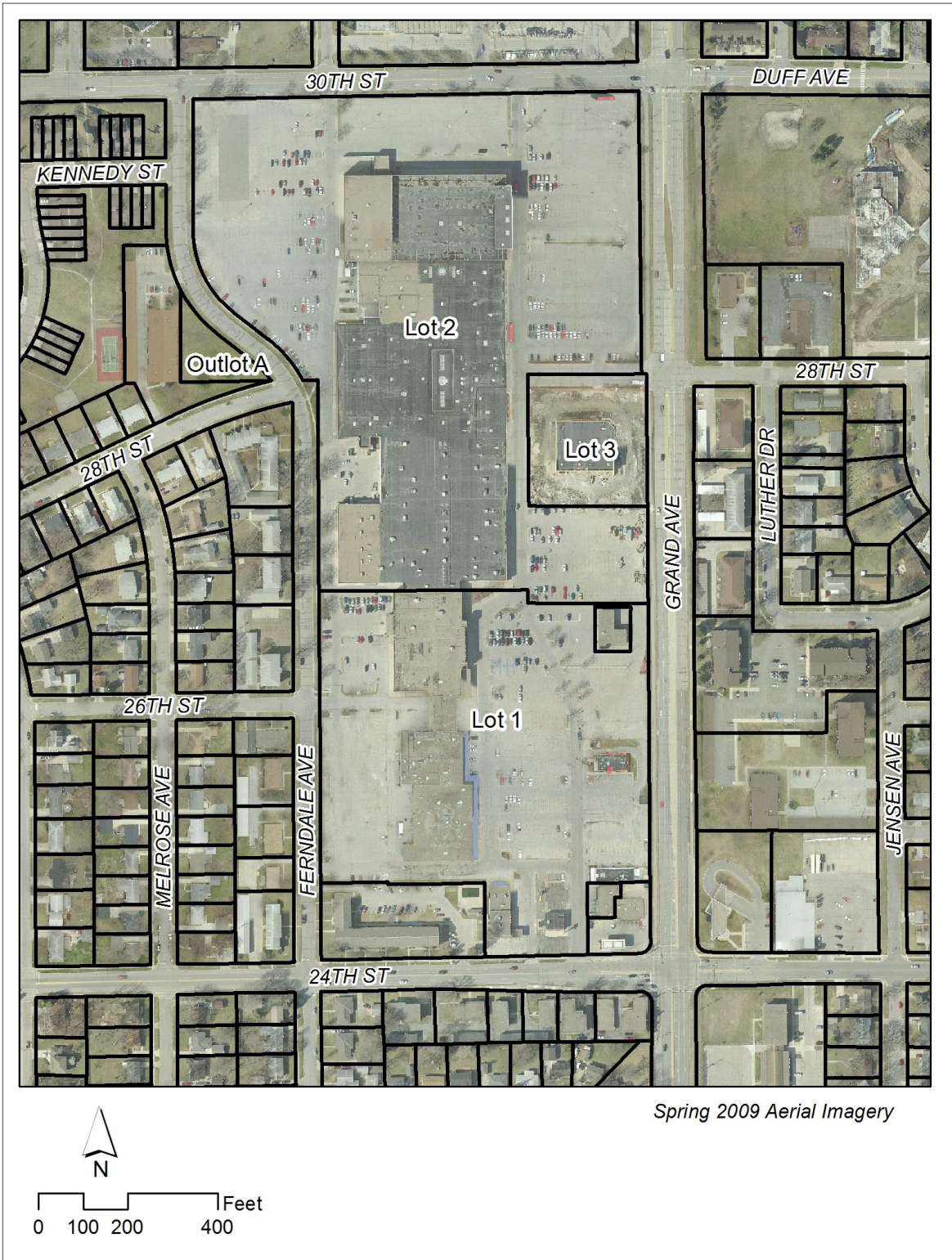
\* **Note:** The bond secures parking lot improvements required to satisfy parking requirements and to conform to the approved site plan. To negate the Lot 2 parking reconfiguration requirement specified under each option, the developer can seek approval of a remote parking agreement between Lots 1 and 2. Approval of a remote parking agreement will allow the release of the bond for securing the parking reconfiguration, since the non-conforming parking situation would be eliminated through the remote parking agreement. However, the developer also will be required to submit and receive approval for a revised site plan for Lot 2 to reflect the current parking configuration before the bond can be released. It would not require additional landscaping for Lot 2, but it should at least show the landscaping originally approved for Lot 2 (much of which has been lost or removed over the years).

#### **STAFF COMMENTS:**

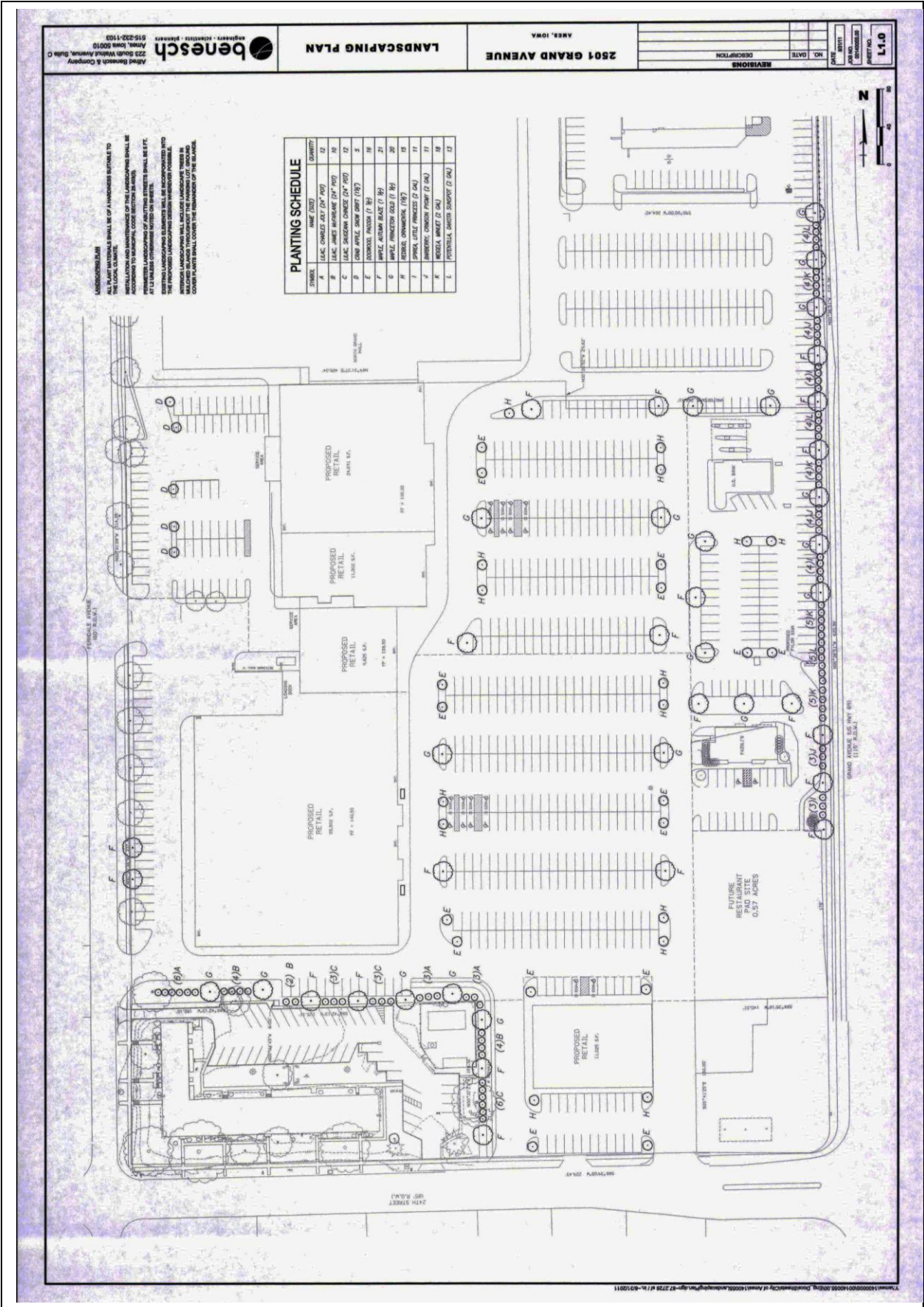
The Council's direction at this point in the process related to landscaping issues will provide needed guidance to processing an application for a project that may be key to the future development and continued viability of the North Grand Mall site. For the sake of expediency, options 1(a) and 1(b) would be the most time effective because nothing else would be required at this point, except perhaps an amendment to the developer's agreement. If the Council does not wish to link the reconfiguration of parking lot improvements on Lot 2 to the proposed improvements on Lot 1, an amendment to the agreement could eliminate this stipulation.

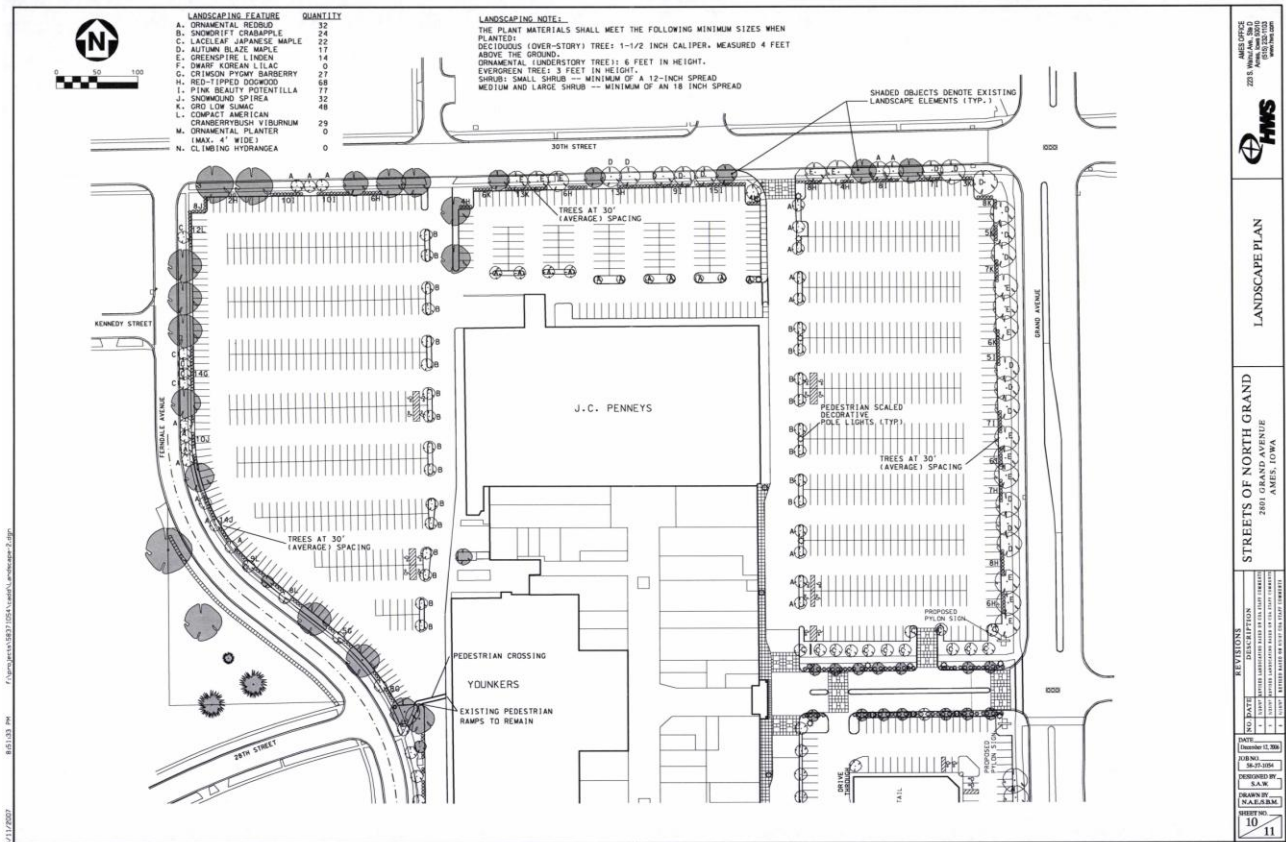
Option 1(a) would facilitate expeditious review of the current application for Lot 1 and also provide a means of securing landscaping for the balance of the mall site. However, it would impose higher upfront costs because it would bind the cost of full landscaping of the mall site to one development proposal. Option 1(b) would also facilitate expeditious review, but would do so without imposing the additional landscaping costs associated with the rest of the mall site.

If the Council is motivated to approve the proposed landscape plan for Lot 1 in order to provide the flexibility needed to make development happen on this site, it may wish to consider placing an expiration date on the approved adaptive reuse site plan if construction of the new building on Lot 1 does not commence within a specified period of time.









EXISTING ADAPTIVE  
REUSE SITE PLAN (2007)  
NORTH END

SOUTH END NEXT PAGE



