WAYZATA CITY COUNCIL
MEETING MINUTES
October 2, 2018

AGENDA ITEM 1. Call to Order.
Mayor Willcox called the meeting to order at 7:00 p.m.

AGENDA ITEM 2. Pledge of Allegiance.

AGENDA ITEM 3. Roll Call.
Council Members present: Koch, McCarthy, Plechash and Tyacke. Also present: City Manager Dahl, Director of Planning and Building Thomson, Public Works Director/City Engineer Kelly, and City Attorney Schelzel.

AGENDA ITEM 4. Approve Agenda.
Mayor Willcox gave a brief update as to the items discussed in the Council work session held prior to the Council meeting.

Mr. Tyacke made a motion, seconded by Mrs. McCarthy, to approve the agenda, as presented. The motion carried 5/0.

AGENDA ITEM 5. Public Forum.
a. Hennepin County Sheriff Rich Stanek
Mr. Stanek gave an overview on the work of the Hennepin County law enforcement, its leadership and responsibilities, and the four public safety partnership areas.

Mrs. McCarthy stated that for National Night Out, the Deterra bags were a smashing success. She asked who people can contact to get more of those bags. Mr. Stanek explained that the drug disposal bags were made by a local company called Deterra and if the City was interested in providing a display rack at City Hall where they would be available, they can assist Police Chief Risvold in getting that set up.

Mr. Tyacke asked if special training was needed for the officers in the Narcan program. Mr. Stanek noted that the Sheriff's office provided 4 hours of initial training when a different delivery system was used. He noted that the new delivery system is really easy, costs about $40 each and a prescription isn't needed to get one.

Mr. Plechash noted that the statistics presented showed the City was down in everything except the crime lab investigations and asked if that was indicative of the entire County. Mr. Stanek stated it indicated that the Wayzata police force was taking advantages of the services that are available to them through the crime lab.

Mr. Koch asked how the department keeps up morale and has success with recruiting, considering the fact that the media has been painting the department in a bad light recently. Mr. Stanek stated that it has been tough. He noted that they try to bring people in from all backgrounds and if they have common sense and public service in their heart, he can teach them every other skill they will need to succeed.

Mayor Wilcox expressed his appreciation to Mr. Stanek and his department for the work they do in the City as well as their support in memorializing Officer Mathews.

AGENDA ITEM 6. New Agenda Items.
No new items were added.

AGENDA ITEM 7. Consent Agenda.

With regard to Item 7(d), Mr. Plechash stated that there was a discrepancy for the Surface Water Management Plan in the background section that states "this plan is required to be completed by the end of 2018" yet in the Stantec document, on page 30, it says that "Stantec anticipates providing the completed draft Surface Water Management Plan for City review within four months of the authorization to proceed." He noted that four months from today would be in 2019 and he wanted to make sure there was feedback on why this discrepancy exists. City Manager Dahl stated that his understanding that the annual report is due at the end of the year to the State and a separate report is the supplemental information required by Met Council which may extended beyond 2018.

With regard to Item 7(d) Mr. Tyacke noted that there was a lump sum to Stantec of $38,900 but it says it is governed by a master agreement. He asked if the master agreement was clear in terms of engineering levels and rates. Public Works Director/City Engineer Kelly stated that the master agreement does not cover fees. Mr. Dahl stated that the City is in the process of updating the master agreements with the primary consultants.

With regard to Item 7(e), Mr. Tyacke asked if the City would be reimbursed from the developers for the costs. Mr. Dahl stated that City will receive complete reimbursement.

With regard to Item 7(g), Mr. Tyacke asked if the plans on the Council desk were the same ones that are in the book or if there had been revisions. Director of Planning and Building Thomson stated that the plans on the Council desk are revised building elevations only and they are slightly reducing the height of the building to comply with the height requirement in that zoning district.

Mr. Tyacke made a motion, seconded by Mr. Plechash, to approve the consent agenda:

a. Approval of Workshop Minutes of September 18, 2018 and Minutes of September 18, 2018
b. Approval of Check Register
c. Approval of Municipal Licenses
d. Consider Approval of Proposal and Authorization of Contract with Stantec and for 2040 Comp Plan Services and Surface Water Management Plan Update
e. Approval of Contract for Professional Services with LHB for Blight Study Analysis
f. Approval of House Plans at 1406 Holdridge La
g. Approval of House Plans at 321 Wise Avenue S
h. Approval of Second Reading of Ordinance Rezoning the Property at 253 Lake St. E
i. Approval of Resolution No. 56-2018 Approving an Extension of PUD for Beacon Five at 529 Indian Mound East
j. Approval of a Change Order in the Professional Services Contract with AEM for CIP Services
k. Approval of 2019 Fire Protection Agreement with City of Woodland

The motion carried 5/0.

AGENDA ITEM 8. New Business.

a. Approval of Development and Fee in Lieu of Parking (FILOP) Agreement for Broadway Place at 326 and 332 Broadway Avenue South

Mr. Thomson presented background and financial/budget considerations for the Fee in Lieu of Parking Agreement. He recommended Council approve the Development Agreement.

Mr. Tyacke noted the resolution that was passed in July had a provision that stated the alleyway in the back of the building would revert back to the City if the building was not built within 24 months. He asked if that provision was covered in the Development Agreement.

Mr. Thomson stated the Development Agreement is covering the public improvement parts of the project and any other terms of the resolution remain, but they are not re-codified in the development agreement itself.

Mr. Tyacke asked if the interest rates for the installment payment would be governed by the federal prime rate for the fee in lieu of parking. Mr. Thomson stated that this was correct.

Mr. Tyacke asked whether the sidewalk would be built out into the roadway for the Broadway Avenue improvements. Mr. Thomson answered that the curb line on Broadway Avenue will not change.

Mr. Koch noted that the information the Council received shows the interest rate being fixed at 3.75%. He asked that staff makes sure this is adjusted to reflect that it is governed by the federal prime rate.

Mr. Plechash asked about the sidewalk on the south side of Mill Street and whether the developer is responsible for doing all the work, but will only be responsible for paying for the portion that goes to the 701 property. Mr. Thomson stated this was correct and the City will reimburse the developer for the cost of the sidewalk east of the 701 building.

Mr. Plechash asked for an explanation of the potential for the number of parking spaces to change and the difference this means in cost. Mr. Thomson explained the calculation and stated that the determination is consistent with City policy that was adopted in 2016.

Mr. Plechash stated his follow up question relates to something found later in the packet. He asked if there was a payment for dedicated parking that the developer isn't going to do himself, but will utilize the parking that the City provides. He asked if the City was keeping track of what parking stalls are essentially tagged. He also asked if there was a point where the City no longer had parking stalls that could be dedicated. Mr. Thomson stated the City is tracking this information and staff believes the City has enough parking.

Mrs. McCarthy asked about the interest rate calculation and stated she thought the Council would look at it annually. She also asked why this looks like it is a fixed rate for the entire term of the loan. City Attorney Schelzel stated that the City looks at the fee each year, but this applicant will pay the entire fee now for the approved use, so this is based on the fee that is in our schedule.

Mayor Willcox confirmed that if a different restaurant than the one planned ends up coming in and needs additional parking, they would have to come to the City for an amendment and the City would not be bound by this deal. Mr. Thomson confirmed that if there is ever a use that goes above 92 parking stalls, the CUP would need to be amended.

Mayor Willcox stated he feels the City should take another look at this policy, because he feels it is kind of a sweetheart deal with the ability to finance $10,000 a stall over 30 years when it costs the City an average of $22,000/stall. He stated he would like to see the policy reflect the City's true costs.

Peter Coyle, attorney with Larkin Hoffman, 8300 Norman Center Drive, Bloomington, stated he was here on behalf of Beltz Enterprises. He stated their goal is to make this as fair of an agreement as possible and they think this one isn't as fair as it could be. He stated they believe the fee is inappropriate, but they are not here tonight to challenge it. In lieu of paying the fee, they are entitled to 92 theoretical parking stalls someplace within the mobility district and there is no guarantee the stalls will be available. He referenced paragraph 3(a). in the document they had proposed that this policy would be binding on the developer once they actually received a certificate of occupancy for their building but City staff is insisting that the policy be binding on the developer upon their submission of a building permit. He stated when they submit their building permit, they may not know who their users will be so they feel it makes more sense for the policy to be binding when they actually have their uses locked in. They are asking for the language staff has stricken to be reinstated. Mr. Coyle stated in connection with subparagraph 3(b), they had asked that if the City modifies its policies such that the fees required of developers goes down or the parking requirements of developers are diminished such that if they had been there at the time, they would have benefitted from the changes. He stated they would like a "most favored nation clause" which would give them the benefit of those changes. He noted that staff has also declined this request and he is asking the Council, as a measure of fairness to the developer, to include this language.

Mayor Willcox asked if Mr. Coyle felt it would be similarly fair if the City increased the rates subsequent to this project and the developer be subject to the new higher rate. Mr. Coyle stated that they would respectfully decline that opportunity.

Mr. Schelzel stated the City would not issue a building permit to anyone without having a development agreement in place.

Mr. Thomson stated that the City's rationale was that when the City issues a building permit, it has essentially authorized this project to be constructed and completed under the terms of the Council's approval. He stated that staff was concerned about the position the City could potentially be in if it had issued a building permit for the construction but we didn't have any obligation that this fee would be paid to the City.

Mr. Schelzel stated that this is an accommodation to the developer and the City recognizes that they do not know exactly whether they will need all those parking spaces or not, which is the reason for allowing that to be set when the certificate of occupancy was issued for the actual uses.

Mayor Willcox asked what the risk would be to the applicant if the language remains as it is. Mr. Coyle stated that the risk to the developer is if, for some reason, the tenant mix doesn't get resolved once the building is under way, then they are obligated to pay the City $920,000 without knowing for sure who the tenants will be. He stated they do not see a down side to the City with their recommendation.

Mr. Thomson reiterated staff's concerns about issuing a permit for construction of a project to which there is not an obligation to pay the fee until they are ready for the City to issue the certificate of occupancy.

Mayor Willcox asked if considering this change would set a bad precedent for the City. Mr. Schelzel stated staff would advise and recommend the current language because it is consistent with how staff would like to handle this moving forward. He stated that what the Council decides to do with this agreement would set a precedent.

Mr. Thomson noted that on page 141 of the packet, item C., it states the developer shall make the first installment of the parking fee prior to the date of the issuance of the certificate of occupancy. He believes this says they are obligated to pay the City the fee, but not actually have to pay the money until the certificate of occupancy is issued.

Mr. Coyle stated that 2008 is not too far in the rearview mirror and it is possible that this project could suffer financial distress between the time of being issued a building permit and a certificate of occupancy. He reiterated they do not feel this adds more risk to the City but does add more risk management to the developer.

Mayor Willcox stated if there was financial distress, he would assume there wouldn't be a certificate of occupancy issued, so the developer wouldn't have to pay the fee.

Mr. Plechash asked when the first payment would actually be due. Mr. Thomson stated it would be required before the permit was issued and if it was not paid, the City would not issue the certificate of occupancy.

Mr. Tyacke asked what period of time the developer was expecting between the building permit and the certificate of occupancy. Mr. Coyle stated they are planning on about 9 months.

Mr. Tyacke asked if it was common for a developer to move forward with a building permit when they haven't gotten a good idea of who their tenants will be. Mr. Coyle stated that is often the case, particularly with a mixed-use property.

Mr. Tyacke asked for details of what the developer expected to significantly change between the issuance of the building permit and the certificate of occupancy.

Jimmy Beltz, 430 Peavey Road, Wayzata, stated the potential changes are related to the first floor because the second and third floor are office spaces. He stated there is a big difference in calculation of stalls for a retail use, commercial service use, and a restaurant. He understands that the 92 parking stalls is just a placeholder until it can be more accurately determined once they get their tenants. He stated that the obligation starting at the time of the building permit could create a perpetual obligation if there is an issue with financing.

Mr. Koch suggested setting the requirement at the minimum parking requirement up front so they are bound to the minimum standard and can adjust it upwards at the certificate of occupancy.

Mr. Tyacke suggested giving the applicant a range based on the minimum number of spaces necessary for retail versus the maximum for a restaurant.

Mr. Schelzel stated that the City could look into that but he is at a loss to see what the risk to the developer would be if the payments don't kick in until the certificate of occupancy when the occupancy has actually been determined and can be adjusted to a more minimal amount needed, which in turn would mean a smaller payment. He stated he can take another look if that is Council's direction, but he does not want to do it on the fly at tonight's meeting.

Mr. Plechash stated this property cannot be effectively used for anything until a certificate of occupancy has been issued which to him, seems like the trigger point for an obligation.

Mr. Dahl stated that regardless of the circumstances, it is generally more difficult to get money on the back end of a project than on the front end.

Mayor Willcox asked for the general feeling from the Council.

Mr. Plechash stated he felt the City should make the suggested change to the obligation for payment to be tied with the certificate of occupancy and move forward tonight.

Mr. Tyacke stated that he cannot remember an agreement coming before the Council where the terms have not already been fully negotiated and agreed to. He feels this should go back to negotiations to have both of the issues brought up by Mr. Coyle resolved before it comes before the Council.

Mayor Willcox stated he thinks there is a legitimate point about not negotiating the agreement on the fly

Mr. Tyacke stated that to Mr. Coyle's request, he would prefer the agreement have a range of parking stalls from minimum to maximum.

Mr. Koch stated if the City gives the applicant what they want, even in the worst-case scenario if they are not able to lease out the space, the City won't get a nickel out of them so he doesn't feel the City is taking an extraordinary risk in that situation.

Mr. Schelzel stated he would like to have a little bit of time to consider the possible ramifications from this potential change in the agreement. He noted the whole land use approval is premised on the applicant paying for this amount of parking. He cautioned against changing something on the fly without having a more thorough analysis of the implications.

Mrs. McCarthy stated she agrees and thinks a vote would be premature.

Mayor Willcox stated he feels the City should adhere to its policy. He asked what the ramifications will be if this agreement goes back into negotiation. Mr. Thomson stated staff can talk to the applicant and it will likely be back on the Council agenda in two weeks. He does not think it will delay the building permit for the project.

Mr. Tyacke made a motion, seconded by Mr. Plechash, to table the Development and Fee in Lieu of Parking (FILOP) Agreement for Broadway Place at 326 and 332 Broadway Avenue South, with direction to staff and the City Attorney to work on the timing of the payment and that staff present options and implication to give more clarity on their recommendation at the next Council meeting. The motion carried 5/0.

b. Consider Resolution No. 53-2018 Approving PUD General Plan, Design Review, Variance, and Shoreland Impact Plan/Conditional Use Permit and Ordinance No. 785 Hughes Redevelopment at 235 and 239 Lake Street East

Mr. Thomson presented the background for the application, the Planning Commission review, and updated parking plans. He indicated staff recommended Council adopt the Resolution approving the Development Application as recommended by the Planning Commission.

Mr. Tyacke asked what the height limit is in a PUD district. Mr. Thomson stated that it is 35 feet. Mr. Tyacke stated that this applicant will then be asking for a variance in the height of 4.7 feet.

Mr. Plechash asked staff to remind him what the Council had approved for the property located to the east. Mr. Thomson stated that variance was approved for 40 feet; however, he thinks the final building came in about 6 inches less than what was approved.

Mr. Plechash stated that project also put in underground parking and ran into troubles with the wetland, which was the reason for the variance. He assumes that is the same circumstances for this project since they are in close proximity to each other.

Mayor Willcox asked if the two buildings will be the same height. He also asked if there were other buildings along Lake Street that had high water tables that buildings have had to work around to put in underground parking. Mr. Thomson stated they are similar in size.

Mr. Kelly stated an example he can think of for having to work with the high-water table for underground parking is the 445 building that has a pretty significant water removal system in their building.

Mayor Willcox stated his concern is in setting a precedent and asked if future buildings along Lake Street would come with the same kind of request and the City will end up with taller and taller buildings that they do not want. Mr. Thomson stated staff focused on the unique aspects of this property when making the recommendation to the Council. He noted that this is also providing public parking which is a very unique aspect that is not normally seen in the redevelopment projects.

Mr. Koch asked if there were other properties in town that used the fiber cement siding. Mr. Thomson stated Presbyterian Homes has used this material as well as Meyer Place.

Tom Dillon, 2540 Westin Lane N, Plymouth, stated he and Pat Hughes are the applicants for this project. He stated they have been trying to secure office tenants for about a year and found that they need to provide underground parking, but the water table is high which is pushing the height of the building up by about 4 feet 7 inches. He stated their tentative time schedule would be to take the building down by year end, drive piles in early 2019, and start full-scale construction in March of 2019.

Mr. Tyacke stated the concept plan with the parking was approved 6 months ago and asked if Mr. Dillon was unaware of the need for underground parking at that time. Mr. Dillon stated they knew that they needed parking but as they spent time in the marketplace talking to potential tenants, it became clear they needed to provide underground heated parking which drove the increased height.

Mr. Tyacke asked how many of the tenants would park in the underground lot versus the surface lot behind the building. Mr. Dillon stated they expect the tenants to be mostly executive or financial type firms and all 29 stalls underground will be filled.

Mayor Willcox asked if the applicant had taken a look to see what other buildings in the vicinity had done with regard to the water table. Mr. Dillon stated that they had not fully designed the building at this point.

Mayor Willcox asked for the justification for the material deviation that the applicant is requesting and why the east elevation does not match the west elevation.

Brian Gadient, Architect with Momentum Design Group, explained the non-glazed or glass portions drive up the percentage of material. He stated that the difference in elevation is a design decision and not an economic decision.

Mr. Plechash asked if the City was putting an aesthetic limit on this property and how staff came up with 10%. Mr. Thomson stated there isn't anything magic to the 10% number. He noted that it was intended to differentiate between the primary and accessory materials and was set at 90/10.

Mr. Plechash stated that he doesn't understand why it matters in this case because the west side will be blocked and the north side will be visible to the parking lot.

Mayor Willcox stated that he feels it is a deviation that ought to have a practical difficulty behind it. He noted the City set the standard where it wanted it to be and in order to deviate, there should be at least a quasi-compelling reason. He understands that the metric put on this is somewhat subjective and put in place by a previous Council.

Mr. Tyacke stated that he is very troubled by the variance request for the height of the building and thinks the underground parking was added due to economic reasons and not a practical difficulty. He stated that he does not believe the Ventana building set a precedent for this case because that was for residential tenants to have underground parking. He stated he is not as troubled by the material deviation request, but isn't sure that either request meets the practical difficulty requirements either.

Mr. Schelzel clarified that design standard deviations are not variances and are not under the practical difficulty requirements.

Mr. Plechash stated he is not troubled by either request and found the design deviation is just an aesthetic thing. He stated if the height variance is approved, the City will get a building that adds more parking to the City. He stated the practical difficulty for the variance is due to the water table.

Mr. Koch stated he agrees with Mr. Plechash, doesn't think the extra height will be very noticeable, and is okay with the design standard deviation as well. He suggested the City may need to update its design standards to include some of the new materials that are both aesthetically pleasing and of high quality.

Mrs. McCarthy stated she sees both sides, but respectfully disagrees with Mr. Plechash and Mr. Koch with regard to the height requirements. She stated if this variance is approved, it will set a precedent for other buildings. She stated she understands there is a parking benefit but is not willing to sell her soul for the aesthetic of Lake Street. She stated the City needs to find a balance and perhaps look at how to reconfigure the parking in back or lose some ceiling height. She stated with regard to the material deviation, the applicant should remember that Lake Street is the City's showcase and the materials need to be the highest quality and design that they can come back with.

Mayor Willcox stated generally he is a hawk on building height because of the Comprehensive Plan and the goal of maintaining a small-town character. He noted the Council just granted a similar variance to the building next door and he is inclined to grant the height variance in this instance.

Mr. Plechash made a motion, seconded by Mr. Koch to Approve Resolution No. 53-2018 Approving PUD General Plan, Design Review, Variance, and Shoreland Impact Plan/Conditional Use Permit. The motion carried 3/2 (Tyacke and McCarthy)

Mr. Koch made a motion, seconded by Mr. Plechash, to Approve Ordinance No. 785 Hughes Redevelopment at 235 and 239 Lake Street East. The motion carried 4/1. (McCarthy)

Mayor Willcox recessed the Council meeting at 9:05 p.m. and reconvened the meeting at 9:11 p.m.

c. Consider Approval of Resolution 55-2018 Approving Preliminary and Final Plat Subdivision for Benton Harbor at 310 Benton Avenue North and 1023 Gardner Street East

Mr. Thomson presented the financial/budget consideration, background, and Planning Commission review. He recommended Council adopt the Resolution approving the development application as recommended by the Planning Commission.

Mr. Tyacke asked if a drainage, grading and erosion control plan had been submitted to the City. Mr. Kelly stated it had been and was deemed acceptable to the City. He stated construction will be unique and will be slab on grade rather than a full or half basement.

Mr. Plechash stated he trusts that the Planning Commission did all the pertinent homework but he has one question from page 292 of the Council packet regarding tree preservation that states, "There are ten trees located on the property with a total size of seventy-six inches". He stated that the very next sentence states, "All nine trees are defined as significant trees." He asked if there were nine or ten trees on the site. Mr. Thomson stated that he was fairly certain the correct number is ten trees.

Mrs. McCarthy stated typically when there is an application for a subdivision there are conceptual drawings for the proposed homes but none were included in the packet. She asked if subsequent drawings will have to come before the Council for approval. Mr. Thomson explained the intent is for custom designed homes, so there are no conceptual drawings. He stated the City is really being asked to approve the subdivision of the land and noted the zoning ordinance will dictate what can be built on the property.

Mrs. McCarthy stated she is not willing to step away from having some type of concept of what the City will be asked to allow to be built. She feels the City needs to refine its zoning ordinance because the new subdivision applications coming in do not match the existing housing stock in the City.

Mayor Willcox stated one of the criteria for a subdivision is that it not change the character of a neighborhood.

Mrs. McCarthy asked how large these homes were and the expected occupancy.

Mike Sharratt, architect, stated that they are not sure how many occupants will be in the homes. He explained that their plans are to use a somewhat discarded piece of land in the City and use it in a positive manner. The homes will be custom built on slab on grade. Mr. Sharratt stated they are also building two homes across the street from this property and expect the new homes will be in the same vernacular as traditional one-and-a-half story homes that will match the neighborhood.

Mr. Plechash made a motion, seconded by Mr. Tyacke, to approve Resolution 55-2018 Approving Preliminary and Final Plan Subdivision for Benton Harbor at 310 Benson Avenue North and 1023 Gardner Street East. The motion carried 5/0.

d. Approval of Resolution 57-2018 Supporting Minnesota Municipal Beverage Association (MMBA) Legislative Position Regarding Off-Sale Liquor

Mr. Dahl presented the background information and financial/budget considerations.

Mr. Tyacke asked if there were cities that have liquor sales that would allow the sale of strong beer and alcohol in grocery stores. Mr. Dahl stated it would be doubtful.

Mr. Tyacke questioned why this organization would be promoting this on behalf of the municipal owned liquor stores. Mr. Dahl stated the MMBA is opposing legislation that would allow off-sale to come into any grocery store.

Mr. Koch confirmed that the City ordinance already prohibits this type of thing from happening, so this resolution isn't anything other than a sign of support for the MMBA.

Mr. Plechash stated he wonders why this is being pushed on the City and asked if there was anything upcoming in front of the legislature that will be addressing this issue or is this a pre-emptive strike. Mr. Dahl stated he feels it is a pre-emptive strike because it is likely this will be brought to the floor at the next session.

Mayor Willcox stated that he doesn't care for the last "whereas" and would recommend striking that language.

Mr. Dahl stated one of the Council Members had also pointed out to him the second "whereas" should state that it "does not align" with the City ordinance. He explained it currently incorrectly states that it "does align" with the City ordinance. He recommended if the Council considers this resolution, they make the change suggested by Mayor Willcox and also correct the language in the second "whereas" statement.

Mr. Plechash stated that he is not comfortable with this because the City has a monopoly within the City and is planning to vote on a resolution to say that the City should maintain that monopoly. He reiterated that he is not comfortable with this resolution, nor does he want to be another lemming lining up to support it. He will vote against it.

Mr. Tyacke stated he thinks this may help the competition and also it does not make sense to him for different reasons that Mr. Plechash stated.

Mr. Dahl stated that the main issue is to keep alcohol away from youth and at-risk adults.

Mr. Koch asked if our local ordinance would overrule State law if the State passed the legislation. Mr. Dahl stated the City can have a rule that is more restrictive than State law.

Mrs. McCarthy made a motion, seconded by Mr. Willcox, to Approve Resolution 57-2018 Supporting Minnesota Municipal Beverage Association (MMBA) Legislative Position Regarding Off-Sale Liquor, with the following changes: correcting the wording in the second paragraph to say "does not" and strike the third paragraph. The motion carried 3/2. (Plechash and Tyacke)

e. Discuss Exploration of Lake Street Design Alternatives

Mayor Willcox read an opening statement about the reasons this item was placed on the agenda.

Mr. Dahl presented the background information and financial/budget considerations. He recommended Council further explore the Lake Street Design Alternative and approve the proposed motion.

Mr. Tyacke asked what the current right-of-way width is for Lake Street. Public Works Director/City Engineer Kelly stated it varies because of the lake and is anywhere between 60 feet and 80 feet.

Mr. Tyacke asked what the reason for the differing width. Mr. Kelly stated that is because it was originally a County highway.

Mr. Tyacke asked if the City reduced the footprint if there is any right-of-way that will need to be vacated as part of that process. Mr. Kelly stated the City would not need to vacate any right-of-way because it would all be public space, similar to Wayzata Boulevard.

Mrs. McCarthy stated she would like to make sure the intent is to also talk about the specific areas that the City would like to see the designers look at. She noted this is a significant amount of money and it was not budgeted. She asked if anything else was taken off the table in order to pay for this. Mr. Dahl stated that there are sufficient funds in the City's lakefront fund.

Mayor Willcox shared some concerns that he has heard from residents and area business.

Mr. Koch stated that he tried to find other cities that had a similar design to this street and went to downtown Hopkins because they have a similar setup. He showed pictures of Hopkins' Main Street with his car parallel parked with his door open. He stated that traffic flowed well and was safe. He noted the Hopkins street measured 22 feet from the edge to the center stripe. He stated that he thinks the proposal from Civitas at 19 feet is too narrow so he would like to get the width up to about 21 feet wide. He likes Mrs. McCarthy's suggestion to give Civitas some direction and include this information as a working example. He stated that he does not want to get rid of the biking and walking path and felt there was already adequate parking area.

Mr. Tyacke stated he thought they were going to propose an alternative design that would maintain the center lane and modify the width of the sidewalks and bike paths. He stated he didn't think the Council was making a decision tonight, but just getting an alternative that would preserve the center lane.

Mr. Dahl stated Civitas will explore two alternatives, one with a reduced center lane and one with the width as Mr. Koch was discussing for the Council to choose from.

Mr. Plechash stated he feels the key issue is whether the City wants a center lane maintained or not. He stated Civitas has told the City that if it chooses to maintain the center lane, the bike and pedestrian lanes will be lost. Mr. Plechash stated he has received feedback supporting both sides and if the City decides to spend money on this and move forward, he would like staff to look at the pros and cons of angled parking. He would also like to know what the City would lose if it went back to a center lane. He questioned what impact this may have on the 9/11 Memorial

Park. Mr. Dahl stated that he is sure Civitas will be happy to look into angled parking and give details about keeping a center lane.

Mrs. McCarthy stated her suggestion is to tell the experts what the problem is and have them come back with their proposal. She doesn't want to pigeonhole the experts but would like to incorporate the feedback the Council Members have received from residents. She stated she believes the City is in the final tweaking mode with the plans.

Mayor Willcox reiterated the concerns residents have raised on losing the width on Lake Street. He would like to see Civitas respond to what the City has heard that people are concerned about losing the width of the roadway and ask how the City can maintain adequate width that addresses those concerns and also has a balance with biking and walking. He is concerned about the Tivoli light poles and preserving the lake view.

Mr. Tyacke made a motion, seconded by Mrs. McCarthy, to direct staff to work with Civitas to Develop Lake Street Design Alternatives that further address concerns regarding the bike lane and center lane removal.

Stacy Carisch, representing the 600 block, the Marquis building, thanked the Council for revisiting this issue and hearing the concerns that have been raised. She stated she has concerns about using Civitas because she has done some research and found the owner has a certain bent that she feels trickles down to the company. She also has not heard how the City will replace the 40+ parking spots that will be taken away when the greenspace is put in. She stated it appears as though the Council is trying to look at the unintended consequences of the design which she appreciates. She would like to see what directions were given to the company that conducted the traffic study. She would also like to see the guidance given to Civitas revealed to the public. She reiterated that she feels specific instruction should be given to Civitas because they are in Denver which is very different that Wayzata. She mentioned a comment that Mrs. McCarthy had made in the past and how it upset her.

Mrs. McCarthy stated that she did not remember the specific comment she was referring to but would be happy to sit down one on one with Ms. Carisch and discuss her concerns.

Ms. Carisch stated anytime a project comes into the heart of the City like the one proposed by Mr. Beltz, it causes them to have to scramble and now that the parking ramp has gone semi-private, it is very important to them.

Mrs. McCarthy asked what the intent of the ramp is moving forward because that could impact Lake Street. Ms. Carisch stated there isn't a plan and at this point, they are just watching what the City and other developers will do.

Mayor Willcox stated that Civitas was selected from national firms that competed for the job and were picked because they seemed to know the City better and be able to address the situation better than the other finalist firm from New York. He explained the selection committee process.

Mr. Plechash noted the Council has been elected in order to look at the bigger, broader picture. He stated they have been elected to listen to the stakeholders, gather the facts, and then make decisions. He stated no matter what decision is made in this situation, the Council is making the best decision for the City as a whole and not just a certain group of people. He stated he has been vilified for the opinions he has publicly made surrounding this issue and he doesn't appreciate it because the Council really is looking to make the best decision for the City.

The motion carried 5/0.

f. Update on East Neighborhood Traffic Items

Mr. Kelly presented the background information and financial/budget considerations. He indicated he was providing an update and requested a discussion for future potential action items.

Dan Gustafson, stated the City has been talking about this since 2008. He noted that he goes back to the master development agreement amendment that said there was talk about $500,000 of improvements in this area for buffer and street improvements. He stated he didn't agree with some of the conclusions Mr. Kelly shared in his presentation. He referenced meeting minutes from a October 6, 2015 meeting and presented them for Council review regarding the buffer and boardwalk. He stated there seems to be a disconnect between what happened at the October 6, 2015 meeting and now having a neighborhood meeting without any preliminary plans. He stated he understands that staff changes and the Council has even changed, but feels this has been set aside and forgotten. He felt this presents a unique opportunity to increase the buffer. He stated the neighbors have taken over the circle with plantings, Adirondack chairs, and bonfires which means the citizens are creating more buffer on their own. He noted there appears to be money available and there hasn't really been good options given to the neighborhood. He believed this buffer is about safety and noted that there are young children there and no buffer in the winter when the leaves have fallen. He asked the Council to take another look at this and study the past minutes, as well as the development agreements.

Mr. Dahl stated staff couldn't find any specific action that moved forward with boardwalk or plantings. He stated staff knows that there were never any approved plans to move forward.

Gordy Straka, 130 Huntington, stated he had a question about an earlier item on the agenda. He asked where the money that comes in from the designated parking stalls goes and who watches over it. Mayor Willcox stated that staff watches over it. Mr. Dahl stated that it goes into a new fund called the Downtown Parking Fund with the objective to pay the capital costs of additional parking.

Mr. Straka stated, with regard to the roundabout, the speed humps were petition driven and the roundabout was Council driven. He had reviewed all the federal standards for roundabouts and could not find one that is like the one that has been built in the City. He stated this roundabout was built in a 90-degree corner and not a crossing intersection and was done primarily for the Bay Center project. He stated when Mr. Mullin was on the Council he came up with the plan to change the entering and exiting and now the residents are suffering from it. He described the difficult ways he has to travel over many speed humps to get to his home. He noted the traffic studies show the City does not have cut through traffic and he has lived here for 50 years. He stated if there is cut through traffic now, it is because the City is promoting it with these additions. He believes this roundabout is not up to standards and creates a hazard.

Mayor Willcox asked staff where the City is with the roundabout. Mr. Kelly stated the speed hump issue has always been a resident driven process and doesn't think the City has ever installed or removed a speed hump without a resident petition. He stated until the City hears from the neighborhood about the speed humps, he would recommend leaving that topic alone. He was a big proponent of a full access roundabout back in 2013 and if he was building it today, he would also recommend a full access roundabout; however, that was not the decision made in 2013 and the roundabout was constructed to be restricted. He stated if the City were to look at reconstruction, the cost would be around $140,000.

Mayor Willcox stated in 2016, the Council stated that they were in favor of opening the roundabout up and they heard from the neighborhood at the meeting, but did not hear from the rest of the population of the City. He stated the population blew back at the City when the roundabout was first put in because they did not want to see access closed off. He noted whenever a decision is made about the roundabout, the Council has to consider both the neighborhood and the rest of the population of the City.

Mr. Kelly stated the other item is the reconstruction of Circle E and he feels that reconfiguration of the roundabout should be done at the same time. He stated they could also consider Circle A since they will be in the area. He stated in giving the update to the Council tonight he would love feedback if the Council has strong feelings about what needs to be a priority.

He stated one of the big questions is whether the roundabout in its current configuration is right for the neighborhood and for the overall community.

Mr. Tyacke stated that there is not money in the CIP budget for the coming year to cover reconstructing the roundabout. Mr. Kelly noted that the City has $140,000 set aside.

Mr. Dahl stated this will be discussed in two weeks at the workshop where the Council can try to plan for these types of CIP improvements.

Mr. Tyacke stated that he would like to hold a public hearing in advance of a decision on the roundabout.

Mayor Willcox agreed the Council needs to hear from the rest of the City.

AGENDA ITEM 9. City Manager's Report and Discussion Items.

a. Upcoming Events/Announcements

- Depending on weather, Hennepin County will move forward with their mill and overlay of Wayzata Boulevard.
- The Commissioners Advisory and Boards packet for 2019 is on-line and encouraged everyone to check it out and consider applying.
- Pull It Day will be Saturday, October 13, 2018, at the Public Works building.
- The fall bulb planting event is looking for volunteers at the post office park at 8:30 a.m. on October 20, 2018
- At least one Council Member will need to go through the Board of Appeal and Equalization education process within the next few months.

b. Council Member Updates/Announcements

Mrs. McCarthy stated the planting of the interchange this past weekend was a smashing success despite it being cold and rainy. She expressed her deep appreciation to Public Works staff because there were at least six of them there with smiles on their faces and they had everything ready for people to come in and plant. She stated about 40 volunteers showed up.

AGENDA ITEM 10. Public Forum Continued (if necessary).

There were no comments.

AGENDA ITEM 11. Adjournment.

Mrs. McCarthy made a motion, seconded by Mr. Tyacke to adjourn. There being no further business, Mr. Willcox adjourned the meeting at 11:12 p.m.

Respectfully submitted,

Kathy A. Leervig

Kathy Leervig
City Clerk

Drafted by Kayla Rokosz
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