City of Wayzata Housing and Redevelopment Authority
Meeting Agenda
Thursday, October 25, 2018

7:30 am – 8:30 am
Wayzata City Hall Community Room
600 Rice Street East
Wayzata, MN 55391

1. Call to Order – Chairman Shaver

2. Approval of Agenda

3. Approval of Minutes of July 26, 2018

4. Old Business
   a. Consider Approval of Tax Increment Financing (TIF) Agreement between the HRA and Ventana, LLC at 253 Lake Street East

5. New Business
   a. Development Update
   b. Set 2019 Meeting Dates
   c. 2019 Commission Vacancies

6. Adjournment

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: October 25, 2018	**AGENDA ITEM:** 3
TITLE: Approval of Meeting Minutes of July 26, 2018	
PROPOSED MOTION: To Approve the Regular Meeting Minutes of July 26, 2018	
PREPARED BY: Jeffrey Dahl, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:
Staff recommends approval of the attached minutes.

FINANCIAL OR BUDGET CONSIDERATION:
N/A

BACKGROUND:
N/A

ATTACHMENTS:
1. July 26, 2018 Regular Meeting Minutes Regular Meeting Minutes

HRA members present: T. Shaver, B. Ambrose, R. Wothe and S. Fox
HRA members absent: B. Petit
City Staff present: City Clerk Becky Malone, Executive Director Jeff Dahl, City Attorney David Schelzel
Others present: Stacie Kvilvang, Ehlers & Associates

Chairman Shaver called the meeting of the HRA to order at 7:33 am.

APPROVAL OF AGENDA

Ambrose motioned to approve the July 26, 2018 meeting agenda as presented, seconded by Fox. The motion passed 4/0 by voice vote.

APPROVAL OF MINUTES

a. Special Meeting Minutes of February 22, 2018

Ambrose stated there was a reference to Hughes in line 42 and line 44 of page 2 and the spelling was incorrect.

Fox motioned to approve the minutes of February 22, 2018 as amended, seconded by Ambrose. The motion passed 4/0 by voice vote.

OLD BUSINESS

a. Receipt of HRA 2017 Financial Report

Dahl provided a recap of the HRA financial report. He noted for the record Commissioner Wolthe is a voting member of the board but he is sitting in the audience at this time due to a bad cold. The HRA has three separate funds to report activity on: 314 Widsten Tax Increment (TIF 3); 316 Bay Center Tax Increment (TIF 5); and 305 Downtown (TIF 6). He clarified TIF District 2 is still open and collects funds only to be used for affordable housing purposes. TIF District 3 has completed its original purpose but obtained special legislation that would allow for broader use of existing and future tax increment. Future increment will be used to pay for debt services related to the Municipal Ramp. TIF District 5 will be used to fund pay as you go notes totaling #23 million and approximately $520k of annual debt services cost on the new Municipal Ramp. Currently there is a fund balance deficit of $8,091 but this should be eliminated in 2018 with further increment collection. TIF District 6 currently has a fund deficit of $17,950 resulting from the initial costs to establish the district and should be eliminated when increment begins in 2020. The financial activities of the HRA are consistent with the City expectations and there appears to be adequate resources to fund future activity.

There being no further comments Chair Shaver asked for a motion.

Fox motioned to approve the 2017 HRA Financial Report as presented, seconded by Ambrose. The motion passed 4/0 by voice vote

NEW BUSINESS

a. Development Update

Kvilvang stated Tax Increment Financing (TIF) is the ability to capture and use most of the increased local property tax revenues from new development within a defined geographic area for a defined period of time without approval of the other taxing jurisdictions. TIF is used to encourage certain types of development or redevelopment that would not normally occur without assistance. She explained the building blocks of TIF and TIF equals the captured tax capacity times the tax rate. TIF funds must be cost associated with new development and can be used for items such as land acquisition, demolition and relocation, site improvements, utilities, streets, sidewalks, environmental clean-up, parking, buildings, and administration. The City approved TIF District 6 on December 19, 2017 for the downtown area. Brad Hoyt has submitted the first TIF application to the City.

Shaver clarified in creating the boundaries of the TIF District to meet the blight test, all the properties with the set area are aggregated to ensure they meet the requirement.

Kvilvang stated to meet the blight test at least 51% of the buildings in the designated boundaries must be blighted. She explained the Hoyt application. The land market value for the property at 253 Lake St E is $2.417 million. The project is proposing to construct 16 condos on the property with an average sale price of approximately $1.1 million. Wayzata uses a value of 95% of sale price to estimate market value and this would be approximately $1 million per condo or $16 million for taxable market value and a total tax capacity of $214,000. Items excluded from TIF are the market value taxes, the base value taxes, the Office of the State Auditor (OSA) fee, and a 10% administration fee that would go to the HSA. That translates to the developer receiving $0.64 from every tax dollar.

Dahl asked how this would change if the development were commercial.

Kvilvang stated commercial properties pay into the fiscal disparities and statewide tax system. There would be a reduction in the amount of increment available and this would be less beneficial for developers. She reviewed the project proposed by Brad Hoyt for redevelopment at 253 Lake St E including the acquisition costs, construction costs, demo/environmental costs, professional services costs, financing costs, and the developer profit. Based on the detailed analysis, in order to assist the Developer in obtaining a typical market return of 8%, he would need $1,950,000 in assistance, which is nearly $200,000 more that generated over the term of the TIF district. Ehlers recommends providing the Developer a PAYGO TIF Note for $1.759 million at a 5.00% interest rate (full term of the TIF District). Ehlers would also recommend a “look back” provision be incorporated that looks at the actual costs and sales prices to determine the final sizing of the TIF Note.

Wolthe asked if there was a fund balance for a TIF District if it had to be used within that TIF District.

Kvilvang stated in a redevelopment district the City is allowed to pool up to 25% of the increment that is collected up to the term and use this outside the boundaries of the TIF District.

Ambrose asked if the "look back" provision was to encourage the developer to seek out the best pricing and efficiencies for the project.

Kvilvang stated developers are motivated to do well because they are not paid for 26-years.

Shaver pointed out the district was established in 2017 and the 26-year time limit for the district was established when the district was approved.

Kvilvang stated the final certification date for the district was June 2018 and the City has 5-years from that date to establish the work that would be undertaken and the City's obligations in place.

Dahl stated the development agreement is not ready for the Hoyt project. The project is also being reviewed by the Planning Commission on August 20 and will go to the City Council shortly thereafter.

He stated the goal of the TIF District is primarily to removed blight and produce public parking in the back of the Hoyt building, the Hughes building. Wayzata Blu is currently under construction and they have sold approximately half of the 18 condo units available with the project. The Meyer Place project is moving forward and the City has approved the demolition permit. This property is requesting TIF but they are part of the TIF District. Wayzata Blu is partnering for the public parking in the rear of the property. The Hughes project and the Zitzloff project are both commercial projects and they are expected to be heard by the Planning Commission and City Council in August and September. The Hughes project is expected to submit a TIF application and the Zitzloff project has submitted a TIF application but they are still working to complete the data. The City is planning to move forward with a public parking area that would primarily be surface and located behind the Hoyt, Hughes, and Wayzata Blue projects. Mr. Hughes has expressed interest in constructing the parking lot and the City would reimburse him but this has not been worked out at this time. The City Council did approve the land donation from the Hoyt project.

Regarding other items going on, Dahl said that staff has been working on amendment application for Broadway Place to use the elevator and stairwell for the existing building. They are expecting to move forward with the project this year. They would not be able to meet parking requirements on site with this project so they would be utilizing the City's Fee-In-Lieu of Parking Policy. These fees would go into the Downtown Parking fund and would be used for public parking needs in the City.

The City is still looking into a Special Services District to assist with paying for items such as parking maintenance, snow plowing and removal, and landscaping in the area.

The City is also working on getting directory signs in place for the parking ramp.

The Comprehensive Plan Task Force is working on a draft Comp Plan to send to the Met Council in the next couple of months.

Ambrose stated the Task Force discussions have been informative and the outcome should be a good plan for the future of the City.

Dahl stated additional development and construction in the City includes the Wayzata Blvd and Superior intersection and the City Council is expected to provide direction to their July 31 meeting. The Lake Effect project is moving forward. Lake Street Plaza would remove 44 parking stalls and these are being replaced with parking in the ramp and along Lake Street for a net gain of 14 additional stalls. The project is expected to start in 2019.

Ambrose asked if the walkways and other features of the Lake Effect project would also begin in 2019.

Dahl stated everything north of the railroad tracks is going forward in 2019 and the City is paying for this and includes enhanced railroad crossings. Everything south of the railroad tracks are intended to be paid for through the Lake Effect Conservancy which are private philanthropic funds.

Fox asked how much funding has been raised at this time.

Dahl stated currently there is about $200,000 in the bank and pledges totaling about $1 million. The goal is $10 million.

<u>RECOGNITION OF RETIRING CITY CLERK, BECKY MALONE</u>

HRA thanked Ms. Malone for her hard work and wished her the best.

<u>NEXT MEETING DATE: OCTOBER 25, 2018</u>

<u>ADJOURNMENT</u>

There being no further business; Wothe motioned to adjourn at 8:36 a.m., seconded by Fox. The motion passed 4/0 by voice vote.

Respectfully submitted,

Becky Malone
Deputy City Clerk
City of Wayzata
Drafted by Tina Borg, *TimeSaver Off Site Secretarial, Inc.*

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: October 25, 2018	**AGENDA ITEM:** 4a
TITLE: Consider Approval of Tax Increment Financing Agreement (TIF) between the Housing and Redevelopment Authority (HRA) and Ventana, LLC at 253 Lake Street East	
PROPOSED MOTION: To Approve the TIF Agreement between the HRA and Ventana, LLC	
PREPARED BY: Jeffrey Dahl, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:
Staff recommends approval of the attached draft TIF Agreement

FINANCIAL OR BUDGET CONSIDERATION:
Please see the attached memo from the City's Financial Advisor, Stacie Kvilvang at Ehlers and Associates that explains the general terms of the agreement. Ms. Kvilvang will be present at the meeting to go over the details.

BACKGROUND:
Over the past two years, the City has been working with the HRA on a long-term redevelopment plan along Lake Street from Barry Avenue and Ferndale with the three goals:

- encourage redevelopment of the blighted properties with uses consistent with current zoning and comp plan;
- increase the amount of off-street public parking; and
- help pay for Lake Street-related infrastructure costs.

As a result, the HRA established TIF District #6 late in 2017 to help offset eligible costs of development such as parking, public infrastructure, site preparation, environmental mitigation, and soil stabilization.

Over the past year, the City has worked with Ventana, LLC on a development plan that would incorporate a 3.5 story condominium building along Lake Street and public parking on the northern half of the property. This summer, the City approved a subdivision of the property which included the donation of the land, by Brad Hoyt, the property owner, to the City. More recently, the City granted all zoning entitlements for the project to move forward. Site demolition has already been completed.

Upon approval of the TIF Agreement, the property owners plans to commence construction over the next few months.

ATTACHMENTS:
1. Memo from Stacie Kvilvang, Ehlers and Associates, dated October 25, 2018
2. Draft TIF Agreement between the HRA and Ventana, LLC
3. TIF Power Point Presentation, dated July 26, 2018
4. PC Report, dated August 20, 2018

Memo

To: Jeffrey Dahl – Executive Director

From: Stacie Kvilvang - Ehlers

Date: October 25, 2016

Subject: Ventana Condos TIF Agreement – Hoyt Redevelopment Project

On July 24, 2018, the HRA reviewed preliminary terms for TIF assistance for development of 16 condominium units by Brad Hoyt at 253 Lake Street East. The HRA was in agreement with the proposed terms and since that time staff and consultants have been working on the finalization of a TIF Agreement. Following are the main points within the above referenced Agreement:

1. **<u>General</u>**
   a. Redevelopment Agreement with Ventana LLC for the Ventana Condos

2. **<u>Development property</u>**
   a. Developer represents that he is owner in fees simple of the property to be developed.

   b. Developer is required to record on the development property a Declaration of Restrictive Covenants which includes the following restrictions:
      i. Property cannot be tax exempt

      ii. Property cannot be sold, leased or used as a church, public hospital, school district, institution of purely public charity, 501(c)(3), or Minnesota cooperative association

   c. Property will be developed consistent with a redevelopment TIF district pursuant to TIF statutes; and

   d. The Developer (property owner) will not discriminate on the basis of color, creed, national origin or sex in selling of the units and will develop the property consistent with the City's zoning ordinances and comprehensive plan.

3. **Development and Timing of Construction**
    a. Construction of 16 condominium units and related underground parking
    b. Must commence construction June 1, 2019 and be completed by December 31, 2020

4. **Tax Increment**
    a. The City created TIF District 6 – Downtown West on December 19, 2017
    b. The Developer will receive a pay-as-you-go note in the amount of $1.76 million
        i. Term of the TIF Note will be for 26 years
        ii. Interest will be paid at 5.0%
        iii. Developer will receive 90% of the tax increment generated from their project

5. **Lookback**
    a. Within 60 days after the closing on the last unit, the Developer will be required to submit financial documentation to the City's Financial Advisor for review. Based upon actual total development costs (TDC) and total sales proceeds, the TIF note would be adjusted down on a dollar for dollar basis to the extent the Developer exceeds a 20% profit (TDC minus total sales proceeds).

Please contact either me at 651-697-8506 with any questions.

REDEVELOPMENT AGREEMENT

IN

CENTRAL AREA REDEVELOPMENT DISTRICT

AND

TAX INCREMENT FINANCING DISTRICT NO. 6 – DOWNTOWN WEST

WAYZATA,
HENNEPIN COUNTY, MINNESOTA

By and Among

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF WAYZATA,

CITY OF WAYZATA, MINNESOTA

And

VENTANA, LLC

for the

VENTANA CONDOS

Dated as of November ____, 2018

This Document Was Drafted By:

Best & Flanagan LLP (AEL)
60 South Sixth Street
Suite 2700
Minneapolis, MN 55402

TABLE OF CONTENTS

REDEVELOPMENT AGREEMENT

THIS Redevelopment Agreement (this "Agreement"), made and entered into as of this [___] day of November, 2018, between the WAYZATA HOUSING AND REDEVELOPMENT AUTHORITY (the "HRA"), the CITY OF WAYZATA, a municipal corporation and political subdivision of the State of Minnesota (the "City"), and VENTANA, LLC, a Minnesota limited liability company (the "Developer").

WITNESSETH:

WHEREAS, the HRA has designated a development district in the City denominated Development District No. [__] (the "Development District") pursuant to and in accordance with Minnesota Statutes ("M.S."), Sections 469.124 through 469.133, as amended; and

WHEREAS, the HRA adopted a resolution establishing Tax Increment Financing District No. 6 – Downtown West, a "redevelopment district" pursuant to M.S., Section 469.174, Subdivision 10 (the "TIF District") and approved a Tax Increment Financing Plan therefore (the "TIF Plan"); and

WHEREAS, in order to achieve the objectives of the Development Program and the TIF Plan, the HRA intends to provide assistance to the Developer through tax increment financing, as described in the TIF Act, to finance the development of approximately 16 condominiums referred to as Ventana Condos (the "Project");

WHEREAS, the HRA has determined that, in order to accomplish the purposes specified in and to carry out the Development Program and the TIF Plan, it is necessary and desirable for the HRA to reimburse the Developer for certain costs to be incurred and paid by the Developer in connection with the Project; and

WHEREAS, the HRA will apply tax increment revenues generated from the TIF District to (i) pay or reimburse the HRA for administrative expenses relating to the TIF District to the extent permitted by the TIF Act and (ii) reimburse the Developer, with interest, for certain costs incurred in connection with the construction of the Minimum Improvements (defined below) associated with the Project; and

WHEREAS, the HRA and the City believe that the development activities associated with the Project pursuant to this Agreement are in the best interests of the City and benefit the health, safety, morals and welfare of its residents, and comply with the applicable state and local laws and requirements under which the Project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual obligations set forth in this Agreement, the parties hereto hereby agree as follows:

ARTICLE 1
Definitions

1.01. Definitions.

In this Agreement, unless a different meaning clearly appears from the context:

"Act" means Minnesota Statutes, Sections 469.124 through 469.133.

"Agreement" means this Agreement, as the same may be from time to time modified, amended or supplemented.

"Available Tax Increment" means 90 percent (90%) of the tax increment revenues generated by Tax Increment Financing District No. 6 - Downtown West as computed pursuant to Minnesota Statutes, Section 469.177, or its successor.

"Business Subsidies Act" means Minnesota Statutes, Sections 116J.993 through 116J.995.

"Certificate of Completion" means a certification in the form attached hereto as Exhibit E, to be provided to the Developer pursuant to this Agreement.

"City" means the City of Wayzata, Minnesota.

"City Council" means the City Council of the City of Wayzata, Minnesota.

"Construction Plans" means the plans, specifications, drawings and related documents for the construction work to be performed by the Developer on the Development Property.

"County" means the County of Hennepin, Minnesota.

"Default Notice" means written notice from the HRA or the City, as applicable, to the Developer setting forth the Event of Default and the action required to remedy the same.

"Developer" means Ventana, LLC, a limited liability company under the laws of the State of Minnesota.

"Development District" means Central Area Redevelopment District, designated pursuant to Minnesota Statutes, Sections 469.124 through 469.133.

"Development Program" means the Development Program developed for the Development District.

"Development Property" means the real property described in Exhibit A attached hereto.

"Event of Default" means as any of the events set forth in Section 7.01 hereof.

"HRA" means the Housing and Redevelopment Authority of the City of Wayzata.

"Minimum Improvements" means the construction of approximately sixteen (16) condominium units and related parking to be undertaken by the Developer as a part of the Project on the Development Property all as further described in Exhibit C attached hereto.

"Mortgage" means any mortgage made by the Developer which covers, in whole or in part, the Development Property.

"Mortgagee" means the owner or holder of a Mortgage.

"Hennepin County" means the County of Hennepin, Minnesota, a political subdivision of the State of Minnesota.

"Project" means the "Ventana Condos" redevelopment project, which shall involve the demolition of the existing building located at 253 Lake Street East, City of Wayzata, and the construction of a three (3) story building to include sixteen (16) residential condominiums and one (1) level of underground parking.

"Project Costs" means certain costs incurred and to be incurred by the Developer during the Project, the estimated types and amounts of which are shown on Exhibit C to this Agreement.

"Property" means the Property described in Exhibit A to this Agreement.

"Public Assistance" means the Available Tax Increment to be paid under Article 5 hereof.

"Qualified Costs" means costs incurred by Developer in connection with construction of the Minimum Improvements that are reimbursable from tax increment pursuant to Sections 469.174, Subd. 11 and 469.1761 of the TIF Act, which are shown on Exhibit C to this Agreement. The total principal amount of any and all tax increment notes issued to reimburse the Developer for Developer's Qualified Costs of the Project will not exceed One Million Seven Hundred Sixty Thousand Dollars ($1,760,000).

"Restrictions" means the easements, covenants, conditions and restrictions set forth in Exhibit B attached hereto.

"Section" means a Section of this Agreement, unless used in reference to Minnesota Statutes.

"State" means the State of Minnesota.

"TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1794.

"TIF District" means Tax Increment Financing District No. 6 – Downtown West established by the HRA on December 19, 2017.

"TIF Plan" means the Tax Increment Financing Plan for the TIF District approved by the HRA.

"Unavoidable Delay" means a failure or delay in a party's performance of its obligations under this Agreement, or during any cure period specified in this Agreement which does not entail the mere payment of money, not within the party's reasonable control, including but not limited to acts of God, governmental agencies, the other party, strikes, labor disputes (except disputes which could be resolved by using union labor), fire or other casualty, or lack of materials; provided that within ten (10) days after a party impaired by the delay has knowledge of the delay it shall give the other party notice of the delay and the estimated length of the delay, and shall give the other party notice of the actual length of the delay within ten (10) days after the cause of the delay has ceased to exist. The parties shall pursue with reasonable diligence the avoidance and removal of any such delay. Unavoidable Delay shall not extend performance of any obligation unless the notices required in this definition are given as herein required.

ARTICLE 2
Representations and Warranties

2.01. HRA Representations.

The HRA makes the following representations to the Developer:

(a) The HRA is a body corporate and politic, duly organized and existing under the laws of the State. Under the provisions of the Act, the HRA has the power to enter into this Agreement and carry out its obligations hereunder.

(b) The HRA has designated the Development District and has adopted the Development Program in accordance with the provisions of the Act and has created the TIF District and adopted the TIF Plan in accordance with the provisions of the TIF Act.

2.02. Developer Representations.

The Developer represents and warrants that:

(a) The Developer is a Minnesota limited liability company, has power to enter into this Agreement and has duly authorized, by all necessary corporate action, the execution and delivery of this Agreement.

(b) Developer will, to the extent required by this Agreement, construct or cause the Developer to construct the Minimum Improvements in accordance with the terms of this Agreement, the TIF Plan and all local, state and federal laws and regulations.

(c) The Project will be constructed so that when completed the Development Property will have a market value, as determined pursuant to Minnesota Statues, Section 273.11, of at least One Million Seven Hundred Sixty Thousand Dollars ($1,760,000).

(d) At such time or times as may be required by law, the Developer will have or caused the Developer to have complied with all local, state and federal environmental laws and regulations applicable to the Minimum Improvements, and will have obtained or caused the Developer to obtain any and all necessary environmental reviews, licenses and clearances. The Developer has received no written notice or communication from any local, state or federal official that the activities of the Developer or the HRA with respect to the Development Property may be or will be in violation of any environmental law or regulation. The Developer is aware of no facts the existence of which would cause it to be in violation of any local, state or federal environmental law, regulation or review procedure with respect to the Development Property.

(e) Neither the execution or delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented by, limited by, conflicts with, or results in a breach of, any restriction, agreement or instrument to which the Developer is now a party or by which the Developer is bound.

(f) The Developer has no knowledge or information that any member of the HRA Council or any other officer of the HRA has any direct or indirect financial interest in the Developer, the Development Property or the Project.

(g) The Developer recognizes that the TIF District is a "redevelopment district" under the TIF Act. As owner in fee simple of the Development Property, the Developer represents to the HRA that the Development Property and the Minimum Improvements will be operated in a manner such that the TIF District will qualify and continue to qualify as a "redevelopment district" under the TIF Act until the the earlier of (i) [February 1, 2046], (ii) the date the Tax Increment Notes are paid in full, (iii) the date on which the Tax Increment District expires or is otherwise terminated, or (iv) the date this Agreement is terminated or rescinded in accordance with its terms.

(h) The Developer will obtain or cause the Developer to obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all local, state and federal laws and regulations which must be obtained or met in connection with the Minimum Improvements. Without limitation to the foregoing, the Developer will request and seek to obtain or cause the Developer to seek and obtain from the HRA all necessary variances, conditional use permits and zoning changes.

(i) The Developer would not undertake the Project without the financial assistance to be provided by the HRA pursuant to this Agreement and the TIF Plan.

(j) Apart from the assistance to be provided under this Agreement, the Developer shall pay all standard charges and fees due with respect to real estate developments and allocable to the Development Property under City ordinances and the City Code, including but not limited to special assessments for local improvements, sewer and water use charges, building permit fees, plat fees, inspection fees, storm water fees and the like used against the Development Property.

(k) The financial assistance received by the Developer pursuant to this Agreement will be used to create Project.

2.03. <u>Use, Ownership of Development Property; Restrictions; Use of Development Property</u>. The Developer's use of the Development Property shall be subject to and in compliance with all of the conditions, covenants, restrictions and limitations imposed by this Agreement, the Restrictions and all applicable laws, ordinances and regulations.

2.04. Ownership of Development Property. The Developer hereby represents and warrants that the Developer is the owner in fee simple of the Development Property and that there are no liens, defects or other encumbrances upon title to the Development Property that would hinder the development of the Development Property by the Developer as contemplated by this Agreement.

2.05. Declaration of Restrictive Covenants. The Developer shall prepare, execute, and record on the title to the Development Property a Declaration of Restrictive Covenants, in form approved by the HRA and the City, which includes the Restrictions set forth in Exhibit B. If the Developer determines that operation of the Development Property and the Minimum Improvements would endanger the financial viability thereof, the Developer may request the HRA or the City Council to consent to the amendment, modification or termination of any of the restrictions in any respect. The HRA and the City are under no obligation to amend, modify or terminate any of the restrictions and may, in their sole and absolute discretion, refuse to do so.

2.06. Damage or Destruction. Subject to any mortgage requirements that would require the Developer to act sooner, upon any damage or destruction of the Project, or any portion thereof, by fire or other casualty, the Developer shall within one hundred twenty (120) days after such damage or destruction, commence the process required to repair, reconstruct and restore the damaged or destroyed Project, or portion thereof, to substantially the same condition or utility value as existed prior to the event causing such damage or destruction and shall diligently pursue such repair, reconstruction and restoration. Notwithstanding anything to the contrary, the parties agree and acknowledge that upon completion of the Project, Developer intends to sell portions of the Project as sixteen (16) separate condominium units. Developer shall have no obligation under this Section 2.06 to repair damage or destruction that occurs inside any individual condominium unit that has been sold to a third party. However, Developer shall continue to maintain responsibility for repairing, reconstructing and restoring the common elements of the Project.

2.07. Relocation Costs. The Developer shall pay all relocation costs or expenses required under federal or state law to be paid to any owner or occupant of the Development Property as a result of the Project, and shall indemnify and hold harmless the HRA, the City, their governing body members, officers, and agents including the independent contractors, consultants, and legal counsel, servants and employees thereof from any such relocation costs and expenses in accordance with the provisions of Section 4.01.

ARTICLE 3
Construction of Project

3.01. Construction Plans. Prior to commencing construction of the Minimum Improvements for the Project, the Developer shall make available to the City for review Construction Plans for the Project. The Construction Plans shall provide for construction of the Project in conformity with the Development Program, the TIF Plan, this Agreement, and all applicable state and local laws and regulations. The City shall approve the Construction Plans within thirty (30) days in writing if, in the reasonable discretion of the City, the Construction Plans:

(a) conform to the Development Program, the TIF Plan, this Agreement, and to any subsequent amendments thereto approved by the City; (b) conform to all applicable federal, state and local laws, ordinances, rules and regulations; (c) are adequate to provide for construction of the Minimum Improvements; and (d) no Event of Default has occurred.

No approval by the City shall relieve the Developer of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations, or to properly construct the Project. No approval by the City shall constitute a waiver of an Event of Default. Any disapproval of the Construction Plans shall set forth the reasons therefore and shall be made within thirty (30) days after the date of their receipt by the City, which shall identify the provision of this Section 3.01 that have not been met and the fact that support the City's determination. If the City rejects the Construction Plans, in whole or in part, the Developer shall submit new or corrected Construction Plans within thirty (30) days after written notification to the Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans shall continue to apply until the Construction Plans have been approved by the City.

3.02. Undertaking of Minimum Improvements.

(a) Subject to Unavoidable Delay, Developer shall commence or cause the Developer to commence the Project by June 1, 2019, and cause the Project to be completed in accordance with the terms of this Redevelopment Agreement by December 31, 2020.

(b) All work with respect to the Minimum Improvements shall be in substantial conformity with the Construction Plans approved by the City.

(c) The Developer shall not interfere with, or construct any improvements over, any public street or utility easement without the prior written approval of the City, which shall not be unreasonably withheld. All connections to public utility lines and facilities shall be subject to approval of the City and any private utility Developer involved. Except for public improvements, which are undertaken by the City or other governmental body and assessed against benefited properties, all street and utility installations, relocations, alterations and restorations shall be at the Developer's expense and without expense to the City. The Developer, at its own expense, shall replace any public facilities or utilities damaged during the Project by the Developer or its agents or by others acting on behalf of or under the direction or control of the Developer.

3.03. Certificate of Occupancy; Certificate of Completion.

(a) Upon the Developer's request following the City's issuance of a certificate of occupancy with respect to the Project, the City will furnish the Developer with a Certificate of Completion for the Project in substantially the form attached hereto as Exhibit E as conclusive evidence of satisfaction and termination of the agreements and covenants of this Agreement with respect to the obligations of the Developer to complete the Project. The furnishing by the City of such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any Mortgagee.

(b) If the City shall refuse or fail to provide a Certificate of Completion following the Developer's request, the City shall, within ten (10) days after the Developer's request, provide the Developer with a written statement specifying in what respects the Developer has failed to complete the Project in accordance with this Redevelopment Agreement, or is otherwise in default, and what measures or acts will be necessary, in the reasonable opinion of the City, for the Developer to obtain the Certificate of Completion.

3.04. Progress Reports. Until the Certificate of Completion is issued for the Project, the Developer shall make, in such detail as the HRA or the City may reasonably require, and forward to the HRA and the City, upon demand by either or both of the HRA and the City, a written report as to the actual progress of construction.

3.05. Access to Development Property. The Developer agrees to permit the City and any of its officers, employees or agents access to the Development Property at all reasonable times for the purpose of inspection of all work being performed in connection with the Project; provided, however, that the City shall have no obligation to inspect such work.

3.06. Modification; Subordination. The HRA agrees to subordinate its rights under this Agreement to the holder of any Mortgage securing construction or permanent financing, in accordance with the terms of a subordination agreement in a form reasonably acceptable to the HRA.

ARTICLE 4
Defense of Claims; Insurance

4.01. Defense of Claims.

(a) The Developer shall indemnify and hold harmless the HRA, the City, their governing body members, officers, and agents including the independent contractors, consultants, and legal counsel, servants and employees thereof (hereinafter, for the purposes of this Section, collectively the "Indemnified Parties") for any expenses (including attorneys' fees), loss, damage to property, or death of any person occurring at or about, or resulting from any defect in, the Project; provided, however, the Developer shall not be required to indemnify any Indemnified Party for any claims or proceedings arising from any negligent or unlawful acts or omissions of such Indemnified Party. Promptly after receipt by the HRA or the City of notice of the commencement of any action in respect of which indemnity may be sought against the Developer under this Section 4.01, such person will notify the Developer in writing of the commencement thereof, and, subject to the provisions hereinafter stated, the Developer shall assume the defense of such action (including the employment of counsel, who shall be counsel reasonably satisfactory to the HRA and the City) and the payment of expenses insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against the Developer. The HRA and the City shall each have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the Developer unless the employment of such counsel has been specifically authorized by the Developer. Notwithstanding the foregoing, if the HRA or the City has been advised by independent counsel that there may be one or more legal defenses available to it which are different from or in addition to those available to the Developer, the Developer shall not be entitled to assume the defense of such action on behalf of the HRA or the City, but the Developer shall be responsible for the reasonable fees, costs and expenses (including the employment of counsel) of the HRA and the City in conducting their defense. The Developer shall not be liable to indemnify any person for any settlement of any such action effected without the Developer's consent. The omission to notify the Developer as herein provided will not relieve the Developer from any liability which they may have to any Indemnified Party pursuant hereto, otherwise than under this Section.

(b) The Developer agrees to protect and defend the Indemnified Parties, and further agrees to hold the aforesaid harmless, from any claim, demand, suit, action or other proceeding whatsoever by any person or entity arising or purportedly arising from the actions or inactions of the Developer (or other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided that this indemnification shall not apply to the warranties made or obligations undertaken by the HRA or the City in this Agreement or to any actions undertaken by the HRA or the City which are not contemplated by this Agreement but shall, in any event, apply to any pecuniary loss or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the HRA or the City at a rate equal to the prime rate) as a result of the Project, as constructed and operated by the Developer, causing the TIF District to cease to qualify as a "redevelopment district" under the TIF Act or to violate limitations as to the use of the revenues therefrom as set forth in the TIF Act.

(c) All covenants, stipulations, promises, agreements and obligations of the HRA and the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the HRA and the City and not of any governing body member, officer, agent, servant or employee of the HRA or the City, as the case may be.

4.02. Insurance.

(a) Subject to the terms of any Mortgage relating to the Development Property, the Developer shall keep and maintain the Development Property and Minimum Improvements at all times insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with facilities of the type and size comparable to the Minimum Improvements, and the Developer shall carry and maintain, or cause to be carried and maintained, and pay or cause to be paid timely the premiums for direct damage insurance covering all risks of loss, including, but not limited to, the following:

1. fire
2. extended coverage perils
3. vandalism and malicious mischief

4. boiler explosion (but only if steam boilers are present)
5. collapse

on a replacement cost basis in an amount equivalent to the full insurable value thereof. ("Full insurable value" shall include the actual replacement cost of the Minimum Improvements, exclusive of foundations and footings, without deduction for architectural, engineering, legal or administrative fees or for depreciation.) Insurance in effect with respect to any portion of the Minimum Improvements to be rehabilitated or renovated as a part of the Project prior to the issuance by the City of a Certificate of Completion under Section 3.03 hereof with respect thereto shall be maintained on an "all-risk" builder's risk basis during the course of construction. The policies required by this Section 4.02 shall be subject to a no coinsurance clause or contain an agreed amount clause, and may contain a deductibility provision not exceeding $25,000.

(b) Subject to the terms of any Mortgage relating to the Development Property, policies of insurance required by this Section 4.02 shall insure and be payable to the Developer, and shall provide for release of insurance proceeds to the Developer for restoration of loss. The City shall be furnished certificates showing the existence of such insurance. In case of loss, the Developer is hereby authorized to adjust the loss and execute proof thereof in the name of all parties in interest. On an annual basis and from time to time at the City or the HRA's request, the Developer shall file with the City or the HRA, as applicable, a certificate of insurance for each of the policies required under this Section 4.02.

ARTICLE 5
Public Assistance

5.01. Development Costs. The Developer has agreed to and shall be responsible to pay all of its respective costs of the Project, as herein provided. However, the HRA, in order to encourage the Developer to proceed with the construction of the Minimum Improvements, and to assist the Developer in paying the costs thereof, is willing to provide the Public Assistance and thereby reimburse the Developer for a portion of the Project Costs, as permitted by the TIF Act and in accordance with the TIF Plan, that will be incurred by the Developer to construct the Minimum Improvements.

5.02. Reimbursement for Qualified Costs. The HRA agrees to reimburse the Developer, using Available Tax Increment on a pay-as-you-go basis, for Qualified Costs of the Project. The HRA shall, upon completion of the Minimum Improvements of the Project and the issuance of a the Certificate of Completion therefor, make reimbursement payments pursuant to a limited revenue tax increment note (the "Note") for the Project, the form of which is attached hereto as Exhibit F, with said payments of principal and interest to be made on the dates (the "Payment Dates") specified in the Note, subject to the following terms and conditions:

(a) The total principal amount of any and all Notes issued for the Project will not exceed One Million Seven Hundred Sixty Thousand Dollars ($1,760,000).

(b) No payments shall be made by the HRA to the Developer unless and until the Developer has provided written evidence reasonably satisfactory to the HRA that (i) Qualified Costs in the amount to be reimbursed from the Available Tax Increment have been incurred for the Project and paid by the Developer and (ii) the Certificate of Completion has been issued as contemplated in Section 3.03 hereof.

(c) The HRA shall be obligated to make the payments to the Developer required pursuant to this Section 5.02 *only from and to the extent of* the Available Tax Increment actually received from the TIF District for any tax year, and such payments shall never be considered to be a general obligation or indebtedness of the HRA.

(d) The HRA will retain ten percent (10%) of the Tax Increment generated for administrative costs and apply the retained Tax Increment first to pay any administrative expenses relating to the Development Property to the extent permitted by the Tax Increment Act and to the extent that such expenses have not been paid or reimbursed to the HRA by the Developer. Any of the retained Tax Increment remaining after the payment of any administrative expenses then due and owing (the "Available Tax Increment") shall be paid to the Developer for reimbursement of the Qualified Costs plus interest on the Payment Dates.

(e) Upon thirty (30) days' written notice to the Developer, the HRA may prepay all or a portion of the outstanding principal balance due to the Developer pursuant to this Section 5.02 without penalty, on any date at a prepayment price equal to the outstanding principal balance to be prepaid plus accrued interest to the prepayment date.

(f) The HRA shall not be obligated to make any payments hereunder subsequent to the termination of this Agreement as provided in Section 8.06 hereof, and any amounts remaining unpaid as of such date (other than by reason of failure of the HRA to comply with the terms of this Agreement) shall be considered forgiven by the Developer and shall cease to be owing.

(g) The Developer may assign its rights under this Agreement (including the payments to be made to the Developer hereunder) to secure financing incurred by the Developer to pay costs of the Project, including but not limited to any Mortgagee.

5.03. Conditions Precedent to Provision of Public Assistance.

Upon payment by the Developer of Qualified Costs for the Project, the Developer will deliver to the HRA an instrument executed by the Developer (i) specifying the amount and nature of the Qualified Costs of the Minimum Improvements for the Project to be reimbursed and (ii) certifying that such costs have been paid to third parties unrelated to the Developer, or if any costs have been paid to third parties related to the Developer, that such costs do not exceed the reasonable and customary costs of services, labor or materials of comparable quality, dependability, availability and other pertinent criteria and that such costs have not previously been contained in an instrument furnished to the HRA pursuant to this Section 5.03. Together with such instrument, the Developer shall deliver to the HRA evidence reasonably satisfactory to the HRA of the payment by the Developer of such costs to be reimbursed. Thereafter, the HRA will provide to the Developer reimbursement for the Project, constituting a portion of the Assistance described in this Article 5, paid up to the maximum amount then due and payable, in accordance with Section 5.02.

5.04. Satisfaction of Conditions Precedent. Notwithstanding anything to the contrary contained herein, the HRA's obligation to reimburse the Developer for Qualified Costs shall be subject to satisfaction, or waiver in writing by the HRA, of all of the following conditions precedent:

(i) the conditions precedent in this Section 5.04 hereof have been satisfied;

(ii) the Developer shall have cured any title defects with respect to the Development Property;

(iii) the Developer shall not be in default under the terms of this Agreement beyond any applicable cure period;

(iv) the Developer shall have executed and recorded on the title to the Development Property, the Declaration of Restrictive Covenants, required by Section 2.05 hereof, as set forth in Exhibit B; and

(v) the Developer shall have closed on or received commitments in financing sufficient to pay all costs to be incurred in connection with the Project.

In the event that all of the above conditions required to be satisfied as provided in this Section 5.04 have not been satisfied by December 31, 2020, either the HRA or the Developer may terminate this Agreement by thirty (30) days' written notice. Upon such termination, the provisions of this Agreement relating to the Minimum Improvements shall terminate and, except as provided in Article 8, neither the Developer nor the HRA shall have any further liability or obligation to the other hereunder.

5.05. Notice of Default. Whenever the HRA or the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in its obligations or covenants under this Agreement, the HRA or the City shall at the same time forward a copy of such notice or demand to each investor, lender, or holder of any permitted mortgage, lien or other similar encumbrance at the last address of such holder shown in the records of the HRA or the

City. Each such investor, lender, or holder shall have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided that if the breach or default is with respect to construction of the Project, nothing contained in this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Project without first having expressly assumed the obligation to the HRA and the City, by written agreement satisfactory to the HRA and the City, to complete the construction the Project in accordance with the plans and specifications therefor and this Redevelopment Agreement. Any such holder who shall properly complete the construction of the Project shall be entitled, upon written request made to the HRA and the City, to a certification by the HRA and the City to such effect in the manner provided in Section 3.03.

5.06. Profit Sharing on For Sale Housing. (a) The HRA has determined to provide the financial assistance outlined in this Agreement on the basis of certain assumptions regarding likely costs and expenses affecting the Minimum Improvements and proceeds to be derived by the Developer from the sale of condominium units. The likely costs and proceeds have allowed the parties to estimate the profit (calculated before income taxes are applied) likely to be received by the Developer. The HRA and Developer agree that those assumptions will be reviewed at the time described in paragraph (b), in accordance with the development pro forma attached hereto as Exhibit D.

(b) Within 60 days after closing on the sale of the final condominium within the Minimum Improvements, the Developer agrees to provide such financial data to the HRA's financial consultant in a format in accordance with generally accepted accounting principles, and as may be necessary for the consultant to calculate the actual rate of return to the Developer, and other relevant information. The Developer agrees to provide to the HRA's consultant any background documentation related to the financial data, upon request. If, based on such review, the actual profit (calculated in a manner comparable to estimated Project Profit (Gap) in Exhibit D) for the Developer produces an Internal Rate of Return ("IRR") greater than exceeds a 20% rate of return (to be calculated in a manner comparable to the Total Proceeds minus Total Development Costs, as shown in Exhibit D), then the principal amount of the TIF Note shall be reduced on a dollar for dollar basis to allow the Developer to achieve a 20% IRR rate of return.

ARTICLE 6
Prohibitions Against Assignment and Transfer

6.01. Transfer of Property and Assignment. Other than leases or sales of condominiums made in the ordinary course of business, the Developer has not made and will not make, or suffer to be made, any total or partial sale, assignment, conveyance, lease, or other transfer, with respect to this Agreement, the Project or Property or any part thereof or any interest therein (other than any Mortgage or Mortgages securing financing for the Project or other than any assignment of the payments to be made to the Developer under Section 5.02 hereof that is permitted under Section 5.02 hereof), or any contract or agreement to do any of the same, without the prior written approval of the HRA and the City, which shall not be unreasonably withheld. The HRA and the City shall be entitled to require as conditions to any such approval that: (i) the proposed transferee have the qualifications and financial responsibility, as reasonably determined by the HRA and the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer; (ii) the proposed transferee, by recordable instrument satisfactory to the HRA and the City shall, for itself and its successors and assigns, assume all of the obligations of the Developer under this Agreement. No transfer of, or change with respect to, ownership in the Project or Property or any part thereof, or any interest therein, however consummated or occurring and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the HRA or the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Project or Property and the completion of the Project that the HRA or the City would have had, had there been no such transfer or change. There shall be submitted to the HRA and the City for review all legal documents relating to the transfer.

Notwithstanding the foregoing, this Section 6.01 shall not apply to any transfer or assignment to (i) any entity controlling, controlled by or under common control with the Developer or (ii) any entity in which the majority equity interest is owned by the parties that have a majority equity interest in the Developer.

Provided that no Event of Default exists hereunder, any such transfer or assignment shall release the Developer from its obligations hereunder upon execution and delivery to the HRA and the City by the transferee or assignee of an instrument in form and substance satisfactory to the HRA and the City by which the transferee or assignee assumes the obligations of the Developer hereunder.

In the absence of specific written agreement by the HRA and the City to the contrary, no such transfer or approval by the HRA and the City thereof shall be deemed to relieve the Developer, or any other party bound in any way by this Agreement or otherwise with respect to the completion of the Project, from any of their obligations with respect thereto.

6.02. Termination of Limitations on Transfer. The provisions of Section 6.01 shall terminate at such time as the Certificate of Completion has been issued by the City under Section 3.03 of this Agreement with respect to the Project; provided, however, that any assignment of the payments to be made to the Developer under Section 5.02 may only be assigned as permitted under Section 5.02 hereof.

ARTICLE 7
Event of Default; Fees

7.01. Events of Default. Subject to Unavoidable Delay, the following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any one or more of the following events which occurs and continues for more than thirty (30) days after written notice by the defaulting party of such default (and the term "default" shall mean any event which would with the passage of time or giving of notice, or both, be an "Event of Default" hereunder):

(a) Failure of the Developer to construct or reconstruct the Minimum Improvements as required hereunder.

(b) Failure of the Developer to furnish the Construction Plans as required hereunder.

(c) Failure of the Developer to pay to the HRA any amounts required to be paid by the Developer hereunder.

(d) Failure of the Developer or the HRA to observe and perform any other covenant, condition, obligation or agreement on its part to be observed or performed hereunder.

(e) Failure of the Developer to pay any taxes on the Development Property as they become due.

(f) Filing of any voluntary petition in bankruptcy or similar proceedings by the Developer; general assignment for the benefit of creditors made by the Developer or admission in writing by the Developer of inability to pay its debts generally as they become due; or filing of any involuntary petition in bankruptcy or similar proceedings against the Developer which are not dismissed or stayed within sixty (60) days.

7.02. Remedies on Default. In the event the HRA or the City desires to exercise any of its rights or remedies as provided herein or otherwise available to the HRA or the City at law or in equity, the HRA or the City shall first provide written notice to Developer setting forth with specific particularity the Event of Default and the action required to cure or remedy the same (the "Default Notice"). Developer or any transferee or assignee under Section 6.01 hereof, shall have thirty (30) days from receipt of a Default Notice to cure or remedy the Event of Default specified in the Default Notice, or such longer period as may be reasonably required to complete the cure as soon as reasonably possible under the circumstances. If, following Developer's receipt of a Default Notice, Developer does not cure or remedy the Event of Default therein specified within the time provided above, the HRA or the City may take any one or more of the following actions at any time prior to Developer's curing or remedying the Event of Default:

(a) Suspend its performance under this Redevelopment Agreement until it receives assurances from Developer, deemed adequate by the HRA or the City, that Developer will cure its default and continue its performance under this Agreement.

(b) Terminate all rights of Developer under this Agreement.

(c) Withhold the Certificate of Completion.

(d) Take whatever action at law or in equity may appear necessary or desirable to the City to enforce performance and observance of any obligation, agreement, or covenant of Developer under this Agreement.

In the event the HRA should fail to observe or perform any covenant, agreement or obligation of the HRA on its part to be observed and performed under this Redevelopment Agreement, Developer may take any one or more of the following actions:

(a) Suspend its performance under this Redevelopment Agreement until it receives assurances from the HRA deemed adequate by Developer, that the HRA will cure its default and continue its performance under this Redevelopment Agreement.

(b) Terminate all rights of the HRA under this Agreement.

(c) Take whatever action at law or in equity may appear necessary or desirable to Developer to enforce performance and observance of any obligation, agreement, or covenant of the HRA under this Agreement.

7.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to the HRA, the City or to the Developer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the HRA, the City or Developer to exercise any remedy reserved to them, it shall not be necessary to give notice, other than such notice as may be required under this Agreement.

7.04. Waivers. All waivers by any party to this Agreement shall be in writing. If any provision of this Agreement is breached by any party and thereafter waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

7.05. Agreement to Pay Attorneys' Fees. Whenever any Event of Default occurs and the HRA or the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the HRA or the City the reasonable fees of such attorneys and such other expenses so incurred by the HRA or the City.

ARTICLE 8
General Provisions

8.01. Conflicts of Interest; HRA and City Representatives Not Individually Liable. No member, official, employee, or consultant or employee of a consultant of the HRA or the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, consultant or the consultant's employees or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official, consultant or consultant's employee, or employee of the HRA or the City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the HRA or the City or for any amount which may become due to Developer or successors or on any obligations under the terms of this Agreement.

8.02. Equal Employment Opportunity. Developer, for itself and its successors and assigns, agrees that during the construction of the Project it will comply with any applicable affirmative action and nondiscrimination laws or regulations.

8.03. Restrictions on Use. Developer agrees for itself, and its successors and assigns, and every successor in interest to the Development Property, or any part thereof, that Developer, and such successors and assigns, shall devote the Development Property to, and only to and in accordance with, the uses specified in the Development Program, this Agreement and other agreements entered into between the Developer and the HRA or the City, and shall not discriminate upon the basis of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and familial status in the sale, lease, or rental or in the use or occupancy of the Development Property or any improvements erected or to be erected thereon, or any part thereof.

8.04. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

8.05. Business Subsidies Act.

Based on the representations of the Developer contained in this Agreement, the assistance being provided by the HRA to the Developer under this Agreement is not a business subsidy under the Business Subsidies Act, and a subsidy agreement as described in Minnesota Statutes, Section 116J.994, Subd. 3 and Subd. 4 is not being entered by the HRA and Developer.

8.06. Term of Agreement. This Agreement shall terminate upon the earlier to occur of (i) reimbursement of the Developer's costs by the HRA as provided in Section 5.02 hereof; (ii) the decertification of the TIF District; or (iii) the HRA and the Developer agree in writing to terminate this Agreement; it being expressly agreed and understood that the provisions of this Agreement are intended to survive the expiration and satisfaction of any security instruments placed of record contemporaneously with this Agreement, if such expiration and satisfaction occurs prior to the expiration of the term of this Agreement, as stated in this Section 8.06.

8.07. Provisions Surviving Termination. Sections 4.01 and 7.05 hereof shall survive any termination, rescission, or expiration of this Agreement with respect to or arising out of any event, occurrence, or circumstance existing prior to the date thereof.

ARTICLE 9
Administrative Provisions

9.01. Notices and Demands. Except as otherwise expressly provided in this Redevelopment Agreement, a notice, demand, or other communication under this Redevelopment Agreement by any party to another party shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally as follows:

(a) in the case of Developer, addressed to or delivered personally to:

Ventana, LLC
1907 Wayzata Boulevard
Suite 250
Wayzata, MN 55391
Attention: Bradley Hoyt

with a copy to:

Entrepartner Law Firm, PLLC
3700 Campbell Mithun Tower
222 South Ninth Street
Minneapolis, Minnesota 55402
Attn: Michael Mergens

(b) in the case of the HRA, addressed or delivered personally to:

Housing and Redevelopment Authority
of the City of Wayzata
600 Rice Street East
Wayzata, MN 55391
Attention: Executive Director

(c) in the case of the City, addressed or delivered personally to:

City of Wayzata
Wayzata City Hall
600 Rice Street East
Wayzata, MN 55391
Attention: City Manager

The HRA, the City and the Developer, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

9.02. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

9.03. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the HRA, the City and the Developer and their respective successors and assigns.

9.04. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

9.05. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the HRA, the City and the Developer. The Chair and Executive Director of the HRA are authorized to execute and deliver amendments and any documents related to this Agreement on behalf of the HRA. The Mayor and City Administrator are authorized to execute and deliver amendments and any documents related to this Agreement on behalf of the City.

9.06. Further Assurances and Corrective Instruments. The HRA, the City and the Developer agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Development Property or the Minimum Improvements or for carrying out the expressed intention of this Agreement.

9.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or Sections of this Redevelopment Agreement.

9.08. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota without giving effect to the conflicts-of-laws principles thereof.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed as of the date first above written.

HOUSING AND REDEVELOPMENT
AUTHORITY OF THE CITY OF WAYZATA

By ____
Thomas Shaver, Chair

And ______________________________________
Jeffrey Dahl, Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me on this ____ day of _______________, 2018, by Thomas Shaver, the Chair, and Jeffrey Dahl, the Executive Director, of the Housing and Redevelopment Authority of the City of Wayzata, a body politic and corporate under the laws of the state of Minnesota, on behalf of the Authority.

IN WITNESS WHEREOF, I have set my hand and my official seal this ____ day of ______________, 2018.

____
Notary Public

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed as of the date first above written.

CITY OF WAYZATA, MINNESOTA

By ____
Kenneth Willcox, Mayor

And ______________________________________
Jeffrey Dahl, City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me on this ____ day of ______________, 2018, by Kenneth Willcox, the Mayor, and Jeffrey Dahl, the City Manager, of the City of Wayzata, a Minnesota municipal corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I have set my hand and my official seal this ____ day of _____________, 2018.

____
Notary Public

VENTANA, LLC a Minnesota limited liability company

By: ____

Its: ____

STATE OF MINNESOTA)
) ss.
COUNTY OF __________)

The foregoing instrument was acknowledged before me on this ___ day of ___________, 2018, by _______, the _______ of Ventana, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

IN WITNESS WHEREOF, I have set my hand and my official seal this ___ day of __________, 2018.

____
Notary Public

EXHIBIT A

DEVELOPMENT PROPERTY

The real property and interests in such property located in the County of Hennepin, State of Minnesota and described as follows:

Parcel Number	Previous Legal Description	New Legal Description
06-117-22-23-0013	Lot 17, Auditor's Subdivision No. 184, Beginning at the Southwest corner of Lot 17	

EXHIBIT B

COVENANTS AND RESTRICTIONS

During the term of that certain Redevelopment Agreement between the Wayzata Housing and Redevelopment Authority, the City of Wayzata, and Ventana, LLC, dated November ___, 2018 and recorded in the Office of the Hennepin County Registrar as Document No. __________ on ____________, 2018, the Property shall be subject to the following covenants and restrictions:

1. The Property shall not be exempt from real estate taxes notwithstanding the ownership or use of the land.

2. The Property shall not be sold, transferred, conveyed or leased to any of the following parties:

   (a) An institution of purely public charity;

   (b) A church or ancillary tax-exempt housing;

   (c) A public hospital;

   (d) A public school district;

   (e) An organization exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, if as a result of such sale, transfer, conveyance or lease the Property would become exempt from real estate taxes; or

   (f) A Minnesota cooperative association organized under Minnesota Statutes, Section 308.05 and 308.18 for the purpose of complying with the provisions of Minnesota Statutes, Section 273.133, subdivision 3, or any other party that would cause the Property to be valued and assessed for real estate tax purposes at a lower percentage of its market value than the Property is then being valued and assessed for real estate tax purposes or would result in the Property becoming exempt from real estate taxes.

3. The Property shall not be used for any of the following purposes:

   (a) The operation of a public charity;

   (b) A church or house of worship;

   (c) The operation of a public hospital;

   (d) The operation of a public schoolhouse, academy, college, university or seminary of learning; or

(e) Any other use which would cause the Property to be valued and assessed for real estate tax purposes at a lower percentage of its market value than the Property is then being valued and assessed for real estate tax purposes or would result in the Property becoming exempt from real estate taxes.

4. The Property shall be devoted to uses consistent with a "redevelopment district" under Minnesota Statutes, Sections 469.174 through 469.1794.

5. The Property owner shall:

(a) not discriminate on the basis of color, creed, national origin, or sex in the sale, lease, use or occupancy of the Property, the Minimum Improvements or any part thereof; and

(b) develop the Development Property in an orderly manner consistent with the City's zoning ordinances and comprehensive plan.

6. The covenants and restrictions herein contained shall run with the title to the Property and shall be binding upon all present and future owners and occupants of the Property; provided, however, that the covenants and restrictions herein contained shall inure only to the benefit of the City and may be released or waived in whole or in part at any time, and from time to time, by the sole act of the City, and variances may be granted to the covenants and restrictions herein contained by the sole act of the City. These covenants and restrictions shall be enforceable only by the City, and only the City shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of the covenants and restrictions herein contained, or to enforce the performance or observance thereof.

7. The covenants and restrictions herein contained shall remain in effect until the payment in full of principal of, and interest on, the limited revenue tax increment note issued in accordance with the Redevelopment Agreement, and thereafter shall be null and void.

EXHIBIT C

PROJECT DESCRIPTION; PROJECT COSTS

Project Description:

The Project involves the demolition of the existing building located at 253 Lake Street East in the City of Wayzata and construction of a three (3) story building to include sixteen (16) residential condominiums and one (1) level of underground parking.

In accordance with the City Resolution [______________], the Project shall be subject to the following conditions:

1. The Developer shall secure all necessary building permits for construction and follow all laws and regulations applicable to the Project, including building codes and land use regulations;

2. The Developer shall obtain approval from the City Engineer of Grading, Drainage and Erosion Plans for the Project prior to the City's issuance of building permits;

3. The Developer shall grant any easements needed by the City for purposes of constructing, accessing, operating and maintaining a public parking lot and facility on the back portion of the Property for purposes of providing additional public parking either on the Property or in conjunction with other adjacent property(ies) undergoing redevelopment.

Project Costs:

The estimated public costs of the TIF District are listed below. Such costs ("Qualified Costs") are eligible for reimbursement from tax increments of the TIF District. The categories below identify the categories of expenses that the parties agree may be reimbursed through tax increment financing. The amounts assigned to each category are estimates only and not independent limitations of Developer's Qualified Costs.

Demolition	$120,000.00
Environmental Assessment	$55,000.00
Environmental Remediation	$600,000.00
Site Improvements	$685,000.00

*Developer's Qualified Cost. The total principal amount of any and all tax increment notes issued to reimburse the Developer for Developer's Qualified Costs of the Project will not exceed $1,760,000.00.

<u>EXHIBIT D</u>

<u>DEVELOPMENT PRO FORMA</u>

EXHIBIT E

CERTIFICATE OF COMPLETION

WHEREAS, Ventana, LLC, a Minnesota limited liability company ("the Developer"), is the owner and the Developer of the property in the County of Hennepin and State of Minnesota described on Exhibit A hereto and made a part hereof (the "Development Property"); and

WHEREAS, the Development Property is subject to the provisions of a certain Redevelopment Agreement (the "Agreement") in Development District No. [__] and Tax Increment Financing District No. [__]-[__], dated as of [Month] [Day], 20[__], between the Developer and the City of Wayzata, Minnesota (the "City"); and

WHEREAS, the Developer has fully and duly performed all of the covenants and conditions of Developer under the Agreement with respect to the completion of the Project (as defined in the Agreement);

NOW, THEREFORE, it is hereby certified that all requirements of the Developer under the Agreement with respect to the completion of the Project have been completed and duly and fully performed, and this instrument is to be conclusive evidence of the satisfactory termination of the covenants and conditions of the Agreement as they relate to the completion of the Project. All other covenants and conditions of the Agreement shall remain in effect and are not terminated hereby.

Dated this ____ day of _____________, 2018.

CITY OF WAYZATA, MINNESOTA

By ___________________________________
Kenneth Willcox, Mayor

And __________________________________
Jeffrey Dahl, City Manager

EXHIBIT F

FORM OF LIMITED TAX INCREMENT REVENUE NOTE

No. R-1

UNITED STATES OF AMERICA
STATE OF MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF WAYZATA
LIMITED TAX INCREMENT REVENUE NOTE OF 20[__]
(Ventana Condos Project)

PRINCIPAL AMOUNT: $ **INTEREST RATE: [__]%**

The Housing and Redevelopment Authority of the City of Wayzata (the "HRA") for value received, promises to pay, but solely from the source, to the extent and in the manner hereinafter provided, to [Developer], or its registered assigns (the "Owner"), the principal sum of _______________ ($___________), in semi-annual installments payable on [______] 1, 20[__], and on each [______] 1 and [______] 1 thereafter up to and including [______] 1, 20[__] (each being a "Scheduled Payment Date"), together with interest on the outstanding and unpaid principal balance of this Note at the rate of five percent, 5% per annum. Installment payments shall be applied first to interest and then to a reduction of outstanding principal. Interest on the outstanding balance of this Note shall accrue from the date hereof as simple, non-compounding interest. Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by check or draft made payable to the Owner and mailed to the Owner at the postal address within the United States designated from time to time by the Owner.

This Note is subject to prepayment on any Scheduled Payment Date at the option of the HRA, in whole or in part, upon payment to the Owner of the principal amount of the Note to be prepaid, without premium or penalty.

This Note is a special and limited obligation and not a general obligation of the HRA, which has been issued by the HRA in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including M.S., Sections 469.174 through 469.1794. This Limited Tax Increment Revenue Note of 20[__] (Tax Increment Financing District No. [__]-[__]) (or "Note") is issued pursuant to the provisions of that certain Redevelopment Agreement, dated as of [Month] [Day], 20[__], as the same may be amended from time to time (the "Redevelopment Agreement"), by and between the HRA, the City of Wayzata, Minnesota (the "City") and Ventana, LLC (the "Developer").

THIS NOTE IS NOT PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN PLEDGED TAX INCREMENT, AS DEFINED BELOW.

The Note Payment Amounts due hereon shall be payable solely from a portion of the tax increments, less the HRA's administrative fee of ten percent (10%), from the Development Property within the HRA's Tax Increment Financing District No. 6 – Downtown West (the "Tax Increment District") within its Development District No. [__], which are paid to the HRA and which the HRA is entitled to retain pursuant to the provisions of M.S., Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "Available Tax Increment"). The HRA makes no representation or covenant, express or implied, that the Available Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The HRA shall pay to the Owner on each Scheduled Payment Date all Available Tax Increment on that date to the extent necessary to pay principal and interest then due and any past due installment. To the extent that the HRA is unable to pay the total principal and interest due on this Note at or prior to the [______] 1, 20[__] maturity date hereof as a result of its having received as of such date insufficient Available Tax Increment, such failure shall not constitute a default under this Note and the HRA shall have no further obligation hereon.

This Note shall not be payable from or constitute a charge upon any funds of the HRA, and the HRA shall not be subject to any liability hereon or be deemed to have obligated itself to pay hereon from any funds except the Available Tax Increment, and then only to the extent and in the manner herein specified.

The Owner shall never have or be deemed to have the right to compel any exercise of any taxing power of the HRA or of any other public body, and neither the HRA nor any council member, officer, employee or agent of the HRA, nor any person executing or registering this Note shall be personally liable hereon by reason of the issuance or registration hereof or otherwise.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the HRA outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the HRA to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the Housing and Redevelopment Authority of the City of Wayzata has caused this Note to be executed by the manual signatures of the Chair and the Executive and has caused this Note to be dated as of _________________, 2018.

______________________________	______________________________
Thomas Shaver, Chair	Jeffrey Dahl, Executive Directo

TIF 101 & Hoyt Project

Stacie Kvilvang – Ehlers

July 26, 2018

What is TIF?

Tax Increment Financing (TIF):

The ability to capture and use most of the increased local property tax revenues from new development within a defined geographic area for a defined period of time without approval of the other taxing jurisdictions.

Why use TIF?

- Encourage certain types of development or redevelopment that would not normally occur without assistance ("but for" test)
  - Redevelop blighted areas
  - Remediate polluted sites
  - Create or retain jobs
  - Construct affordable housing

Building Blocks of TIF

There is a starting property value in the TIF District when it is created (also called "base value")

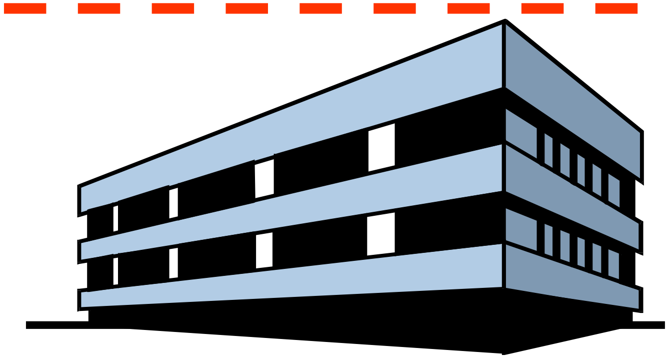
Original Tax Capacity

→ **Tax revenues go to all local units of government**

Building Blocks of TIF

Development Occurs = New Tax Capacity

TIF District can "capture" the increased value from the <u>new</u> development



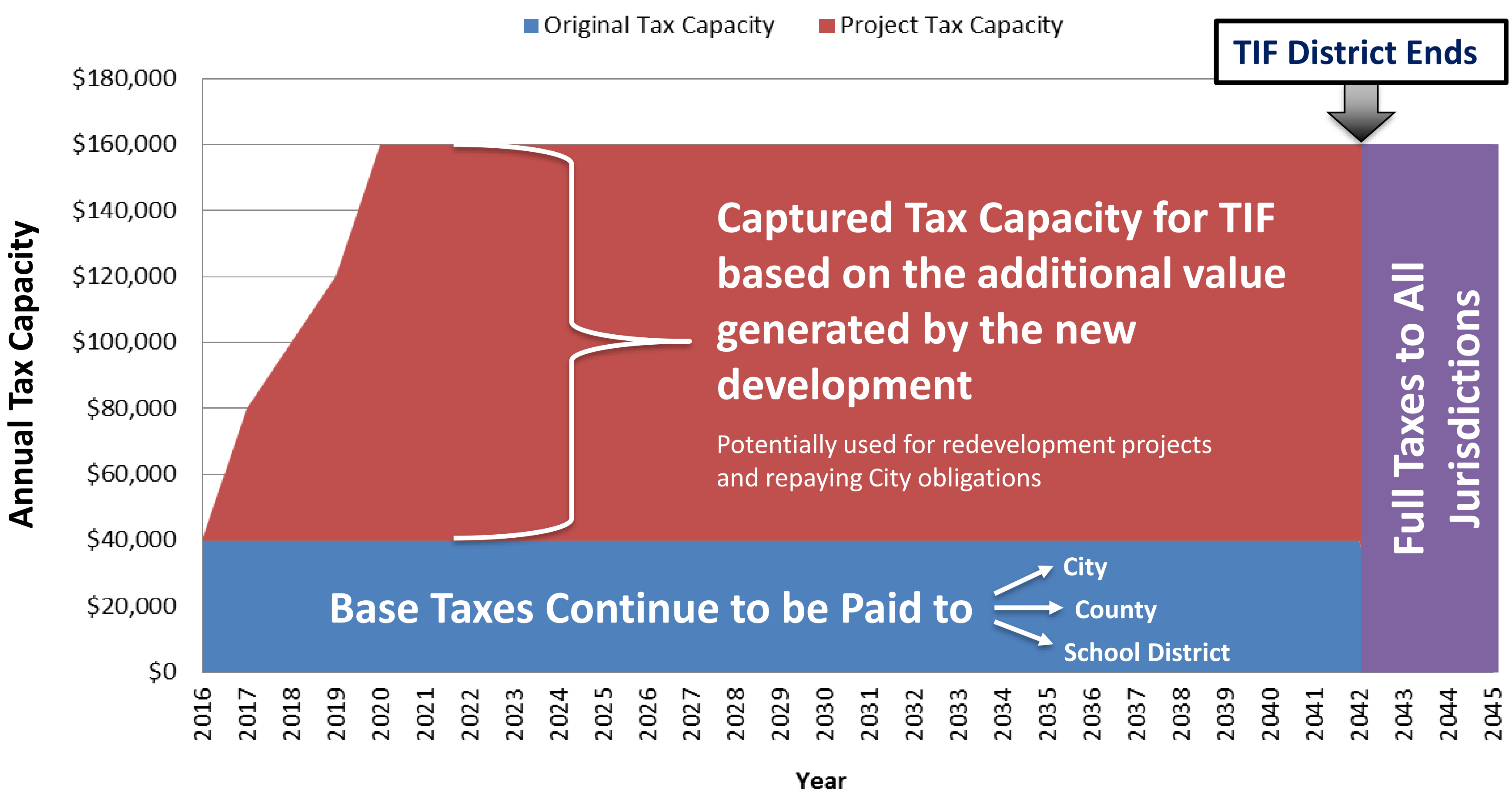
New or "Captured" Tax Capacity available for TIF

Original Tax Capacity

Original tax revenues continue to go to local units of government

TIF = Captured Tax Capacity x Tax Rate

TIF Example (26 year district)



EHLERS
LEADERS IN PUBLIC FINANCE

How can increment be spent?

- Must be costs associated with new development:
  - ✓ Land Acquisition
  - ✓ Demolition and Relocation
  - ✓ Site improvements
  - ✓ Utilities, Streets, Sidewalks
  - ✓ Environmental Clean-up
  - ✓ Parking
  - ✓ Buildings
  - ✓ Administration

TIF District 6 – Approved December 19, 2017

Hoyt Project

EHLERS
LEADERS IN PUBLIC FINANCE

Base Value and Future Value

BASE VALUE INFORMATION (Original Tax Capacity)										
Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.
253 Lake St. E.	2,417,000	1,000	2,418,000	100%	2,418,000	Pay 2018	C/I Pref.	47,610	Hmstd. Res.	28,975
	2,417,000	1,000	2,418,000		**2,418,000**			**47,610**		**28,975**

Insert Rows

PROJECT INFORMATION (Project Tax Capacity)							
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity
	Condos	1,000,000	1,000,000	16	15,999,992	Hmstd. Res.	180,000
TOTAL					**15,999,992**		**180,000**
Subtotal Residential				**16**	**15,999,992**		**180,000**

1. Market values are based upon 95% of average sales prices from the Developer.

What is Excluded From TIF

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Condos	180,000	0	180,000	181,308	0	0	32,974	214,283	13,392.68

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	**214,283**
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(32,974)
less Base Value Taxes	(29,186)
Annual Gross TIF	**152,123**
Less OSA Fee	(548)
Less 10% Admin fee	(15,158)
Net TIF to Developer	**136,418**

Developer receive $.64 from every tax dollar

Overview of TIF Request

EHLERS

LEADERS IN PUBLIC FINANCE

Questions

Staff Report
August 20, 2018

Project Name:	Ventana Condos
Applicant	Ventana, LLC
Property Owner	Berry & Co, Inc
Addresses of Request:	253 Lake St E
Prepared by:	Jeff Thomson, Director of Planning and Building
"60 Day" Deadline:	October 20, 2018 (120 day extension)

Development Application

Introduction

The applicant, Weber Architects & Planners, and the property owner, Ventana, LLC have submitted a development application to redevelop the property at 253 Lake Street East. The proposal includes demolition of the existing building and construction of a three story building with 16 residential condos with one level of underground parking. The development application requests approval of PUD general plans and design review.

Background Information

Over the past year, the City has been considering redevelopment plans on Lake Street between Manitoba Ave and Ferndale Rd. The redevelopment plans include potential public parking that could be provided behind the buildings on the northwest corner of Lake Street and Barry Ave. This parking would serve the proposed development, the existing easement with the Boatworks property, and provide additional public parking for the downtown area. As each of the individual development projects has been reviewed by the City, the land behind 235, 239, 253 and 275 Lake Street has been approved with the public parking option.

On December 19, 2017 the City Council approved the rezoning, PUD concept plan, building height variance, and shoreland impact plan/conditional use permit for the redevelopment of 253 Lake St E. The redevelopment project includes demolition of the existing buildings, and construction of a three story building with 16 residential units with one level of underground parking. As part of the approved PUD concept plan, the applicant proposed donating the land behind the building to the City for use as public parking.

On July 31, 2018, the City Council approved the development application to subdivide the property into three separate lots to facilitate the donation of the back of the property to the City for public parking, and retaining the front lot for the proposed development project.

Application Requests
As part of the submitted development application, the applicant is requesting approval of the following items:

A. PUD General Plan of Development Review: A rezoning to PUD requires both concept and general plan of development review. The City Council approved the PUD concept plan of development in December 2017. The applicant is now requesting approval of the PUD general plan of development. (City Code Section 801.33.6)

B. Design Review: Construction of a new multi-family residential building requires design review. (City Code Section 801.09.1.5)

Property Information
The property identification number and owner of the property are as follows (prior to platting):

Address	PID	Owner
253 Lake St E	06-117-22-23-0013	Berry and Co, Inc.

The current zoning and comprehensive plan land use designations for the property as follows:

Current zoning:	Planned Unit Development (formerly C-4A/Limited Central Business District)
Comp Plan designation:	Central Business District
Overlay districts:	S/Shoreland Overlay District W/Wetland Overlay District

Project Location
The property is located on the north side of Lake Street, between Barry Avenue and Edgewood Court:

Map 1: Project Location

Adjacent Land Uses.
The following table outlines the uses, zoning, and Comprehensive Plan land use designations for adjacent properties:

Direction	Adjacent Use	Zoning	Comp Plan Land Use Designation
North	Wayzata Villa Condominiums and Zitzloff Development site	R-5/Average Density Multiple Residential District	High Density Multiple Family
East	Wayzata Blu Development Site	PUD/Planned Unit Development	Central Business District
South	Lake Street TCF Bank building	N/A PUD/Planned Unit Development	N/A Central Business District
West	Hughes development site	C-4A/Limited Central Business District	Central Business District

Public Hearing Notice
The public hearing notice was published in the *Lakeshore Weekly News* on August 9, 2018. The public hearing notice was also mailed to all property owners located within 350 feet of the subject property on August 8, 2018.

Project Overview

The development application includes demolition of the existing commercial building and out buildings, and construction of a new three-story, residential building. The lower level would include 32 enclosed parking stalls and would be partially located above grade. The three stories include a total of 16 residential condominiums. The entrance to the lower level parking garage would be located on the back of the building, and access would be provided from Lake Street via an easement from the adjacent Hughes development site.

Public Parking
The application includes donation of the land behind the proposed building to the City for parking. This is consistent with the City's approval of the Wayzata Blu project and in consideration of the Hughes development immediately to the west. The City Council previously approved the subdivision application to create the separate lots for public parking and the donation agreement between the applicant and the City.

Planned Unit Development Process
The planned unit development zoning district is unique compared to a standard zoning district in that the development plans that are submitted with an application and approved by the City Council, are the regulating documents for the zoning of the property. Any future changes to the development must be consistent with the approved plans, or the property owner must apply to amend the PUD.

In Wayzata, there is a two phase review of a PUD request. The first phase of PUD review is the concept plans, which provides an overview of the development and a general schematic design of the project, but does not include detailed engineering and architectural design of the buildings and site improvements. The intent of the concept plan is to review the general project characteristics such as consistency with the Comprehensive Plan, consistency with the purpose and intent of the PUD district, and compliance with the general standards outlined in the PUD zoning district. The second phase of a PUD review is the general plan, which is a more detailed review of the site and building design.

The City Council reviewed and approved the PUD concept plan for this development in December 2017. However, the concept plan review does not bind the City from evaluating the PUD general plan on its own merits.

Analysis of Application

City staff has reviewed the pertinent information and City Code requirements for the PUD general plan, and provides the following analysis and information:

Comprehensive Plan
The Comprehensive Plan land use designation for the subject property is Central Business District. The Comprehensive Plan includes the following discussion for the Central Business District:

The Central Business District (CBD) includes the main thoroughfare of Lake Street and is generally referred to as downtown. The CBD continues to evolve into a diverse environment of retail stores, offices, restaurants, and residential land uses. This diversity is seen as healthy in that it attracts a wide variety of people into the downtown area at all times of the day. This diversity along with its proximity to Lake Minnetonka, make the CBD a destination place in the region.

Design Review
The project is subject to the design standards for the Lake Street district. A design review critique of the proposed plans is attached to this report. The proposed project requests one deviation from the design standards:

- Front Door Location: The design standards state that the main entrance to the building must face the primary street at sidewalk grade. The proposed plans have the main entrance at sidewalk level, but on the side of the building and not on Lake Street. The primary reason for the entrance location is (1) the residential uses on the first floor; (2) the width of the building; and (3) the functionality of the first level floor plan.

Zoning
The property is currently zoned PUD, and is located within the shoreland and wetland overlay districts. The following table outlines the zoning standards for the C-4A (previous zoning), PUD, and shoreland overlay districts:

	C-4A Zoning	PUD Zoning	Shoreland Overlay District	Proposed PUD
Height (max.)	2 stories and 30 feet, whichever is less	3 stories and 35 feet, whichever is less	35 feet	3 stories 39.1 feet*
Floor Area Ratio (max.)	2.0	None	None	1.55
Impervious Surface (max.)	None	None	25% 75% with stormwater management 100% with shoreland impact plan/CUP	84% of Lot 1 0% of Lots 2/3
Property Line Setbacks (min.)	None (not adjacent to residential district)	None	None	North: 2 ft. East: 2 ft. South: 12 ft. West 13 ft.

<u>Building Height</u>
Per the zoning ordinance, the building height is measured from the average grade along the building footprint to the top of the parapet/coping of a flat roof. The Council's approval of the PUD concept plan included approval of a building height variance and a conditional use permit/shoreland impact plan for a building height of 40 feet. The proposed building would be three stories with an overall height of 39.1 feet from average grade to the top of the parapet/coping of the building, which is less than the PUD concept plans. The proposed building also includes a basement level for underground parking, which would extend 6 feet above grade level. The zoning ordinance states that a basement level can extend up to 6 feet above grade before it is considered an additional story. Therefore, as defined by the zoning ordinance, the proposed building is 3 stories with a basement level.

<u>Density</u>
The PUD zoning district states that the residential area standards of the R-5 zoning district apply to multiple family residential PUD projects, as determined by the City Council. The R-5 zoning district would require a minimum of 2,000 square feet of lot area per dwelling unit. The proposed PUD would have a lot area per dwelling unit of 3,414 sq. ft. with the proposed 16 dwelling units and include the public parking area on Lots 2 and 3, which are part of the PUD.

<u>Parking</u>
The City's parking ordinance establishes the minimum number of parking stalls that must be provided in a development. For a multiple family development, the parking ordinance requires a minimum of two fee-free spaces for each dwelling unit, of which one must be enclosed. The proposed building consists of 16 dwelling units and 32 enclosed parking spaces within the underground garage. The proposed project provides two stalls per dwelling unit, which meets the requirements of the City's parking ordinance. The project is also proposing to deed Lots 2 and 3 in the rear of the property to the city for a future public parking lot.

<u>Site Access and Circulation</u>
The site previously had a single access drive from Lake Street that was shared with the adjacent property to the east, 259 Lake St E, which is the current construction site for Wayzata Blu. The proposed building would have vehicular access from the Hughes property to the west, 239 Lake St E. As a condition of approval, staff would recommend that the applicant obtain an access easement from the adjacent property owner to allow for the proposed access configuration.

<u>Sidewalks and Pedestrian Connections</u>
The proposed plans includes 12-foot sidewalk along Lake Street that would meet the downtown design guidelines. The plans also include private landscaping between the north edge of the public sidewalk and the building. There would also be a pedestrian walkway on the subject property between Lake Street and the future shared parking lot on the back of the property.

Action Steps
After considering the items outlined in this report and the public hearing held at the meeting, the Planning Commission should direct staff to prepare a *Planning Commission Report and Recommendation*, with appropriate findings, reflecting a recommendation on the application for review and adoption at the next Planning Commission meeting.

Attachments
Applicant's Narrative
Site Tabulation
Building Tabulation
PUD General Plans
Design Critique
Approved PUD Concept Plans

Applicable Code Provisions for Review

Comprehensive Plan

The Comprehensive Plan land use designation for the subject property is Central Business District. The objective of the Central Business District land use category is to promote a diversity of retail, office, service, and residential land uses at a high level of development quality to enhance it as a regional destination. The Comprehensive Plan includes the follow "1st Tier" priorities for the Central Business District:

- Allow a mix of commercial, office, and residential uses that strengthen the CBD as the shopping, employment, and entertainment destination of Wayzata.
- Update development standards continually to assure the highest development quality possible for the Central Business District.
- Complement the CBD and its strong sense of place through land use choices, urban design principles, traffic, parking, and architectural style.
- Investigate strategies to increase retail vitality throughout the CBD.
- Define and evaluate on-street/off-street parking needs consistent with land use, and requirements within the CBD so as to emphasize circulation ease and access control.
- Continue to provide a safe, comfortable, and attractive pedestrian scale environment through the enhancement of the pedestrian circulation system by improving sidewalks, walkways and street furniture; mitigating conflicts with traffic and street intersections, and by providing proper demarcation and sign control.
- Enhance the image and identity of the CBD by emphasizing street trees and landscaping elements.
- Plan for an orderly transition between the CBD development and adjacent residential neighborhoods.
- Accommodate traffic without negatively compromising the integrity of the downtown and its adjacent neighborhoods.
- Consider complementing abutting edges, both residential and retail/commercial.
- Consider public financial support that is fiscally responsible and provides value to the City's infrastructure and community systems.
- Consider ways to assist with redevelopment when properties become a liability to the community.

- Commercial buildings on Lake Street, west of Barry Avenue, should not be required to have a first floor retail use, although it is allowed and encouraged. Transparency requirements under the Lake Street District of the Design Standards remain in effect.

- Identify ecological and water quality impacts on the lake and other water bodies caused by proposed land use developments, for example stormwater runoff, and work to mitigate these impacts.

In addition, the Comprehensive Plan includes the following "2^{nd} Tier" priorities:

- Plan development of parking so that it is not a focal point but rather placed behind buildings with appropriate buffers and landscaping.

- Adjust City's Zoning Ordinance to address concerns of sun-orientation on southern side of Lake Street by requiring upper story setbacks for al1 new construction to avoid shading the north side of Lake Street.

- Continue to evaluate ways to encourage a variety of housing options for upper-story housing.

- Consider 3rd story' uses with appropriate considerations for design and scale. Commercial and residential uses are allowed as a third story, but the third story must be set back significantly more from the front facade of the floor below.

<u>Purpose of PUDs:</u> Section 801.33 of the Zoning Ordinance provides for the establishment of Planned Unit Developments to allow greater flexibility in the development of neighborhoods and/or non-residential areas by incorporating design modifications as part of a PUD conditional use permit or a mixture of uses when applied to a PUD District. The PUD process, by allowing deviation from the strict provisions of the Zoning Ordinance related to setbacks, lot area, width and depth, yards, etc., is intended to encourage:

A. Innovations in development to the end that the growing demands for all styles of economic expansion may be met by greater variety in type, design, and placement of structures and by the conservation and more efficient use of land in such developments.

B. Higher standards of site and building design through the use of trained and experienced land planners, architects, landscape architects, and engineers.

C. More convenience in location and design of development and service facilities.

D. The preservation and enhancement of desirable site characteristics such as natural topography and geologic features and the prevention of soil erosion.

E. A creative use of land and related physical development which allows a phased and orderly development and use pattern.

F. An efficient use of land resulting in smaller networks of utilities and streets thereby lower development costs and public investments.

G. A development pattern in harmony with the objectives of the Wayzata Comprehensive Plan. (PUD is not intended as a means to vary applicable planning and zoning principles.)

H. A more desirable and creative environment than might be possible through the strict application on zoning and subdivision regulations of the City.

PUD General Standards. Section 801.33.2.A sets forth the general standards for review of a PUD application. These are:

A. Health Safety and Welfare. In reviewing the PUD application, the Council shall evaluate the effects of the proposed project upon the health, safety and welfare of residents of the community and the surrounding area.

B. Intent and Purpose of PUDs. In reviewing the PUD application, the Council shall evaluate the project's conformance with the overall intent and purpose of Section 33 of the Zoning Ordinance.

C. Ownership. Applicant/s must own all of the property to be included in the PUD.

D. Comprehensive Plan. The PUD project must be consistent with the City's Comprehensive Plan.

E. Sanitary Sewer Plan. The PUD project must be consistent with the City's Sanitary Sewer Plan.

F. Common Space. The PUD project must provide common private or public open space and facilities at least sufficient enough to meet the minimum requirements established in the Comprehensive Plan, and contain provisions to assure the continued operation and maintenance of such.

G. Density. The PUD project must meet the density standards agreed upon by the applicant and City, which must be consistent with the Comprehensive Plan.

H. Utilities. All utilities associated with the PUD must be installed underground and meet the utility connection requirements of Section 801.33.2.A.10.

I. Roadways. All roadways associated with the PUD must conform to the Design Standards and Wayzata Subdivision Regulations, unless otherwise approved by City Council.

J. Landscaping. All landscaping associated with the PUD must be according to a detailed plan approved by the City Council. In assessing the plan, the City Council shall consider the natural features of the particular site, the architectural characteristics of the proposed structure and the overall scheme of the PUD plan.

K. Setbacks. The front, rear and side yard restrictions on the periphery of the PUD shall be the same as imposed in the respective districts.

<u>Design Standards (City Code Section 801.09)</u>: The design standards set forth in Section 9 of the Wayzata City Zoning Ordinance are referred to collectively as the “Design Standards” or the “Standards”. The purpose of the Design Standards is to shape the City’s physical form and to promote the quality, character and compatibility of new development in the City. The Standards function to:

A. To guide the expansion and renovation of existing structures and the construction of new buildings and parking, within the commercial districts of the City;

B. To assist the City in reviewing development proposals;

C. To improve the City’s public spaces including its streets, sidewalks, walkways, streetscape, and landscape treatments.

With the exception of Section 7 of the Design Standards, a deviation from any section of the Design Standards shall require a finding by the City Council (after considering the Planning Commission’s recommendation) that the negative impact of such deviation is outweighed by one or more of the following factors:

1. The extent to which the project advances specific policies and provisions of the City’s Comprehensive Plan.

2. The extent to which the deviation permits greater conformity with other Standards, policies behind the Standards, or with other Zoning Ordinance standards.

3. The positive effect of the project on the area in which the project is proposed.

4. The alleviation of an undue burden, taking into account current leasing, housing and commercial conditions.

5. The accommodation of future possible uses contemplated by the Design Standards, the Zoning Ordinance or the Comprehensive Plan.

6. A national, state or local historic designation.

7. The project is the remodeling of an existing building which largely otherwise conforms to the Design Standards.

17 July 2018
Narrative

Ventana LLC
253 Lake Street
Wayzata, MN 55391

1 **General Description:**
This narrative will be short and to the point. The development of this area of Wayzata has been discussed for a long time. The only way that it will be done is by a cooperative effort of the three adjacent property owners and the City of Wayzata working as one. This submittal for building approval carefully follows the Concept Plan as has already been approved.

2 **Site Plan:**
The site plan has not changed. We have an access agreement in place with Wayzata Blu (adjacent to the east of our site) to give us access to the rear of our building. When the plan to the west of our site is approved and access to the public parking in the rear is built we will have an access to our building from that drive.

The site plan tabulations show the; site areas, building areas, floor area ratio, hard cover calculations, setbacks, and building floor elevations.

3 **Building Design:**
Parking is provided in the level that is partially below grade due to the high water conditions. We are providing 2 spaces per unit inside the building as required. We do not depend on the public parking area to meet our requirement. When the access to public parking is constructed from Lake Street to the rear of our building we will have access directly off of that drive. This will not change the number of parking stalls or change in any way the shape or size of our parking level.

We have 16 units which range in size from 1,231 sf to 4,031 sf. The first and second floors each have 6 units and the third floor has 4 units.

The building is set back on every level as shown in the sketches. We have set back the first floor from the base. The second and third floors are set back from the first floor as dimensioned on the building plans. The amount of glass directly facing Lake Street at each floor is over 60%. However, when you consider the glass perpendicular to Lake Street at the front elevation we have in effect almost 80% of the wall facing the street as glass.

The building will have a stone and metal panel exterior with accents of stucco. The calculations of the exterior materials are shown on the Building calculation sheet.

4 **Unit Design:**
Although the actual unit design is not critical to the approval of this building, we are showing some conceptual plans which illustrate the openness of the plans that we will be building. It is important to us to have units that have a lot of glass which will add to the interior ambiance of our units. We have included some interior image sketches of our units.

5 **Storm Water:**
We are not required to provide any storm water control for our site since the small site area that we have will drain to the access drive to the west and the site area behind us will be designed and controlled by the City of Wayzata. We are proposing to work with the City of Wayzata and our neighbor to the west to coordinate how the storm water will be handled in the final construction documents for all three parcels.

6 **Landscape/Lighting:**
The site survey shows the line of the street. We have shown on our building plans a 12 foot sidewalk from the curb line. The sidewalk will be installed to meet the specifications of the City of Wayzata. We are showing two street trees planted in steel grates as is common on Lake Street. The area between the public sidewalk and the building would be planted in a variety of prairie grasses to totally screen the approximately 3 foot space between grade and the bottom of the panels of the first floor deck.

We would see the site lighting to occur along the access to the public parking and the standard street lighting which existing patterns would be continued in from of our building.

Conclusion:
We are presenting a developed building that follows exactly the building concept previously approved. The building meets and exceeds the requirements of the zoning ordinance. The final details of landscaping and lighting will need to be coordinated with our neighbor the west and the City of Wayzata.

Ventana Condo
253 Lake Street

<u>Site Tabulation</u>

Total Site Area (From Survey)	57,954 sf	(100%..From Survey)
Lot 1	20,780 sf	(35.9%)
Lot 2	4,033 sf	(6.9%)
Lot 3	28,551 sf	(49.5%)
ROW	4,436 sf	(7.7%)

Building Footprint	17,400 sf
Three floors	40,933 sf

Floor area ratio;

Building w/ Lot 1	1.96 (2.0 allowed)
Building w/ Lot 1 & 2	1.64
Building w/ Lot 1 & 2 & 3	0.76

Hard Cover Calculations;
(Calculations to not take into account public parking since we do not yet know the design as developed by the City of Wayzata)

Building w/ Lot 1	83%
Building w/ Lot 1 & 2	70%
Building w/ Lot 1 & 2 & 3	32%

Building Setbacks;

East	2 feet
South	12' min from street ROW
West	Varies from 13' to 19' to property line Approximately 17' to joint access drive
North	2 feet

Average grade at footprint of building		935.897'
Building height allowed	(935.897' + 40')	975.897'

Building Elevations;

First Floor	941'0"
Second Floor	951'8"

Third Floor	962’4”
Parapet	975’0” (Meets height limit)

17 August 2018

Ventana Condo
253 Lake Street

Building Tabulation

Parking level Elevation 932’0”

32 Parking space (2 per unit)
Amenity spaces
Mechanical spaces
Storage spaces
Trash room
Entrance Lobby

Total area	17021 sf

First Floor Elevation 941’0”

Unit 101	3106 sf
Unit 102	1984 sf
Unit 103	2036 sf
Unit 104	2036 sf
Unit 105	1536 sf
Unit 106	2168 sf
Common	1524 sf
Total area	14,390 sf

Second Floor Elevation 951’8”

Unit 201	2622 sf
Unit 202	2004 sf
Unit 203	2014 sf
Unit 204	2014 sf
Unit 205	1539 sf
Unit 206	2467 sf
Common	1231 sf

Total area	13855 sf

<u>Third Floor Elevation 962’4”</u>

Unit 301	4031 sf
Unit 302	2313 sf
Unit 303	3663 sf
Unit 304	1781 sf
Common	900 sf
Total area	12688 sf

<u>Parapet Elevation 975’0”</u>

<u>Lake Street Elevation</u>

Area of façade directly facing Lake Street

	Bldg Area	Glass Area	
First Floor	920 sf	576 sf	62.6%
Second Floor	920 sf	576 sf	62.6%
Third Floor	920 sf	576 sf	62.6%

The area of glass directly facing Lake Street is at each floor is 62.6%. However the effective area of glass is much higher. Looking at our floor plans, we have added glass on the walls perpendicular to Lake Street formed by the set backs of each of the floors. This added glass in effect gives us almost 80% glass facing Lake Street at each floor.

<u>Total Building Material Calculation</u>

	Tot. Area	Glass	Stone	Metal	Stucco	
South	3680 sf	1728 sf (47%)	494 sf (14%)	972 sf (25%)	486 sf (14%)	
West	7560 sf	2160 sf (29%)	3696 sf (49%)	1424 sf (18%)	280 sf (4%)	
North	3680 sf	1512 sf (41%)	1292 sf (36%)	516 sf (14%)	234 sf (6%)	GD 126 sf
East	7560 sf	2718 sf (36%)	1999 sf (27%)	2148 sf (29%)	695 sf (8%)	
	22480 sf	8118 sf (37%)	7481 sf (33%)	5060 sf (23%)	1695 sf (7%)	

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

WEBER architects & planners

2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 · Fax 952.476.5863 · nw@weberarchitects.com

16 August 2018

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

WEBER architects & planners

2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 · Fax 952.476.5863 · nw@weberarchitects.com

16 August 2018

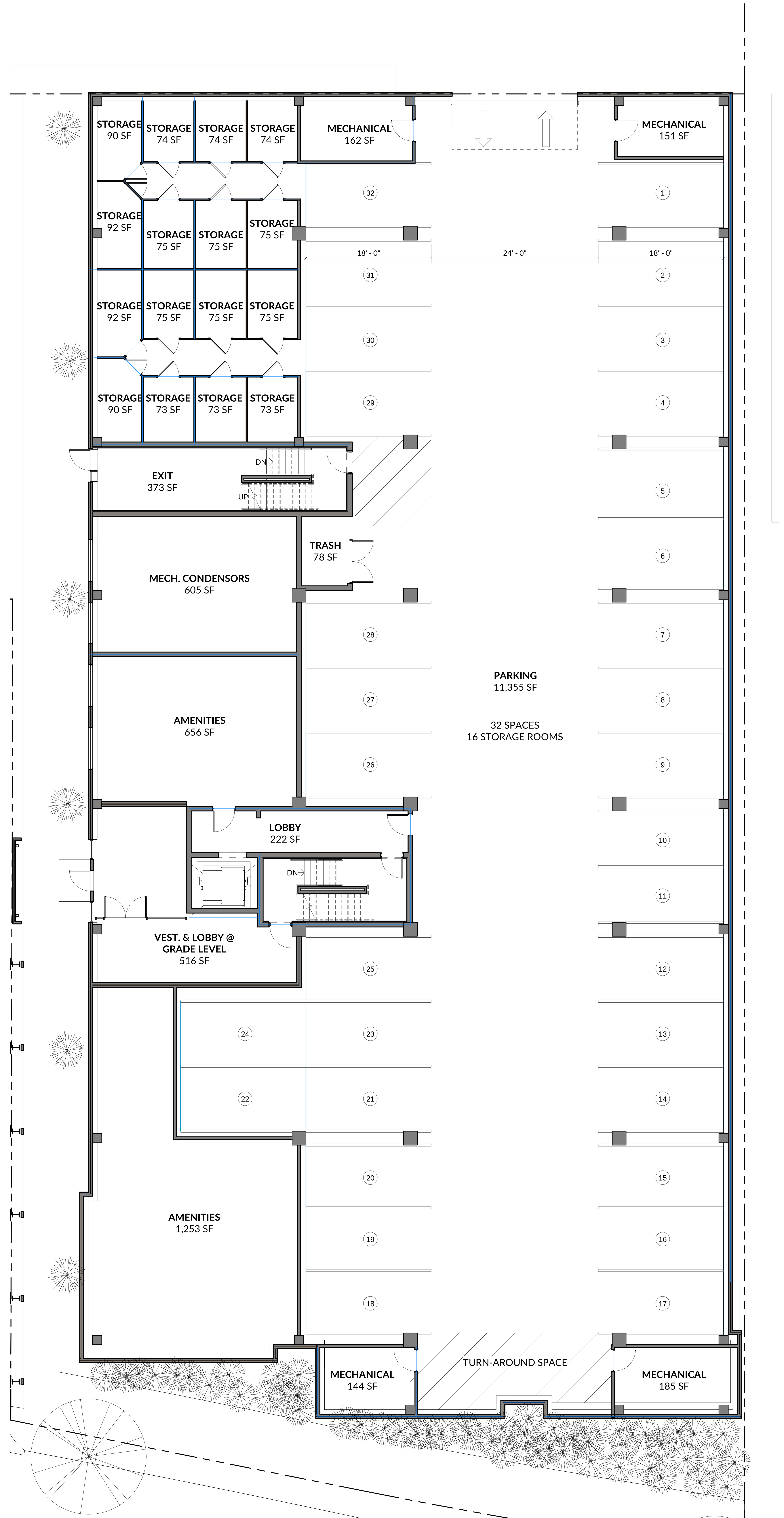
VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

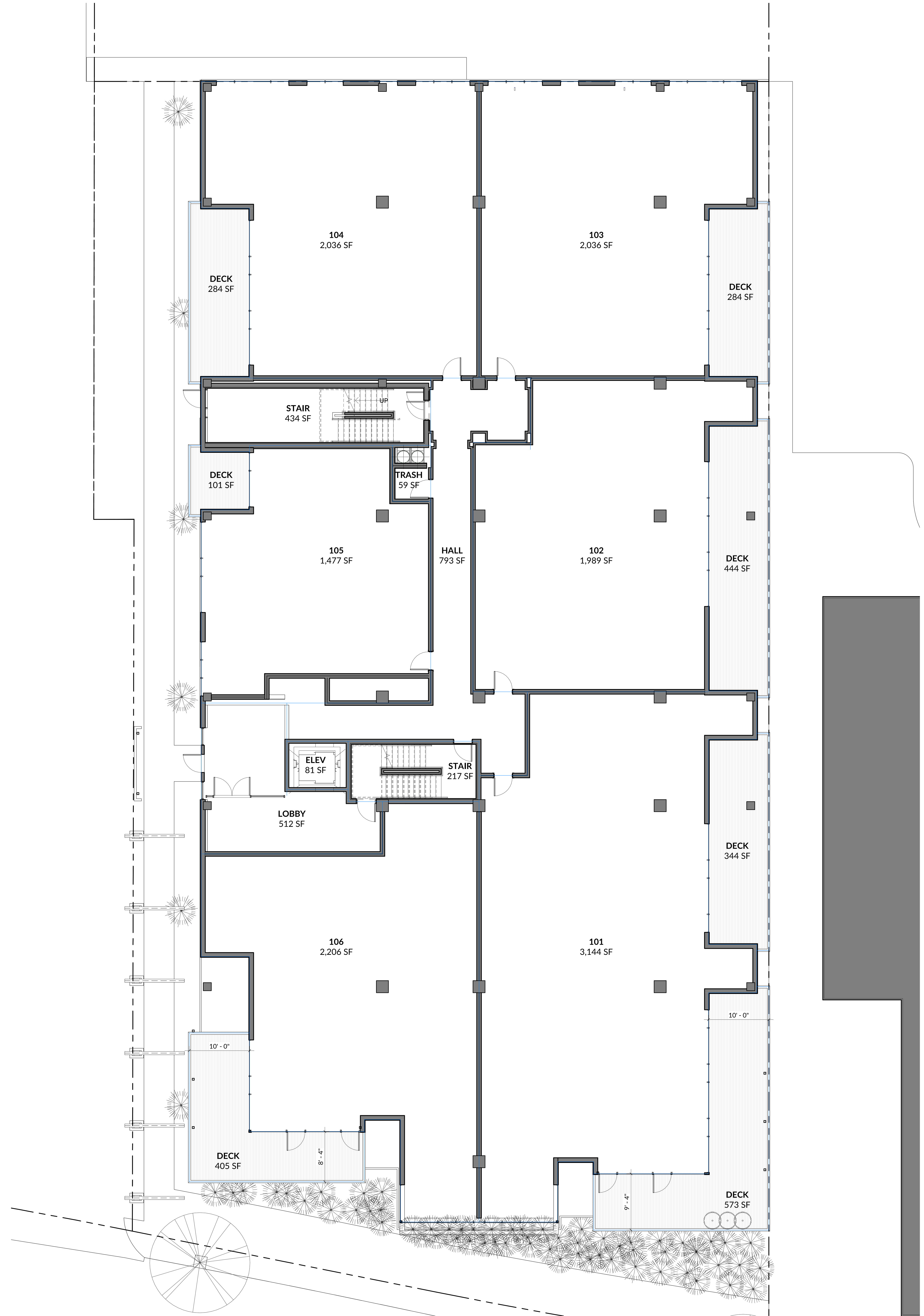
WEBER architects & planners

2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 · Fax 952.476.5863 · nw@weberarchitects.com

16 August 2018



1 LOWER LEVEL
1/8" = 1'-0"



3 FIRST LEVEL
1/8" = 1'-0"

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

NOT FOR CONSTRUCTION

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

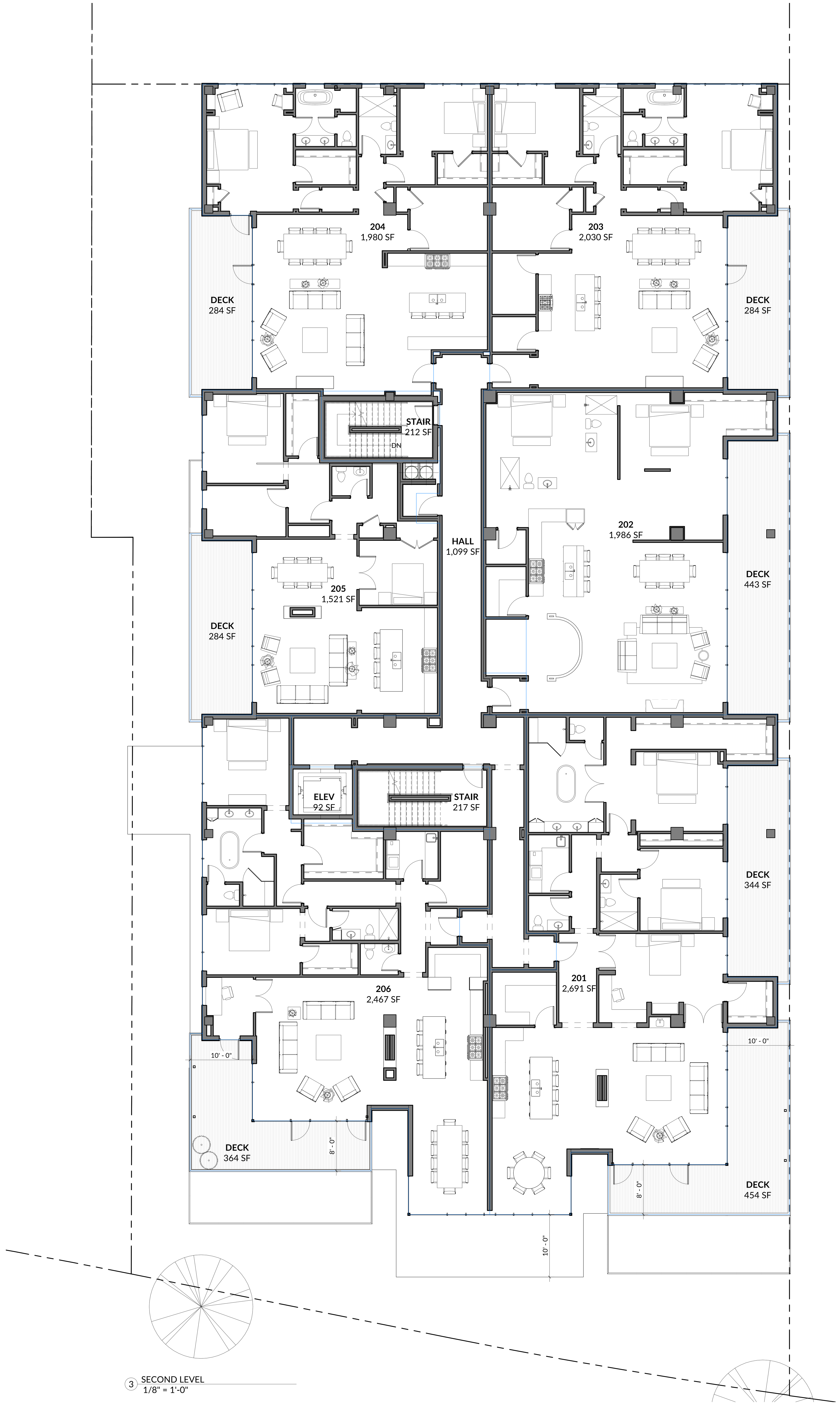
LICENSE NUMBER:
DATE: **16 August 2018**

PROJECT NUMBER: **NW1001**
PRINT DATE: **8/16/2018 4:35:47 PM**

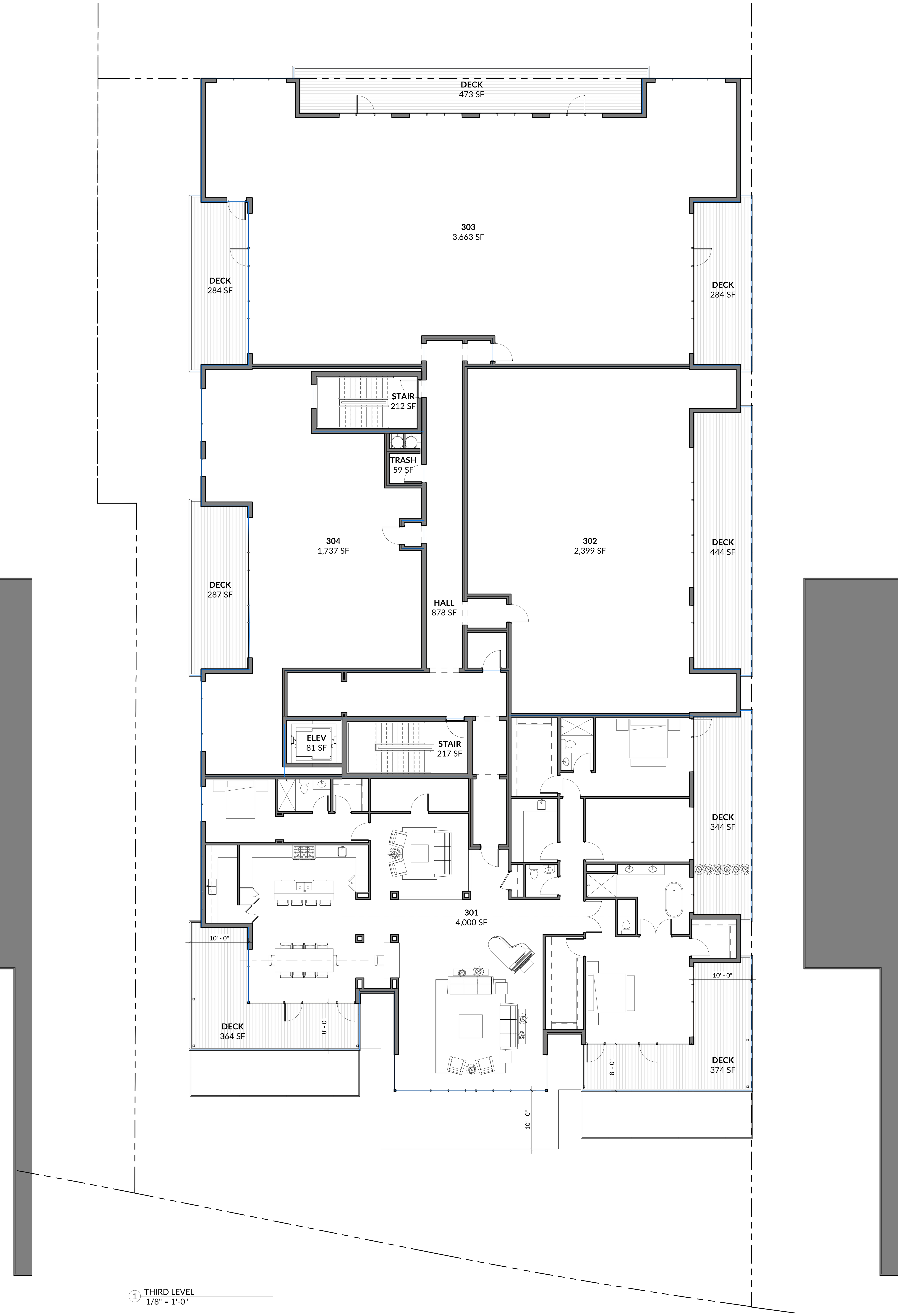
#	REVISION	DATE

WEBER architects & planners
2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 • Fax 952.476.5863 • nw@weberarchitects.com

LOWER & MAIN LEVEL PLAN



3 SECOND LEVEL
1/8" = 1'-0"



1 THIRD LEVEL
1/8" = 1'-0"

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

NOT FOR CONSTRUCTION

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

LICENSE NUMBER:
DATE: **16 August 2018**

PROJECT NUMBER: **NW1001**
PRINT DATE: **8/16/2018 4:35:54 PM**

#	REVISION	DATE

WEBER architects & planners
2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 • Fax 952.476.5863 • nw@weberarchitects.com

SECOND & THIRD LEVEL PLAN

1 SOUTH ELEVATION
1/8" = 1'-0"

2 EAST ELEVATION
1/8" = 1'-0"

3 NORTH ELEVATION
1/8" = 1'-0"

4 WEST ELEVATION
1/8" = 1'-0"

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

NOT FOR CONSTRUCTION

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

LICENSE NUMBER:
DATE: **16 August 2018**

PROJECT NUMBER: **NW1001**
PRINT DATE: **8/16/2018 4:37:14 PM**

#	REVISION	DATE

WEBER architects & planners

2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 • Fax 952.476.5863 • nw@weberarchitects.com

ELEVATIONS

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

WEBER architects & planners

2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 · Fax 952.476.5863 · nw@weberarchitects.com

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

WEBER architects & planners

2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 · Fax 952.476.5863 · nw@weberarchitects.com

16 August 2018

VENTANA CONDOS

253 LAKE ST. EAST
WAYZATA, MN

WEBER architects & planners

2280 Watertown Road, Long Lake, MN 55356-9419
952.476.4434 · Fax 952.476.5863 · nw@weberarchitects.com

DESCRIPTION OF PROPERTY SURVEYED

That part of Lot 10, AUDITOR'S SUBDIVISION NO. 184 described as beginning at a point on the westerly extension of the north line of Lot 11, in said subdivision distant 90 feet westerly from the northwest corner of said Lot 11; thence southerly in a straight line to the northeast corner of Lot 17, in said subdivision; thence westerly along the north ine of said Lot 17 to the northwest corner fo said Lot 17; thence westerly along the north line of Lot 18, in said subdivision, 7 feet; thence northerly parallel with the east line of the plat of LAKE WEST to the easterly extension of the most northerly line of said plat; thence easterly along the last described extension, to the intersection with the northerly extension of the east line of said Lot 17; thence sotherly along the northerly extension of the east line of said Lot 17 to the intersection with the westerly extension of the north line of said Lot 11; thence to the point of beginning.

And

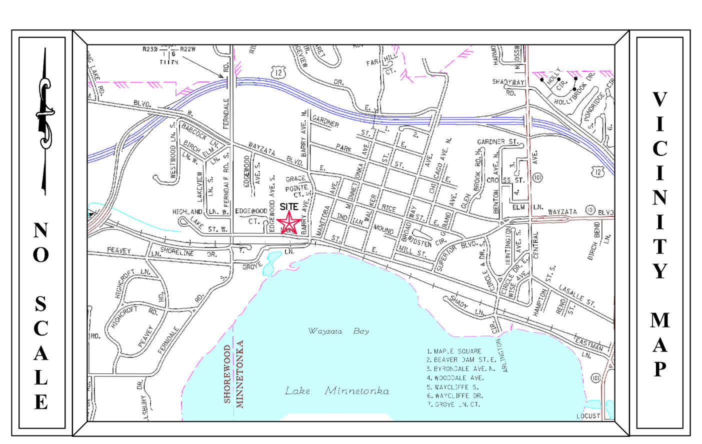
That part of Government Lot 1, Section 6, Township 117, Range 22 lying southerly of the south line of Lot 17, AUDITOR'S SUBDIVISION NO. 184 and westerly of the southerly extension of the east line of said Lot 17, which lies easterly of the southerly extension of the west line of said Lot 17 and northerly of a line described as beginning at a point on the west line of said Government Lot 1 distance 89.9 feet southerly from the northwest corner of said government lot; thence easterly at right angles from said west line of Government Lot 1 a distance of 856.3 feet; thence easterly 196.11 feet along a 6 degree tangential curve to the right having a central angle of 11 degrees 46 minutes; thence southeasterly tangent to said curve 52.2 feet; thence easterly 158.3 feet along a 6 degrees tangential curve to the left having a central angle of 9 degrees 30 minutes and said line there terminating.

Subject to right of the public in Lake Street over the southerly 33 feet of the above described part of Government Lot 1.

Subject to a private easement for roadway purposes over the north 20 feet of the above described Lot 10, as set forth in deed recorded in Book 2116 at page 64.

And

Lot 17, AUDITOR'S SUBDIVISION NO. 184, Hennepin County, Minnesota.



PROPOSED LOT INFORMATION

LOT AREA INFORMATION

Lot 1:	20,780 sq.ft./0.477 acres	
Lot 2:	4,033 sq.ft./0.093 acres	
Lot 3:	28,551 sq.ft./0.655 acres	
ROW:	4,436 sq.ft./0.102 acres	

GENERAL NOTES

1) **Site Address**: 253 Lake Street East, Wayzata, Minnesota 55391

2) **Flood Zone Information**: This property appears to lie in Zone X (area determined to be outside of the 0.2% annual chance floodplain) per Flood Insurance Rate Map, Community Panel No. 27053C0307F effective date of November 4th, 2016.

3) **Parcel Area Information**:

Gross Area:	57,954 s.f.	~	1.330 acres
R/W Area:	3,547 s.f.	~	0.081 acres
Wet Area:	14,382 s.f.	~	0.330 acres
Net Area:	40,025 s.f.	~	0.919 acres.

4) **Benchmark**: Elevations are based on 1.) Top of top nut of first fire hydrant on the south side of Lake Street East west of site: Elevation = 938.42 feet
2.) Top of top nut of first fire hydrant on the northside of Lake Street East east of site: Elevation = 938.37 feet.

5) **Zoning Information**: The current Zoning for the subject property is C-4A (Limited Central Business District) per the City of Wayzata's zoning map. The setback, height, and floor space area restrictions for said zoning designation were obtained from the City of Wayzata found on their web site on the date of February 15th, 2017 and are as follows:

Setbacks: The following minimum requirements shall be observed in a "C-4A" District subject to additional requirements, exceptions, and modifications set forth in this Ordinance.

Height. No building shall be erected or structurally altered to exceed two (2) stories and thirty (30) feet in height, whichever is lesser.

Setbacks. There shall be no front yard, exterior side yard or rear yard requirements, except that there shall be a required setback within C-4A District boundaries when such boundaries are adjacent to a residential district. In such cases, the setback shall be the same as the setback for the adjacent district.

Floor Area Ratio. The maximum floor area ratio (F.A.R.) shall be 2.0.

Area. The minimum total lot area shall be twelve thousand (12,000) square feet.

Please note that the general restrictions for the subject property may have been amended through a city process. We could be unaware of such amendments if they are not in a recorded document provided to us. We recommend that a zoning letter be obtained from the Zoning Administrator for the current restrictions for this site.

6) **Utilities**: We have shown the location of utilities on the surveyed property by observed evidence only. There may be underground utilities encumbering the subject property we are unaware. Please note that we have not placed a Gopher State One Call for this survey. There may or may not be underground utilities in the mapped area, therefore extreme caution must be exercise before any excavation takes place on or near this site. Before digging, you are required by law to notify Gopher State One Call at least 48 hours in advance at 651/454-0002.

7) Wetland(s) shown hereon is (are) per field location of stakes as set by others.

ADDITIONAL NOTES:

Proposed Building shown hereon are preliminary. Not final construction plans were provided. The proposed structures to the east and west were provided by other and are shown to their best representation.

The common driveway between the buildings was provided by Rehder and Associates and is shown per discussion with developers of both sites. The parking configuration in back (north) is shown per a plan provided by the City of Wayzata. It has been modified to tie into the site plan provided for 235 and 253 Lake Street East developments. The darker dashed proposed parking configuration is a proposed phase two parking expansion. All parking shown hereon is for informational purposes only.

Wetland area shown in RED was provided by others.

DEVELOPER

Ventana, LLC
1907 Wayzata Blvd, #250
Wayzata, MN 55391
Attn: Traci Tomas
Tel: 952-746-4137
Email:
Ttomas@continentalpropertygroup.com

ENGINEER/LAND SURVEYOR

Sathre-Bergquist, Inc.
150 Broadway Ave. S.
Wayzata, MN 55391
Engineer: Dan Schmidt
Email:Schmidt@sathre.com
Land Surveyor: David Pemberton
Email: Pemberton@sathre.com
Tel: 952-476-6000

NORTH

Bearings are based on the Hennepin County Coordinate System (NAD 83 - 1986 adj.)

20 10 0 10 20 40

SCALE IN FEET

SURVEY LEGEND

CAST IRON MONUMENT	WOE WALKOUT ELEVATION	BITUMINOUS
CATCH BASIN	FFE FIRST FLOOR ELEVATION	BUILDING SETBACK LINE
FLARED END SECTION	GFE GARAGE FLOOR ELEVATION	CABLE TV
GATE VALVE	TOF TOP OF FOUNDATION ELEV.	CONCRETE CURB
GUY WIRE	LOE LOWEST OPENING ELEV.	CONCRETE
HYDRANT	CABLE TV PEDESTAL	CONTOUR EXISTING
SURVEY MONUMENT SET	ELECTRIC TRANSFORMER	CONTOUR PROPOSED
SURVEY MONUMENT FOUND	ELECTRIC MANHOLE	GUARD RAIL
FOUND CHISELED "X"	ELECTRIC METER	DRAIN TILE
SURVEY CONTROL POINT	GAS METER	ELECTRIC UNDERGROUND
LIGHT POLE	GAS VALVE	FENCE
POWER POLE	HAND HOLE	FIBER OPTIC UNDERGROUND
SANITARY MANHOLE	SOIL BORING	GAS UNDERGROUND
SANITARY CLEANOUT	TREE CONIFEROUS	OVERHEAD UTILITY
SIGN	TREE DECIDUOUS	RAILROAD TRACKS
972.5 GROUND ELEVATION	TELEPHONE MANHOLE	SANITARY SEWER
STORM DRAIN	TELEPHONE PEDESTAL	STORM SEWER
STORM MANHOLE	TRAFFIC SIGNAL	TELEPHONE UNDERGROUND
YARD LIGHT	UTILITY MANHOLE	UTILITY UNDERGROUND
A/C UNIT	UTILITY PEDESTAL	WATERMAIN

FIELD CREW	NO.	BY	DATE	REVISION
ALL				
DRAWN				
EMW				
CHECKED				
DBP				
DATE				
2-12-18				

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Dated this 12th day of June, 2018.

David B. Pemberton, PLS Minnesota License No. 40344
pemberton@sathre.com

ENGINEERS SURVEYORS DESIGNERS PLANNERS

SATHRE-BERGQUIST, INC.
150 SOUTH BROADWAY WAYZATA, MN. 55391 (952) 476-6000
WWW.SATHRE.COM

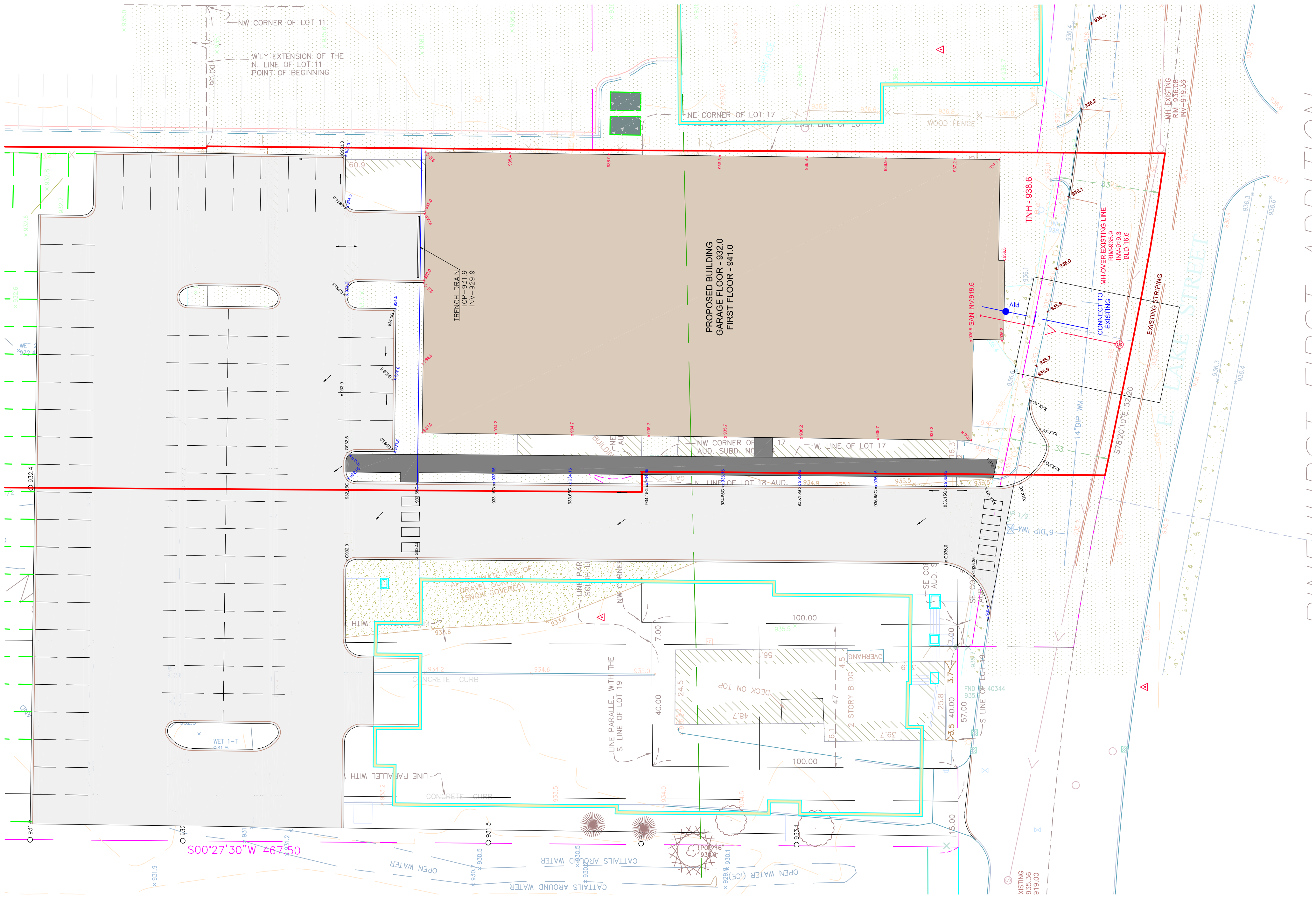
TWP:117-RGE.22-SEC.06
Hennepin County

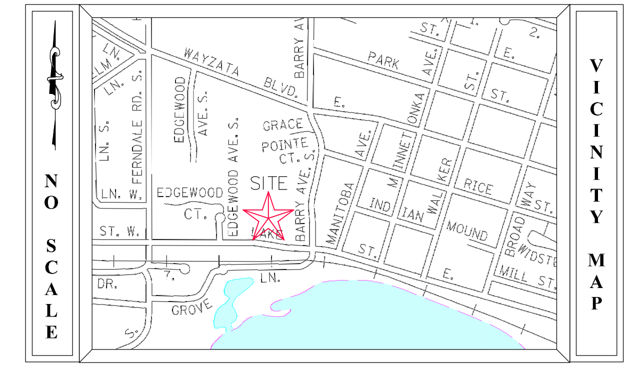
WAYZATA, MINNESOTA

Preliminary Plat
of:
VENTANA LLC.

FILE NO.
94818-001

1 / 1





SYMBOL LEGEND

DESCRIPTION	PROPOSED	EXISTING
MINOR CONTOUR		
MAJOR CONTOUR		
LOT LINE		
WATERMAIN		
BUILDING SETBACK BOUNDARY		
PARCEL BOUNDARY LINE		
DRAINAGE AND UTILITY EASEMENTS		
CURB AND GUTTER		
RIGHT-OF-WAY		
DRAINTILE W/CLEANOUTS		
BACKYARD CATCH BASIN		
CATCH BASIN		
STORM SEWER MANHOLE		
FLARED END SECTION W/RIP-RAP		
STORM STUCTURE LABEL		
SANITARY STUCTURE LABEL		
SANITARY SEWER MANHOLE		
HYDRANT		
GATE VALVE		
WELL		
DRAIN FLOW/RUNOFF ARROW		
EMERGENCY OVERFLOW SWALE		
SOIL BORING LOCATION		
FENCE AND FILTER LOG		
TREE PRESERVATION FENCE		
BARRICADE	OR	OR
SPOT ELEVATION	x 960.0	x 960.0
TBC SPOT ELEVATION		
UTILITY POLE		
LIGHT POLE		
HANDICAP PARKING SPACE		

SPOT ELEVATION LEGEND

x GXXX.X	PROPOSED GUTTER ELEVATION
x XXX.X	PROPOSED TOP BACK OF CURB
x XXX.X	EXISTING TOP BACK OF CURB
x XXX.X	FINISHED BUILDING GRADE

PREPARED BY	PREPARED FOR
ENGINEER SATHRE-BERGQUIST, INC. 150 SOUTH BROADWAY WAYZATA, MINNESOTA 55391 PHONE: (952) 476-6000 FAX: (952) 476-0104 CONTACT : ROBERT MOLSTAD, P.E. EMAIL: MOLSTAD@SATHRE.COM	OWNER VENTANA, LLC 1907 Wayzata Blvd, Suite 250 WAYZATA, MN 55391 CONTACT: TRACI TOMAS PHONE: (952) 746 - 4137

20 10 0 10 20 40
SCALE IN FEET

NORTH

GRADING NOTES
1. All elevations shown are to finished grade.
2. Contractor is responsible for obtaining a NPDES General Stormwater Permit before construction begins.

EROSION CONTROL NOTES
1. Contractor is responsible for all notifications and inspections required by NPDES Permit.
2. All erosion control measures shall be installed prior to grading operations and maintained until all areas disturbed have been restored.
3. Sweep paved public streets as necessary where construction sediment has been deposited.
4. Each area disturbed by construction shall be restored per the specifications within 14 days after the construction activity has ceased.
5. Temporary soil stockpiles must have silt fence around them and cant be placed in stormwater conveyance routes.
6. Excess concrete/water from concrete trucks shall be disposed in a concrete basin or in a contained area.
7. Spring/Summer temporary turf establishment: seed shall be MNDoT Mix 21-111 @ 100 lbs/acre and mulch shall be MNDoT type 1.

EXISTING UTILITIES SHOWN ARE SHOWN IN AN APPROXIMATE WAY ONLY. THE CONTRACTOR SHALL DETERMINE THE EXACT LOCATION OF ANY AND ALL EXISTING UTILITIES BEFORE COMMENCING WORK. HE AGREES TO BE FULLY RESPONSIBLE FOR ANY AND ALL DAMAGES ARISING OUT OF HIS FAILURE TO EXACTLY LOCATE AND PRESERVE ANY AND ALL EXISTING UTILITIES.

POLLUTION PREVENTION MANAGEMENT
1. All solid waste must be disposed of off-site per the MPCA disposal requirements.
2. All hazardous waste must be properly stored with restricted access to storace areas to prevent vandalism. Storage and disposal of hazardous waste must be in compliance with the MPCA regulations.

UTILITY NOTES
1. Bring watermain into proposed building and cap at floor.
2. Verify all service locations and inverts with mechanical engineer before construction.
3. All watermain to have a minimum of 7.5' of cover.
4. All sewer services to extend to a point 5' from propose building.

INSPECTION AND MAINTENANCE
1. The site must be inspected once every seven (7) days during active construction and within 24 hours after a rainfall event greater than 0.5 inches in a 24 hour period..
2. All inspections and maintenance conducted must be recorded in writing and records retained with the SWPPP.
3. Areas of the site that have undergone final stabilization, may have the inspection of these areas reduced to once per month.
4. All silt fence must be repaired, replaced or supplemented within 24 hours when they are nonfunctional or the sediment reaches $\frac{1}{3}$ of the height of the fence.
5. Surface waters and conveyance systems must be inspected for evidence of sediment being deposited. Removal and stabilization must take place within seven (7) days of discovery unless precluded by legal, regulatory, or physical access constraints.
6. Construction site vehicle exit locations must have sediment removed from off-site paved surfaces within 24 hours of discovery.

DRAWING NAME	NO.	BY	DATE	REVISIONS
BASE WEBER				
DRAWN BY				
TCW				
CHECKED BY				
RSM				
DATE				
07/02/18				

I HEREBY CERTIFY THAT THIS PLAN OR SPECIFICATION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY REGISTERED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

Robert S. Molstad
ROBERT S. MOLSTAD, P.E.
Date: 07/03/18 Lic. No. 26428

ENGINEERS SURVEYORS DESIGNERS PLANNERS

SATHRE-BERGQUIST, INC.
150 SOUTH BROADWAY WAYZATA, MN. 55391 (952) 476-6000

CITY PROJECT NO.

WAYZATA, MINNESOTA

PRELIMINARY CONSTRUCTION PLAN
VENTANA CONDOS
VENTANA, LLC.

FILE NO.
94818-001

CP
CP

PROJECT NAME AND NUMBER

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: July 26, 2018	**AGENDA ITEM:** 5a
TITLE: Development Update	
PROPOSED MOTION: N/A	
PREPARED BY: Jeffrey Dahl, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:
N/A

FINANCIAL OR BUDGET CONSIDERATION:
N/A

BACKGROUND:
Staff will provide an update on the following items:

- Progress Downtown West TIF Development District
  - Wayzata Blu
  - Meyer Place
  - 235 Lake Street
  - Zitzloff Office Building
  - Parking Lot
- Progress on Broadway Place
- Progress on 2040 Comprehensive Plan Update
- Boatworks Redevelopment

ATTACHMENTS:
1. N/A

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: October 25, 2018	**AGENDA ITEM:** 5b
TITLE: Future HRA Meetings	
PROPOSED MOTION: To Approve the 2019 HRA Meeting Schedule	
PREPARED BY: Jeffrey Dahl, City Manager	
REVIEWED BY: N/A	

ACTION REQUESTED:
Staff recommends approving the following HRA meeting schedule:
- January 24, 2019;
- April 25, 2019;
- July 25, 2019; and
- October 24, 2019.

FINANCIAL OR BUDGET CONSIDERATION:
N/A

BACKGROUND:
Typically the HRA meets every four months---the fourth Thursday of the month at 7:30 am. The first meeting is typically in January.

ATTACHMENTS:
N/A

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: October 25, 2018	**AGENDA ITEM:** 5c
TITLE: 2019 Commission Vacancies	
PROPOSED MOTION: N/A	
PREPARED BY: Jeffrey Dahl, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:
N/A

FINANCIAL OR BUDGET CONSIDERATION:
N/A

BACKGROUND:
The HRA has five commissioners on five year terms that rotate annually. Below is the schedule

Commissioner	Term End Date
Petit	12/31/2018
Shaver	12/31/2019
Wothe	12/31/2020
Ambrose	12/31/2021
Fox	12/31/2022

The date to apply to be considered on the HRA, or any other commission or board is Friday, November 16th. Interviews with the Council will be held in late November and/or December.

ATTACHMENTS:

1. N/A