HOUSING AND REDEVELOPMENT AUTHORITY
Meeting Agenda

Wayzata City Hall Community Room, 600 Rice Street
Tuesday, March 5, 2019

1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Approval of Minutes**
   a. Approval of HRA Minutes of October 25, 2018
5. **Old Business**
6. **New Business**
   a. Election of Officers
   b. Discussion of Bylaws
   c. Appointment of Executive Director
   d. Consider Approval of Tax Increment Financing Agreement (TIF) between the Housing and Redevelopment Authority (HRA) and Swan's Corner, LLC at 305 thru 309 Lake Street East
   e. Development Updates
7. **Next Meeting Date: April 25, 2019**
8. **Adjournment**

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: March 5, 2019	**AGENDA ITEM:** 4.a.
TITLE: Approval of HRA Minutes of October 25, 2018	
PROPOSED MOTION: To Approve the Regular Meeting Minutes of October 25, 2018	
PREPARED BY: Kathy Leervig, City Clerk	
REVIEWED BY: Jeff Dahl, City Manager, Executive Director	

ACTION REQUESTED:

Staff recommends approval of the attached minutes.

FINANCIAL OR BUDGET CONSIDERATION:

N/A

BACKGROUND:

N/A

ATTACHMENTS:

1. HRA 10-25-18 Minutes DRAFT

HRA members present: T. Shaver, B. Ambrose, R. Wothe, B. Petit and S. Fox
HRA members absent and excused: None
City Staff present: Executive Director Jeff Dahl, Director of Planning and Development Jeff Thomson, City Clerk Kathy Leervig
Others present: Stacie Kvilvang, Ehlers & Associates

Chairman Shaver called the meeting of the HRA to order at 7:30 am.

APPROVAL OF AGENDA

Petit motioned to approve the October 25, 2018 meeting agenda as presented, seconded by Fox. The motion passed 5/0 by voice vote.

APPROVAL OF MINUTES

a. Regular Meeting Minutes of July 26, 2018

Fox motioned to approve the minutes of July 26, 2018 as presented, seconded by Petit. The motion passed 5/0 by voice vote.

OLD BUSINESS

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

Dahl provided background on the redevelopment plan along Lake Street and the establishment of TIF District #6. 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 been completed. Upon approval of the TIF agreement, the property owner plans to commence construction over the next few months.

Ms, Stacie Kvilvang, Ehlers & Associates, stated the agreement would be with Ventana, LLC. On July 24, 2018, the HRA reviewed preliminary terms for TIF assistance for the development at 253 Lake Street East. The HRA was in agreement with the proposed terms and since that time staff and consultants have worked on finalizing the TIF Agreement. She reviewed the main points of the agreement. Construction must commence by June 1, 2019 and be completed by December 31, 2020. The Developer will receive a pay-as-you-go note in the amount of $1.76 million and the term of the note would be for 26 years with interest to be paid at 5%. The Developer would receive 90% of the tax increment from their project. 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 the total

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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). Currently the Developer is projecting a 7% profit. She stated TIF can only be used for buildings if it is in a housing district and it is for affordable housing. Typically, a development district or redevelopment district is demolition and anything at grade and below.

Wothe clarified with the pay-as-you-go option the Developer would borrow the money and the City would give him money back every year to pay off the portion the City agreed to.

City Attorney Schelzel stated the Developer wants language added to Section 2.06 that alleviates the Developer of responsibility when the condominium association takes ownership of the common elements.

Shaver asked what percentage of ownership changes with each condominium sold.

Schelzel stated the ownership would change once the association is established and takes ownership. This may occur prior to the sale of all the units. He stated in Section 5.06.b the phrase "produces an Internal Rate of Return ("IRR") greater than" and the reference to IRR in the last sentence should be removed. This section refers to the look back provision.

Dahl stated if the HRA passes the agreement then it would move to the City Council for approval.

Petit motioned to approve the Redevelopment Agreement in Central Area Redevelopment District and Tax Increment Financing District No. 6 – Downtown Wayzata as amended, seconded by Petit. The motion passed 5/0 by voice vote.

NEW BUSINESS

a. Development Update

Dahl stated Meyer Place and Wayzata Blu are under construction. The project at 235 Lake Street is in the final stages of development approvals. He explained the construction process for the public parking in this area.

Wothe asked if there would be any hazardous material removal or abatement with the property that is being donated for public parking.

Dahl stated there are some contaminated soils in this area but based on the use of being a parking lot, the soils may not need to be mitigated.

The Zitzloff project will be presented to the City Council at their November 7 meeting for planning approval. They also have a TIF application they are working on.

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Petit stated there should be aerial pictures available for the Zitzloff project and the City should also consider if saving the columns from the bank is really the best for the City and the development.

Dahl stated the HRA would have the authority to determine the amount of TIF and what it can go for with the Zitzloff project.

Dahl indicated that the development agreement for Broadway Place was recently amended. The property owner hoped to commence construction in the very near future.

Ambrose asked if there had been movement with the redevelopment of the Boatworks site. Dahl stated there was a joint work session with the City Council, Planning Commission, Parks and Trails Commission, and HRA. The next steps for the developer would be to get more specific feedback from the Parks and Trails Commission before they submit anything conceptually.

Thomson provided an update on the draft Comprehensive Plan.

b. Set 2019 Meeting Dates

Dahl stated the 2019 HRA calendar would be January 24, April 25, July 25, and October 24. There would also be a special meeting in December but the date has not been determined.

Petit stated he would not be able to make the January meeting.

It was determined to move the January 24 meeting to January 23.

Petit motion to set the 2019 HRA meeting schedule as January 23, April 25, July 25, and October 24, seconded by Ambrose. The motion passed 5/0 by voice vote.

c. 2019 Commission Vacancies

Dahl stated Commissioner Petit's term would end December 31, 2018 and anyone interested in the position had to apply by November 16.

ADJOURNMENT

There being no further business; Wothe motioned to adjourn at 8:38 a.m., seconded by Fox. The motion passed 4/0 by voice vote.

Respectfully submitted,

Drafted by Tina Borg, *TimeSaver Off Site Secretarial, Inc.*

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City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: March 5, 2019	**AGENDA ITEM:** 6.a.
TITLE: Election of Officers	
PROPOSED MOTION: To Appoint a Chair, Vice Chair, and Secretary	
PREPARED BY: Jeff Dahl, City Manager, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:

A motion is needed to appoint the HRA officers for 2019, per HRA bylaws.

FINANCIAL OR BUDGET CONSIDERATION:

N/A

BACKGROUND:

Per HRA Bylaws, the HRA should appoint officers annually. 2018 Officers were Chair Shaver, Vice Chair Wothe, and Secretary Petit. Below are the descriptions of each officer position.

Chair: The HRA shall select a Chair from among its Commissioners who shall preside at all meetings of the HRA.

Vice Chair: The HRA shall select a Vice Chair from among its Commissioners who shall preside at all meetings of the HRA in the absence of the Chair and shall perform such other duties as may be assigned by the Commissioners.In the case of death, retirement, or resignation of the Chair, the Vice Chair shall perform and be vested with all the duties and powers of the Chair until such time that a new Chair is chosen by the Commissioners.

Secretary: The HRA shall select a Secretary from among its Commissioners who shall be responsible for certification of official actions of the HRA.

ATTACHMENTS:

None

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: March 5, 2019	**AGENDA ITEM:** 6.b.
TITLE: Discussion of Bylaws	
PROPOSED MOTION: N/A	
PREPARED BY: Jeff Dahl, City Manager, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:

Discussion of the attached Bylaws.

FINANCIAL OR BUDGET CONSIDERATION:

N/A

BACKGROUND:

Per HRA Bylaws, the HRA is to review its bylaws at its annual meeting. If the HRA recommends any amendments, the Executive Director will prepare a draft to be considered at the next meeting. The Bylaws original goals of the HRA are to:

Set a standard for future development of Wayzata;
Exploit the natural advantages of Lake Minnetonka;
Preserve the distinctive atmosphere of Wayzata;
Create a business climate that will enable local businesses to compete with the planned investment in nearby commercial centers;
Attract businesses that will offer improved employment opportunities;
Establish an improved quality in multiple housing facilities; and
Maximize tax return.

ATTACHMENTS:

1. HRA Bylaws as of January 28, 2016

Revised 01/28/2016

BYLAWS
of the
HOUSING AND REDEVELOPMENT AUTHORITY
In and for the City of Wayzata, Minnesota

PREAMBLE

The Housing and Redevelopment Authority in and for the City of Wayzata (HRA) was created in accordance with State Law by:

A resolution passed by the City Council of Wayzata, Minnesota, on the 4th day of April, 1967, providing for a hearing to determine the need for a Housing and Redevelopment Authority to function in Wayzata, Minnesota;

A resolution passed by the City Council of Wayzata, Minnesota, on the 16th day of May, 1967, determining the need for a Housing and Redevelopment Authority in Wayzata, Minnesota; and

A resolution passed by the City Council of Wayzata, Minnesota, on the 1st day of August, 1967, approving the appointment of the Commissioners of the Housing and Redevelopment Authority of Wayzata, Minnesota.

The original goals for the HRA were:

1. Set a standard for future development of Wayzata;
2. Exploit the natural advantages of Lake Minnetonka;
3. Preserve the distinctive atmosphere of Wayzata;
4. Create a business climate that will enable local businesses to compete with the planned investment in nearby commercial centers;
5. Attract businesses that will offer improved employment opportunities;
6. Establish an improved quality in multiple housing facilities; and
7. Maximize tax return.

Additional goals were established when tax increment districts were created in the City of Wayzata, Minnesota.

ARTICLE I. **AUTHORITY**

Section A. Name. The legal name of the HRA is "Housing and Redevelopment Authority of the City of Wayzata".

Section B. Office. The offices of the HRA shall be at the City Hall in the City of Wayzata, Minnesota, but the HRA may hold its meetings at such place or places as it may designate.

ARTICLE II. **MEETINGS**

Section A. Date of Annual Meeting. The annual meeting shall be held in January of each year at the regular meeting place of the HRA unless scheduled by the Authority at an alternate date

Section B. Quorum. There shall be a quorum, as defined in Article IV, to conduct business at all meetings. If a quorum is not present for an annual meeting, the Chair shall establish a date for a new annual meeting. If a quorum is not present for a regular or special meeting, the Chair shall adjourn the meeting to the next regular or special meeting of the HRA.

Section C. Annual Meeting. The following, among any other appropriate matters, may be considered at the annual meeting:

1. Election of officers;

2. Determination of need for regular meetings to be held until the next annual meeting and if necessary determination of dates for regular meetings;

3. Discussion of bylaws and any suggested amendments;

4. Receipt of Financial Report; and

5. Appointment of Executive Director

Section D. Regular Meetings. If determined necessary by the HRA, regular meetings shall be held at a fixed place and at a time as determined by the HRA at its annual meeting. The time may be changed by the HRA at any subsequent meeting by a majority vote of all Commissioners and after notification of such change in the City's official newspaper. Agendas for regular meetings shall include at least the following order of business:

1. Call to Order;

2. Approval of Agenda;

3. Approval of Minutes;

4. Unfinished or Organizational Business;

5. New Business; and

6. Adjournment.

Section E. Special Meetings. Special meetings of the HRA may be called by the Chair, or any two members of the HRA, for any proper purpose of the HRA upon oral or written notice to each of the Commissioners and to the local newspapers at least 3 days prior to the date of the special meeting. A written notice shall set forth the time and place of the special meeting and be posted at City Hall at least 3 days prior to the date of the special meeting.

Section F. Public Meetings. All meetings shall be open to the public in accordance with the provisions of Minnesota Statutes.

ARTICLE III. **COMMISSIONERS, OFFICERS, ADMINISTRATOR, STAFF**

Section A. Commissioners. The HRA shall consist of five (5) Commissioners who shall be residents of the area of operation of the HRA. The Commissioners shall be appointed by the Wayzata City Council. Each Commissioner shall serve a term of five (5) years in accordance with Minnesota statute § 469.003.

Section B. Officers. The officers of the HRA shall consist of a Chair, a Vice Chair, a Secretary, and such other officers as shall from time to time be chosen and appointed by the HRA.

Section C. Chair. The HRA shall select a Chair from among its Commissioners who shall preside at all meetings of the HRA.

Section D.. Vice Chair. The HRA shall select a Vice Chair from among its Commissioners who shall preside at all meetings of the HRA in the absence of the Chair and shall perform such other duties as may be assigned by the Commissioners. In the case of death, retirement, or resignation of the Chair, the Vice Chair shall perform and be vested with all the duties and powers of the Chair until such time that a new Chair is chosen by the Commissioners.

Section E. Secretary. The HRA shall select a Secretary from among its Commissioners who shall be responsible for certification of official actions of the HRA.

Section F. Executive Director The HRA may appoint an Executive Director, who shall not be a Commissioner. The Executive Director shall be responsible for:

1. Securing, supervising and directing any personnel required for work to be accomplished by the HRA;

2. Providing for the taking of and preparing minutes of each meeting of the HRA;

3. Maintaining any appropriate files as deemed necessary by the Commissioners, including files of minutes, publication of meetings, and meeting agendas;

4. The general administration and financial management of the affairs of the HRA pursuant to policies determined by the Commissioners; and

5. Any other responsibilities assigned by the Chair or Commissioners.

Section G. Staff Services. If the HRA appoints the City Manager as the Executive Director and/or uses personnel under the control of the City Manager, a contract for staff services shall be entered into which clearly designates the services provided.

ARTICLE IV. **QUORUM AND VOTING**

Section A. Quorum. A quorum of the HRA shall be three Commissioners. A quorum shall be required to conduct business at any meeting of the HRA.

Section B. Voting. A vote of approval by a majority of those Commissioners present shall be required to take action on or approve any matter before the HRA, except that with respect to the following matters a vote of approval by three (3) or more Commissioners shall be required to act;

1. To request replacement of the Executive Director or cancellation of the contract with the City;

2. To amend the Bylaws;

3. To change the regular meeting time;

4. To borrow money; or

5. To approve a project.

ARTICLE V. **FINANCE AND CONTRACTS**

Section A. Fiscal Year. The Calendar year shall be the fiscal year of the HRA. However, other fiscal years for specific purposes or undertaking of the HRA may be established as required or desirable.

Section B. Budgets. The Executive Director shall prepare a budget for each project that is being considered by the HRA. If an annual operating budget is desired by the HRA, the HRA shall submit its request in accordance with the City's established budget approval process. City Council approval of project and operating budgets is required.

Section C. Investments of the HRA. The investments of the HRA funds shall be the responsibility of the Executive Director in accordance with the investment practices of the City.

Section D. Project and Procurement Manager. The responsibility for Project Management and Procurement for each approved HRA project shall be outlined in a Project Manager/Procurement Contract.

Section E. Disbursements.

1. Federal and State funds. All funds received from the Government of the United States or any of its agencies, and the state of Minnesota or any of its agencies, shall be disbursed and accounted for in accordance with the regulations or requirements from time to time made by the Federal or State agencies furnishing funds to the HRA.

2. Official Depository. All monies received by the HRA from any source whatsoever shall be deposited in bank accounts in accordance with the established practices of the City. All disbursements shall be in accordance with the established practices of the City.

3. Checks. All checks drawn on bank accounts of the HRA shall indicate the fund and, in the case of a project, the project to be charged. All checks shall be signed by the Executive Director.

ARTICLE VI. **POWERS AND DUTIES**

Section A. General Powers and Duties. The HRA shall have the powers and duties provided to the HRA by Minnesota Statutes.

ARTICLE VII. **AMENDMENTS**

These Bylaws may be amended at any meeting of the HRA provided that notice of such proposed amendment is mailed to each Commissioner of the HRA at least ten days prior to such meeting. The amendment of the Bylaws and the vote required shall be in accordance with Article IV, that sets forth the voting provisions of these Bylaws.

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: March 5, 2019	**AGENDA ITEM:** 6.c.
TITLE: Appointment of Executive Director	
PROPOSED MOTION: To Re-appoint Jeffrey Dahl as Executive Director	
PREPARED BY: Jeff Dahl, City Manager, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:

A motion is needed to re-appoint City Manager Jeffrey Dahl as the Executive Director of the HRA.

FINANCIAL OR BUDGET CONSIDERATION:

N/A

BACKGROUND:

Per HRA Bylaws, the HRA should annually appoint or reappoint the Executive Director. Below is the description of the Executive Director position. The City Manager has traditionally served this role.

The Executive Director, who shall not be a commissioner, shall be responsible for:

Securing, supervising and directing any personnel required for work to be accomplished by the HRA;
Providing for the taking of and preparing minutes of each meeting of the HRA;
Maintaining any appropriate files as deemed necessary by the Commissioners, including files of minutes, publication of meetings, and meeting agendas;
The general administration and financial management of the affairs of the HRA pursuant to policies determined by the Commissioners; and
Any other responsibilities assigned by the Chair or Commissioners.

ATTACHMENTS:

None

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: March 5, 2019	**AGENDA ITEM:** 6.d.
TITLE: Consider Approval of Tax Increment Financing Agreement (TIF) between the Housing and Redevelopment Authority (HRA) and Swan's Corner, LLC at 305 thru 309 Lake Street East	
PROPOSED MOTION: To Approve the TIF Agreement between the HRA and Swan's Corner, LLC at 305 thru 309 Lake Street East	
PREPARED BY: Jeff Dahl, City Manager, Executive Director	
REVIEWED BY:	

ACTION REQUESTED:

Staff recommends approval of the 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:

Since 2016, the City has been working with the HRA on a long-term redevelopment plan along Lake Street from Barry Avenue to Ferndale Road with primary 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 Lowell Zitzloff, property owner of 305/309 Lake Street East on a development plan that would incorporate a three-story boutique office building with underground parking. Unique components of this development are that it will connect to the existing building to the east and that the bank façade has been incorporated into the architecture of the building. Late in 2018, the City granted all zoning entitlements for the project to move forward.

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

ATTACHMENTS:

1. Ehlers Memo On TIF Agreement Terms 3-5-19
2. Zitzloff Redevelopment TIF Run 2-28-19 - 20 Years
3. Wayzata - TIF Redevelopment Agreement-v7
4. Zitzloff Development Plan

Memo

To: Jeffrey Dahl – Executive Director

From: Stacie Kvilvang - Ehlers

Date: March 5, 2019

Subject: Swans Corner TIF Agreement – Zitzloff Redevelopment Project

Lowell Zitzloff (the "Developer") is proposing to redevelop his existing property at 305 and 309 West Lake Street into approximately 28,000 sq/ft of office/retail space and requested 26 years of TIF assistance.

We reviewed the project based on general industry standards for construction, land, and project costs; lease rates and; developer profit as noted below. The development pro forma assumptions were generally reasonable, with acquisition costs being higher due to the existing buildings, and higher construction costs due to the site constraints, need for underground parking and additional costs to "save" the existing bank facade. The proposed sources and uses include:

SOURCES		
		Pct.
Developer Financing - First Mortgage (5.5% & 25 Yr. Am.)	11,400,000	67.46%
Developer Financing - TIF (5% & 20 Yr. Am.)	1,000,000	5.92%
Developer Equity (Land)	4,500,000	26.63%
TOTAL SOURCES	**16,900,000**	**100.00%**

USES			
	Amount	% of Cost	Per Sq/Ft
Acquistion	3,200,000	18.93%	103.01
Demolition/Soil Corrections	600,000	3.55%	19.31
Construction	10,323,690	61.09%	332.34
Bank Façade	400,000	2.37%	12.88
Professional Services	796,000	4.71%	25.62
Financing Costs	1,066,100	6.31%	34.32
Real Estate Taxes	100,000	0.59%	3.22
Developer Fee	0	0.00%	0.00
Interest Reserve	414,210	2.45%	
TOTAL USES	**16,900,000**		**544.04**

As noted, the Developer's first mortgage is set at $11.4 million based upon underwriting from their bank, which requires that project meet at least a 120% debt service coverage ratio.

Based upon our review of their proforma, recommendation for TIF assistance and agreement by the Developer, we are recommending $1 million in TIF on a pay-as-you-go basis over a 20 year period. Following are the main points within the above referenced Agreement:

1. **General**
   a. Redevelopment Agreement with Swans Corner LLC for the Swans Corner LLC Project.

   b. Developer is required to pay any relocation costs or expenses required under federal law, if any, to current occupants and holds the HRA and City harmless from having to pay any of these costs.

   c. Developer has deposited $10,000 escrow with the City to pay for all legal and financial consultant work in conjunction with sizing of the TIF note and preparation of the TIF agreement. If $10,000 is not adequate, the developer is required to deposit additional funds until all costs are paid in full.

2. **Development and Timing of Construction**
   a. Construction of approximately 28,362 square foot office and retail complex and related underground parking

   b. Anticipated project valuation when redeveloped will be at least $8,662,000.

   c. Must commence construction June 1, 2019 and be completed by December 31, 2020

3. **Development property**
   a. Developer represents that he is owner in fees simple of the property to be developed located at 305 and 309 West Lake Street (3 parcels).

   b. The Developer will record a Declaration of Restrictive Covenants that will be in place through the term of the TIF Note that states

      (1) the property will not exempt from property taxes and will not be sold or leased to a tax-exempt entity;

      (2) They will not discriminate on the basis of color, creed, national origin or sex in leasing, sale or use of the property; and

      (3) The property will be developed consistent with a redevelopment TIF district

   c. If the property has damage or is destructed, they have 120 days to commence repairs or reconstruction and those have to be substantially in the same condition and value as existed prior.

   d. Developer can't transfer ownership of property without the Written consent of the HRA, which will not be reasonable withheld.

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 $1,000,000 after providing proof of expenditures for qualified costs.

      i. Qualified costs are as follows:

Demolition	$ 100,000
Environmental Remediation/Soils Correction	500,000
Façade Renovation	400,000
Total	**$1,000,000***

      ii. Term of the TIF Note will be for 20 years

      iii. Interest will be paid at the lesser of 5.00% or the Developer's actual financing rate

      iv. Developer will receive 90% of the tax increment generated from their project

   c. The Note will not be issued if there is an event of default and will only be issued after the Declaration of Restrictive Covenants has been recorded

   d. The developer has to inform the City/HRA if they petition for a reduction in their tax value. If this occurs, the HRA will suspend payments on the TIF Note until the petition is stipulated or dismissed.

   e. Project is exempt from Business Subsidy requirements (job and wage goals) due to falling under the redevelopment exclusion clause with the cost of acquiring and preparing the project for development exceeds 70% of the current taxable market value of the property (2018 assessment for pay 2019).

5. **Look Back**
   a. We will be inserting a lookback provisions that will require an annual review of the project's debt service reserve calculation and the amount of TIF paid in each year will be reduced to an amount that assists in meeting this requirement. Staff and the TIF attorney are currently working on the language that will be acceptable to both the City and Developer and will have an updated contract reflecting that language at the HRA meeting.

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

Lowell Zitloff Redevelopment

City of Wayzata

21,132 sq. ft. Office & 7,230 Sq. Ft Retail

ASSUMPTIONS AND RATES

DistrictType:	**Redevelopment**	
District Name/Number:	**TIF 6 - Downtown West**	
County District #:		
First Year Construction or Inflation on Value	**2019**	
Existing District - Specify No. Years Remaining		
Inflation Rate - Every Year:	**0.00%**	
Interest Rate:	**5.00%**	
Present Value Date:	**1-Aug-19**	
First Period Ending	1-Feb-20	
Tax Year District was Certified:	**Pay 2018**	
Cashflow Assumes First Tax Increment For Development:	2021	
Years of Tax Increment	26	
Assumes Last Year of Tax Increment	2046	
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	**Inside(B)**	
Incremental or Total Fiscal Disparities	**Incremental**	
Fiscal Disparities Contribution Ratio	35.1964%	Pay 2018
Fiscal Disparities Metro-Wide Tax Rate	145.0950%	Pay 2018
Maximum/Frozen Local Tax Rate:	100.688%	Pay 2018
Current Local Tax Rate: (Use lesser of Current or Max.)	100.688%	Pay 2018
State-wide Tax Rate (Comm./Ind. only used for total taxes)	43.8650%	Pay 2018
Market Value Tax Rate (Used for total taxes)	0.24636%	Pay 2018

Tax Rates

Exempt Class Rate (Exempt)		0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)		
First	$150,000	1.50%
Over	$150,000	2.00%
Commercial Industrial Class Rate (C/I)		2.00%
Rental Housing Class Rate (Rental)		1.25%
Affordable Rental Housing Class Rate (Aff. Rental)		
First	$121,000	0.75%
Over	$121,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)		
First	$500,000	1.00%
Over	$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)		
First	$500,000	1.00%
Over	$500,000	1.25%
Agricultural Non-Homestead		1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

Map ID	PID	Owner	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.	Area/ Phase
1	0611722310006	Five Swans	305 Lake Street	148,000	1,000	149,000	100%	149,000	Pay 2018	C/I	2,980	C/I	2,980	1
2	0611722310005	Five Swans	309 Lake Street	937,000	1,000	938,000	100%	938,000	Pay 2018	C/I Pref.	18,010	C/I Pref.	18,010	1
3	0611722310004	Five Swans	309 Lake Street	47,000	0	47,000	100%	47,000	Pay 2018	C/I	940	C/I	940	1
				1,132,000	2,000	1,134,000		**1,134,000**			**21,930**		**21,930**	

Note:

1. **Base values for Pay 2018 based upon review of County website on 12-28-17.**
2. **Located in SD #284**

Lowell Zitloff Redevelopment

City of Wayzata

21,132 sq. ft. Office & 7,230 Sq Ft Retail

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	Project Tax Capacity/Unit	Percentage Completed 2019	Percentage Completed 2020	Percentage Completed 2021	Percentage Completed 2022	First Year Full Taxes Payable
1	Retail	175	175	7,230	1,265,250	C/I Pref.	24,555	3	75%	100%	100%	100%	2022
1	Office	350	350	21,132	7,396,200	C/I	147,924	7	75%	100%	100%	100%	2022
TOTAL					**8,661,450**		**172,479**						
Subtotal Residential				**0**	**0**		**0**						
Subtotal Commercial/Ind.				**28,362**	**8,661,450**		**172,479**						

Note:

1. Market values are based upon estimates.

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
Retail	**24,555**	**8,642**	**15,913**	**16,022**	**12,540**	**10,771**	**3,117**	**42,450**	**5.87**
Office	**147,924**	**52,064**	**95,860**	**96,520**	**75,542**	**64,887**	**18,221**	**255,170**	**12.08**
TOTAL	**172,479**	**60,706**	**111,773**	**112,542**	**88,082**	**75,658**	**21,338**	**297,620**	

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?

Total Property Taxes	**297,620**
less State-wide Taxes	**(75,658)**
less Fiscal Disp. Adj.	**(88,082)**
less Market Value Taxes	**(21,338)**
less Base Value Taxes	**(14,309)**
Annual Gross TIF	**98,232**

Lowell Zitloff Redevelopment
City of Wayzata
21,132 sq. ft. Office & 7,230 Sq. Ft Retail

TAX INCREMENT CASH FLOW

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
							-	-	-	-				02/01/20
							-	-	-	-				08/01/20
							-	-	-	-				02/01/21
100%	129,359	(21,930)	(37,811)	69,618	100.688%	70,097	35,048	(126)	(3,492)	31,430	28,474	0.5	2021	08/01/21
							35,048	(126)	(3,492)	31,430	56,254	1	2021	02/01/22
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	94,234	1.5	2022	08/01/22
							49,116	(177)	(4,894)	44,045	131,288	2	2022	02/01/23
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	167,438	2.5	2023	08/01/23
							49,116	(177)	(4,894)	44,045	202,706	3	2023	02/01/24
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	237,115	3.5	2024	08/01/24
							49,116	(177)	(4,894)	44,045	270,684	4	2024	02/01/25
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	303,434	4.5	2025	08/01/25
							49,116	(177)	(4,894)	44,045	335,385	5	2025	02/01/26
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	366,558	5.5	2026	08/01/26
							49,116	(177)	(4,894)	44,045	396,969	6	2026	02/01/27
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	426,640	6.5	2027	08/01/27
							49,116	(177)	(4,894)	44,045	455,586	7	2027	02/01/28
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	483,826	7.5	2028	08/01/28
							49,116	(177)	(4,894)	44,045	511,378	8	2028	02/01/29
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	538,258	8.5	2029	08/01/29
							49,116	(177)	(4,894)	44,045	564,482	9	2029	02/01/30
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	590,066	9.5	2030	08/01/30
							49,116	(177)	(4,894)	44,045	615,027	10	2030	02/01/31
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	639,378	10.5	2031	08/01/31
							49,116	(177)	(4,894)	44,045	663,136	11	2031	02/01/32
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	686,314	11.5	2032	08/01/32
							49,116	(177)	(4,894)	44,045	708,927	12	2032	02/01/33
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	730,988	12.5	2033	08/01/33
							49,116	(177)	(4,894)	44,045	752,512	13	2033	02/01/34
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	773,510	13.5	2034	08/01/34
							49,116	(177)	(4,894)	44,045	793,996	14	2034	02/01/35
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	813,983	14.5	2035	08/01/35
							49,116	(177)	(4,894)	44,045	833,482	15	2035	02/01/36
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	852,505	15.5	2036	08/01/36
							49,116	(177)	(4,894)	44,045	871,065	16	2036	02/01/37
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	889,172	16.5	2037	08/01/37
							49,116	(177)	(4,894)	44,045	906,837	17	2037	02/01/38
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	924,071	17.5	2038	08/01/38
							49,116	(177)	(4,894)	44,045	940,885	18	2038	02/01/39
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	957,289	18.5	2039	08/01/39
							49,116	(177)	(4,894)	44,045	973,293	19	2039	02/01/40
100%	172,479	(21,930)	(52,988)	97,561	100.688%	98,232	49,116	(177)	(4,894)	44,045	988,906	19.5	2040	08/01/40
							49,116	(177)	(4,894)	44,045	**1,004,139**	**20**	**2040**	**02/01/41**
	Total						**1,936,512**	**(6,971)**	**(192,954)**	**1,736,587**				
	Present Value From 08/01/2019			**Present Value Rate**	**5.00%**		**1,119,741**	**(4,031)**	**(111,571)**	**1,004,139**				

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

SWANS CORNER LLC

for the

SWANS CORNER LLC PROJECT

_____

Dated as of [_____] 1, 2019

_____

This Document Was Drafted By:

DORSEY & WHITNEY LLP (GIT)
Suite 1500
50 South Sixth Street
Minneapolis, Minnesota 55402

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REDEVELOPMENT AGREEMENT

THIS Redevelopment Agreement (this "Agreement"), made and entered into as of this 1st day of [_____], 2019, by and among the HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF WAYZATA, a body corporate and politic, duly organized under the laws of the State of Minnesota (the "HRA"), the CITY OF WAYZATA, a municipal corporation and political subdivision of the State of Minnesota (the "City"), and SWANS CORNER LLC, a Minnesota limited liability company (the "Developer").

WITNESSETH:

WHEREAS, the HRA has designated a Redevelopment District in the City denominated the Central Area Redevelopment District (the "Redevelopment District") and adopted a Redevelopment Plan (the "Redevelopment Plan") therefor, pursuant to and in accordance with Minnesota Statutes ("M.S."), Sections 469.001 through 469.047, as amended; and

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

WHEREAS, in order to achieve the objectives of the Redevelopment Plan and the TIF Plan, the HRA intends to provide assistance to the Developer through tax increment financing, as described in M.S., Sections 469.174 through 469.1794 (the "TIF Act"), to finance construction of an approximately 28,362 square foot office and retail complex (the "Project");

WHEREAS, the HRA has determined that, in order to accomplish the purposes specified in and to carry out the Redevelopment Plan 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 City will apply tax increment revenues generated from the TIF District to (i) pay or reimburse the City 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 M.S., Sections 469.001 through 469.047.

"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 the Project as computed pursuant to M.S., Section 469.177, as amended from time to time.

"Business Subsidies Act" means M.S., Sections 116J.993 through 116J.995.

"Certificate of Completion" means a certification in the form attached hereto as Exhibit D, 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.

"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, a political subdivision of the State of Minnesota.

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

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

"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, a body corporate and politic, duly organized under the laws of the State.

"Legal and Administrative Expenses" means the fees and expenses incurred by the City or HRA in connection with review and analysis of the development proposed under this Agreement with the adoption and administration of the TIF Plan and establishment of the TIF District, the preparation of this Agreement and the issuance of the TIF Note including, but not limited to, attorney and municipal advisor fees and expenses;

"Minimum Improvements" means the minimum improvements 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.

"M.S." means Minnesota Statutes.

"Project" means the construction of an approximately 28,362 square foot office and retail complex with associated underground parking.

"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. 10 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 Qualified Costs of the Project will not exceed $1,000,000.

"Redevelopment District" means Central Area Redevelopment District, designated pursuant to the Act.

"Redevelopment Plan" means the Redevelopment Plan developed for Central Area Redevelopment District.

"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 M.S..

"State" means the State of Minnesota.

"Termination Date" means the earlier of (i) February 1, 2041, (ii) the date the TIF Note is 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;

"TIF Act" means M.S., Sections 469.174 through 469.1794, as amended.

"TIF District" means Tax Increment Financing District No. 6 - Downtown West, a redevelopment district, established by the City Council on December 19, 2017.

"TIF Note" means the Tax Increment Revenue Note (Swans Corner, LLC) to be executed by the HRA and delivered to the Developer pursuant to Article 5 hereof, the form of which is attached hereto as Exhibit E

"TIF Plan" means the Tax Increment Financing Plan for the TIF District approved by the City Council and 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 Redevelopment District and has adopted the Redevelopment Plan 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 and 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 the Minimum Improvements in accordance with the terms of this Agreement, the TIF Plan and all local, state and federal laws and regulations.

(c) It is anticipated that 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 $8,662,000.

(d) At such time or times as may be required by law, the Developer will have complied with all local, state and federal environmental laws and regulations applicable to the Minimum Improvements, and will have obtained 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, City Council, or any other officer of the HRA or City has any direct or indirect financial interest in the Developer, the Development Property, or the Project.

(g) The Developer will 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 from the HRA or the City all necessary variances, conditional use permits and zoning changes.

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

(i) 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.

2.03. Use, Ownership of Development Property; Restrictions; Use of Development Property. 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 it 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 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 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.

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 and 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 Redevelopment Plan, the TIF Plan, this Agreement, and all applicable state and local laws and regulations. The City shall approve the Construction Plans in writing if, in the reasonable discretion of the City, the Construction Plans: (a) conform to the Redevelopment Plan, the Modification, 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. 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 the Project by June 1, 2019, and cause the Project to be completed in accordance with the terms of this 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. 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 D, 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 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 may reasonably be required by the HRA or the City, and forward to the HRA and the City, upon demand by either or both 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 HRA and any of their 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 neither the City nor HRA shall have an 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 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.

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 Qualified 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 City 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 for the Project, the form of which is attached hereto as Exhibit E, with said payments of principal and interest to be made on the dates (the "Payment Dates") specified in the TIF Note, subject to the following terms and conditions:

(a) The total principal amount of any and all TIF notes issued for the Project will not exceed nine hundred and fifty-five thousand dollars ($1,000,000).

(b) The unpaid principal of the TIF Note shall bear simple non-compounding interest from the date of issuance of the TIF Note, at the lesser of 5.00% per annum or the interest rate on the financing that the Developer obtains for the construction of the Project. Interest shall be computed on the basis of a 360 day year consisting of twelve (12) 30-day months.

(c) 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.

(d) 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.

(e) The HRA will retain 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.

(f) In addition to the public assistance described herein, the Developer will receive private financing for the Project secured by a first mortgage on the Development Property. As a condition to receiving the private financing, the Developer is required, for the fiscal year immediately preceding the date on which such calculation is made, to maintain net income available for debt service of at least 120% of maximum principal and interest requirement on existing indebtedness incurred for the Project (the "Debt Service Coverage Covenant"). The Developer is required to review the Debt Service Coverage Covenant annually and provide to the HRA by January 15th of each year a report setting forth and detailing the Developer's debt service coverage for the prior fiscal year and the current year's debt service coverage ratio (the "Coverage Report"). Notwithstanding any other provision herein, in order to assist the Developer in meeting the Debt Service Coverage Covenant, the HRA shall reduce the amount of tax increment to be paid to the Developer in a given year by an amount sufficient so that the Developer complies with the Debt Service Coverage Covenant for that year. If, for 2 consecutive years, the Coverage Report shows the Developer in compliance with the Debt Service Coverage Covenant, then the HRA will immediately terminate the TIF Note and any remaining tax increment payments after the January 15th date in which the Coverage Report is received.

(g) 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.

(h) 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.

(i) 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, or, after Certificate of Completion has been issued by the City, to third parties.

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 City 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 Public 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 City'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:

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

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

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

(d) 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

(e) 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. 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 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. Real Property Taxes. Prior to the Termination Date, the Developer shall pay all real property taxes payable with respect to all and any parts of the Development Property acquired and owned by it until the Developer's obligations have been assumed by any other person pursuant to the provisions of this Agreement.

The Developer agrees that prior to the Termination Date:

(1) It will not seek administrative review or judicial review of the applicability of any tax statute relating to the ad valorem property taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the inapplicability of any such tax statute as a defense in any proceedings with respect to the Development Property, including delinquent tax proceedings; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(2) It will not seek administrative review or judicial review of the constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the unconstitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings with respect to the Development Property; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(3) It will not seek any tax deferral or abatement, either presently or prospectively authorized under M.S., Section 469.1813, or any other State or federal law, of the ad valorem property taxation of the Development Property between the date of execution of this Agreement and the Termination Date.

5.07 Action to Reduce Taxes. The Developer may seek through petition or other means to have the market value for the Development Property reduced. Until the TIF Note is fully paid, such activity must be preceded by written notice from the Developer. Upon receiving such notice, or otherwise learning of the Developer's intentions, the City may suspend payments due under the TIF Note until the actual amount of the reduction is determined, whereupon the City will make the suspended payments less any amount that the City is required to repay the County as a result any reduction in market value of the Development Property. During the period that the payments are subject to suspension, the City may make partial payments on the TIF Note if it determines, in its

sole and absolute discretion, that the amount retained will be sufficient to cover any repayment which the County may require. The City's suspension of payments on the TIF Note pursuant to this Section shall not be considered a default under this Agreement.

5.08 Legal and Administrative Expenses. The Developer shall pay all Legal and Administrative Expenses in excess of the initial deposit of $10,000 paid to the City by the Developer.

ARTICLE 6
Prohibitions Against Assignment and Transfer

6.01. Transfer of Property and Assignment. Other than leases 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 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) In the case of a material default that is not cured within a reasonable period of time, 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 HRA or the City to enforce performance and observance of any obligation, agreement, or covenant of Developer under this Agreement.

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

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

(b) In the case of a material default that is not cured within a reasonable period of time, Terminate all rights of the HRA or the City 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 or the City 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 Redevelopment Plan, this Agreement and other agreements entered into between the Developer and 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.

The Developer warrants and represents that the Developer's investment in the purchase of the Development Property and in site preparation equals at least 70% of the City Assessor's finalized market value of the Development Property for the 2018 assessment year (the most recent year for which finalized values are available), calculated as follows:

Aggregate cost of acquisition of Development Property……..……...$3,200000

Plus Estimated cost of site preparation.....…….$1,000,000

Less site preparation costs reimbursed by the Authority….. ……..($1,000,000)

Equals net land and site preparation cost.....……..$3,245,000

Assessor's finalized market value
of Development Property (2018)…….....…….$1,817,000

$3,245,000 (net acquisition and site preparation cost) is 178.59% of $1,817,000 (Assessor's finalized fair market value of the Development Property for 2018).

Accordingly, the parties agree and understand that the financial assistance described in this Agreement does not constitute a business subsidy within the meaning of the Business Subsidy Act. The Developer releases and waives any claim against the HRA and its governing body members, officers, agents, servants and employees thereof arising from application of the Business Subsidy Act to this Agreement, including without limitation any claim that the HRA failed to comply with the Business Subsidy Act with respect to this Agreement.

8.06. Term of Agreement. This Agreement shall terminate upon the earlier to occur of (i) February 1, 2041, (ii) the date the TIF Note is 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; 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 Agreement, a notice, demand, or other communication under this 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:

Swans Corner LLC
319 Barry Ave .South
Suite 301
Wayzata, MN 55391
Attention: Lowell Zitzloff/Rick Zitzloff

(b) 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

(c) 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

The HRA, 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 Manager 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 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.

IN WITNESS WHEREOF, the parties hereto have caused this 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 _____, 2019, 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 _____, 2019.

_____
Notary Public

IN WITNESS WHEREOF, the parties hereto have caused this 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 _____, 2019, 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 _____, 2019.

_____
Notary Public

SWANS CORNER LLC, a Minnesota limited liability company

By: _____
Lowell Zitzloff

Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this ___ day of _____, 2019, by Lowell Zitzloff, the President of Swans Corner LLC, a Minnesota limited liability company, on behalf of the company.

IN WITNESS WHEREOF, I have set my hand and my official seal this ___ day of _____, 2019.

_____
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 Numbers

0611722310006
0611722310005
0611722310004

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 Swans Corner LLC, dated [_____] 1, 20[__] and recorded in the Office of the Hennepin County Registrar as Document No. [_____] on [_____], 20[__], 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;

(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 later of (i) February 1, 2041, or (ii) the payment in full of principal of, and interest on, the limited revenue tax increment note issued in accordance with the Agreement, and thereafter shall be null and void.

EXHIBIT C

PROJECT DESCRIPTION; QUALIFIED COSTS

Project Description

The Project involves the construction of an approximately 28,362 square foot office and retail complex.

Qualified 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	$ 100,000
Environmental Remediation/Soils Correction	500,000
Façade Renovation	400,000
Total	**$1,000,000***

* Developer's Qualified Cost. The total principal amount of any and all tax increment notes issued to reimburse the Developer for Qualified Costs of the Project will not exceed $ 1,000,000.

EXHIBIT D

CERTIFICATE OF COMPLETION

WHEREAS, Swans Corner 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 the Central Area Redevelopment District and Tax Increment Financing District No. 6 - Downtown West, dated as of [_____] 1, 20[__], between the Developer, Housing and Redevelopment Authority of the City of Wayzata, and the City of Wayzata, Minnesota; 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 _____, 20__.

CITY OF WAYZATA, MINNESOTA

By _____
Kenneth Willcox, Mayor

And _____
Jeffrey Dahl, City Manager

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 Numbers

0611722310006
0611722310005
0611722310004

EXHIBIT E

FORM OF LIMITED TAX INCREMENT REVENUE NOTE

No. R-_____ $[_____]

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CITY OF WAYZATA
HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF WAYZATA

LIMITED REVENUE TAXABLE TAX INCREMENT NOTE
(SWANS CORNER LLC 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 August 1, 2021, and on each February 1 and August 1 thereafter up to and including February 1, 2041 (each being a "Scheduled Payment Date"), together with interest on the outstanding and unpaid principal balance of this Note at the rate of [__] ([__]%) 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 (Swans Corner LLC Project) (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 Swans Corner 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 Central Area Redevelopment District, 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 February 1, 2041 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. The Owner may assign its rights hereunder, with notice thereof provided to HRA, in accordance with the associated TIF Agreement.

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 Director and has caused this Note to be dated as of _____, 20__.

Thomas Shaver, Chair	Jeffrey Dahl, Executive Director

PROPOSED PROPERTY REDEVELOPMENT FOR:

305 thru 309 LAKE STREET EAST

WAYZATA, MINNESOTA

PROJECT NARRATIVE

CONCEPT AND GENERAL PLAN APPROVAL IS REQUESTED FOR THIS PROPOSED DEVELOPMENT PROJECT COMBINING THE COMMERCIAL LOTS LOCATED ON THE CORNER OF LAKE STREET AND BARRY AVENUE (305 AND 309 EAST LAKE STREET). 315 EAST LAKE STREET WILL REMAIN A SEPARATE BUILDING / LOT.

THE PROJECT HAS BEEN PROPOSED TO ALLOW EFFICIENCIES IN THE OVERALL PROJECT TO HELP SUBSIDIZE AND OFFSET THE COSTS ASSOCIATED WITH RECREATING THE BANK FACADE, CLEANING UP POLLUTION AND FURNISHING UNDERGROUND PARKING.

THIS PROJECT IS PROPOSED AS A THREE STORY MULTI-USE BUILDING WITH THE FOLLOWING USES.

- LOWER LEVEL = INDOOR PARKING
- FIRST FLOOR = RETAIL AND INDOOR PARKING
- SECOND FLOOR = OFFICE
- THIRD FLOOR = OFFICE

OFF-SITE PARKING IS REQUESTED FOR A PORTION OF THE REQUIRED PARKING STALLS. THESE STALLS WOULD BE PROVIDED AT THE 319 BARRY AVENUE BUILDING THAT IS ALSO OWNED BY THE APPLICANT.

LANDOWNERS AND APPLICANTS NAME AND ADDRESS

SWANS CORNER LLC
319 BARRY AVENUE SOUTH
SUITE 301
WAYZATA, MN 55391
CONTACT : LOWELL ZITZLOFF PHONE: 952-475-3980

LOWELL ZITZLOFF
319 BARRY AVENUE SOUTH
SUITE 301
WAYZATA, MN 55391 PHONE: 952-475-3980

PROJECT ARCHITECT

BRUCE W. SCHMITT & ASSOCIATES, P.A. - ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MN 55391 PHONE: 952-476-6222

PROJECT ADDRESSES AND LEGAL DESCRIPTIONS

305 AND 309 EAST LAKE STREET

THAT PART OF LOT 3, "STEPHEN'S ADDITION TO THE TOWNSITE OF WAYZATA" AND THAT PART OF LAKE STREET, ADJOINING SAID LOT 3, VACATED BY INSTRUMENT RECORDED IN BOOK 121 OF MISCELLANEOUS RECORDS, PAGE 42, DOCUMENT No. 512133, DESCRIBED AS FOLLOWS: COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID LOT 3; THENCE NORTHEASTERLY ALONG THE EASTERLY LINE OF SAID LOT 3 TO THE MOST EASTERLY CORNER OF SAID LOT 3; THENCE NORTHWESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 3 TO THE MOST NORTHERLY CORNER OF SAID LOT 3; THENCE SOUTHERLY ALONG THE WESTERLY LINE OF SAID LOT 3 A DISTANCE OF 102.5 FEET; THENCE DEFLECTING TO THE LEFT 88 DEGREES 25 MINUTES A DISTANCE OF 26.85 FEET; THENCE DEFLECTING RIGHT 90 DEGREES A DISTANCE OF 78.53 FEET TO THE SOUTHERLY LINE OF SAID PART OF VACATED LAKE STREET DESCRIBED IN SAID DOCUMENT 512133; THENCE EASTERLY ALONG SAID SOUTHERLY LINE A DISTANCE OF 34.43 FEET TO THE POINT OF BEGINNING.

THE NORTHWESTERLY 4 FEET OF LOT 2, "STEPHEN'S ADDITION TO THE TOWNSITE OF WAYZATA" MEASURED PERPENDICULAR TO THE NORTHWESTERLY LINE OF SAID LOT.

THAT PART OF LOT 3, "STEPHEN'S ADDITION TO THE TOWNSITE OF WAYZATA", AND THAT PART OF LAKE STREET, ADJOINING SAID LOT 3, VACATED IN INSTRUMENT RECORDED IN BOOK 121 OF MISCELLANEOUS RECORDS, PAGE 42, DOCUMENT No. 512133, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID LOT 3; THENCE NORTHERLY ALONG THE WEST LINE OF SAID LOT 3 TO A POINT DISTANT 102.5 FEET SOUTHERLY FROM THE MOST NORTHERLY CORNER OF SAID LOT 3; THENCE DEFLECTING TO THE RIGHT AT AN ANGLE OF 91 DEGREES 35 MINUTES, A DISTANCE OF 26.85 FEET; THENCE SOUTHERLY AT A RIGHT ANGLE A DISTANCE OF 78.53 FEET MORE OR LESS, TO THE SOUTHERLY LINE OF SAID VACATED PART OF LAKE STREET DESCRIBED IN SAID DOCUMENT No. 512133; THENCE WESTERLY ALONG SAID SOUTHERLY LINE TO THE SOUTHERLY EXTENSION OF THE WESTERLY LINE OF SAID LOT 3; THENCE NORTHERLY ALONG SAID EXTENSION TO THE POINT OF BEGINNING.

315 EAST LAKE STREET

LOT 1 AND THE EASTERLY 56.00 FEET OF LOT 2, STEPHEN'S ADDITION TO THE TOWNSITE OF WAYZATA

PROJECT SURVEYOR

GRONBERG & ASSOCIATES, INC.
445 NORTH WILLOW DRIVE
LONG LAKE, MN 55356 PHONE: 952-473-4141

PROJECT CIVIL ENGINEER

GRONBERG & ASSOCIATES, INC.
445 NORTH WILLOW DRIVE
LONG LAKE, MN 55356

BUILDING USES AND FLOOR AREA CALCULATIONS

PROPOSED PROJECT IS A THREE STORY MULTI-USE BUILDING WITH THE FOLLOWING USES:
LOWER LEVEL = INDOOR PARKING
FIRST FLOOR = RETAIL AND INDOOR PARKING
SECOND FLOOR = OFFICE
THIRD FLOOR = OFFICE

	LOWER LVL	FIRST FLR	SECOND FLR	THIRD FLR	TOTAL RETAIL AND OFFICE	TOTALS
PARKING AREA (gross area)	13,583 sf	6,147 sf				19,730 sf
RETAIL (gross area)		7,406 sf			7,406 sf	7,406 sf
OFFICE (gross area)			11,714 sf	9,208 sf	20,922 sf	20,922 sf
TOTALS (gross area)	13,583 sf	13,553 sf	11,714 sf	9,208 sf	28,328 sf	

BUILDING RECESSES

RECESSES HAVE BEEN PROVIDED ALONG BOTH STREET FRONTAGE FACADES AT THE ENTRIES.

BUILDING WIDTH

BUILDING FACADES ALONG BOTH STREET FRONTAGES HAVE BEEN DESIGNED TO APPEAR AS SMALLER SCALE BUILDINGS THROUGH THE USE OF BUILDING JOGS AND CONTRASTING MATERIALS / DESIGN ELEMENTS. IN ADDITION, VARIATIONS IN ROOF LINES AND THE INCLUSION OF TERRACES AT A PORTION OF THE SECOND FLOOR AND AT THE ENTIRE THIRD FLOOR WILL HELP TO REDUCE THE BUILDING'S SCALE.

BUILDING HEIGHT

THE BUILDING HEIGHT IS 35'-0" ABOVE THE AVERAGE GRADE PLANE AND ALIGNS WITH THE EXISTING 315 LAKE STREET ROOF COPING ELEVATION.

UPPER STORY SETBACKS

THIRD STORY SETBACK = THE THIRD STORY IS NOT PARALLEL TO THE LAKE STREET OR BARRY AVENUE FACADE FOR A MAJORITY OF THEIR LENGTHS. THEREFORE THE SETBACK VARIES ALONG BOTH STREETS. A MINIMUM SETBACK OF 6'-0" IS PROVIDED, AND THE AVERAGE THIRD FLOOR SETBACK IS 11.1 FEET.

SECOND STORY SETBACK =	FACADE LENGTH	PORTION RECESSED ON SECOND FLOOR (6'-0" MIN)	PERCENTAGE
LAKE STREET FRONTAGE (SOUTH)	62'-4"	26'-8"	43 % (25% MIN. REQUIRED)
BARRY AVENUE FRONTAGE (WEST)	174'-4"	44'-9 ½"	25.7 % (25% MIN. REQUIRED)

*ONLY SECOND STORY WALLS THAT ARE SETBACK OVER 6'-0" ARE INCLUDED IN THESE CALCULATIONS. AN ADDITONAL 11'-10 ⅜" OF SECOND STORY IS SETBACK FROM 6'-0" TO 2'-1".

ROOF DESIGN

THE FLAT ROOF WILL BE A DARK COLORED MEMBRANE, AND THE SLOPED ROOF AREAS WILL BE DARK COLORED SIMULATED SLATE SHINGLES.

SCREENING OF ROOFTOP EQUIPMENT

ALL MECHANICAL EQUIPMENT REQUIRED TO BE ON THE ROOF WILL BE SUNKEN IN A COURTYARD AREA AT THE THIRD FLOOR LEVEL OR LOCATED IN AREAS INDICATED ON THE ROOF PLAN. THIS WILL SCREEN THE EQUIPMENT FROM THE VIEW OF ADJACENT BUILDINGS.

TRASH AND RECYCLING

SHARED TRASH AND RECYCLING WILL BE LOCATED IN THE 315 EAST LAKE STREET BUILDING.

GROUND LEVEL EXPRESSION

CAST STONE ACCENT BANDS, AND THE SECOND FLOOR TERRACES WILL DISTINGUISH THE GROUND FLOOR FROM THE FLOORS ABOVE.

ENTRIES

PLANTING BEDS ARE PROVIDED ALONG BOTH STREET FRONTAGE FACADES, AND THE MAIN ENTRANCES AT BOTH STREETS ARE RECESSED AND LOCATED AT SIDEWALK GRADE LEVEL.

WALKWAYS

THE SIDEWALK ALONG LAKE STREET AND WHERE INDICATED ALONG BARRY AVENUE WILL BE EXPOSED AGGREGATE WITH BROOM FINISH CONCRETE ACCENTS TO MATCH THE EXISTING SIDEWALK IN FRONT OF THE 315 EAST LAKE STREET BUILDING. THE EXPOSED AGGREGATE SIDEWALK WILL BE EXTENDED NORTH ON BARRY AVENUE TO CONNECT WITH THE EXISTING SIDEWALK TO THE NORTH.

LANDSCAPING

LANDSCAPING (INCLUDING BOULEVARD SPECIES TREES) IS PROPOSED WHERE APPROPRIATE ALONG THE BUILDING FACADES.

TENANT SIGNAGE

IN KEEPING WITH THE WAYZATA DESIGN STANDARDS, THERE WILL BE A WALL SIGN FOR EACH STOREFRONT AND OFFICE TENANT, CONSTRUCTED OF NATURAL MATERIALS SUCH AS WOOD, METAL OR STONE. THESE SIGNS WILL BE ATTACHED DIRECTLY TO THE BUILDING. SIGNS WILL BE LIT BY LIGHTS INDICATED OR WILL BE INTERNALLY LIT.

EXTERIOR LIGHTING

WALL-MOUNTED DECORATIVE LIGHT FIXTURES WILL BE LOCATED ALONG LAKE STREET AND BARRY AVENUE AT ENTRANCE DOORS AND TERRACE LOCATIONS. ADDITIONAL RECESSED FIXTURES WILL HELP ILLUMINATE THE RECESSED ENTRANCES, AND ADDITIONAL CITY STREET LIGHTS WILL BE ADDED AS INDICATED PER CITY STANDARDS. SIGNAGE LIGHTING WILL BE PROVIDED AS INDICATED ABOVE.

BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

DESIGN FEATURES

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

BUILDING MATERIALS

FACADE COVERAGE : THE SAME OPAQUE MATERIALS ARE UTILIZED ON ALL SIDES OF THE BUILDING - BRICK, STONE, CAST STONE, STUCCO AND WOOD.

TYPE OF BRICK : ALL BRICK WILL BE STANDARD SIZES, BRICK AND MORTAR COLOR WILL MATCH THE 315 LAKE STREET. ALL BRICK JOINTS WILL BE TOOLED.

PARAPET, FLASHING AND COPING : THE TYPICAL ROOF CURB HAS COPPER FLASHING OVER PITCHED SIMULATED SLATE SHINGLES. ALL FLASHING WILL BE COPPER.

BALCONIES : THE THIRD FLOOR HAS TWO BALCONIES ON THE NORTH ELEVATION AND ONE ON THE EAST ELEVATIONS. ALL BALCONIES ARE USEABLE AND DO NOT PROJECT OVER THE PROPERTY LINE. ALL HAVE DARK METAL RAILINGS.

GLASS : GLASS WILL NOT BE MIRRORED, REFLECTIVE OR DARKENED. TINT COLOR WILL MATCH THE GLASS AT 315 LAKE STREET.

DOOR SYSTEMS: MAIN ENTRY DOORS WILL HAVE ALUMINUM FRAMES AND BE FULL GLASS.

OPAQUE MATERIALS CALCULATIONS

PERCENTAGES IN CHART ARE THE PERCENTAGE OF OPAQUE MATERIAL ON DESIGNATED ELEVATION

	SOUTH ELEVATION	WEST ELEVATION	NORTH ELEVATION	EAST ELEVATION
BRICK	17 %	21 %	29 %	23 %
STONE	18 %	3 %	0 %	0 %
WOOD	29 %	45 %	19 %	14 %
STUCCO	14 %	9 %	29 %	40 %
CAST STONE	22 %	22 %	23 %	23 %

GROUND LEVEL FACADE TRANSPARENCY CALCULATIONS

A DEVIATION IS REQUIRED AT THE LAKE STREET FRONTAGE IN ORDER TO IMITATE THE ORIGINAL BANK FACADE / WINDOWS

	WALL AREA	GLAZING AREA	PERCENTAGE
LAKE STREET FRONTAGE (SOUTH)	790 sf	328 sf	41.5 % (50% MIN. REQUIRED)
BARRY AVENUE FRONTAGE (WEST)	1,869 sf	792 sf	42.3 % (25% MIN. REQUIRED)

FLOOR AREA RATIO

PROPOSED FAR = 1.91 (2.00 MAXIMUM ALLOWED)

LOT AREA: 14,777 sf

(CALCULATIONS DO NOT INCLUDE THE CURRENT 315 LAKE STREET PROPERTY)

IMPERVIOUS AND GREEN SPACE CALCULATIONS

A DEVIATION IS REQUESTED TO ALLOW IMPERVIOUS SURFACE COVERAGE TO EXCEED 75% OF THE TOTAL LOT AREA.

(CALCULATIONS DO NOT INCLUDE THE CURRENT 315 LAKE STREET PROPERTY)

	EXISTING	PROPOSED
GREEN SPACE	447 sf OR 3.02%	347 sf OR 2.35%
IMPERVIOUS	14,330 sf OR 96.98%	14,430 sf OR 97.65%

PARKING CALCULATIONS

PARKING CALCULATIONS USING NET SQ FT WITHOUT ANY DEDUCTIONS:

BUILDING ADDRESS	USE	NET SQUARE FOOTAGE	REQUIRED STALLS (3 PER 1,000 SF)	STALLS REQUIRED	STALLS PROVIDED	SURPLUS
305 LAKE STREET	RETAIL	5,012	15.04	68.83	53	
	OFFICE	17,932	53.80			
315 LAKE STREET	RETAIL	4,987	14.96	82.95	65	
	OFFICE	22,662	67.99			
319 BARRY AVENUE	RETAIL	0	0	69.96	121	
	OFFICE	23,319	69.96			
TOTAL ALL THREE BUILDINGS	RETAIL	9,999	30	221.74 OR 222	239	17
	OFFICE	63,913	191.74			

PARKING CALCULATIONS USING GROSS SQ FT MINUS 10% DEDUCTION:

BUILDING ADDRESS	USE	GROSS SQ. FT.	10% REDUCTION	REQUIRED STALLS (3 PER 1,000 SF)	STALLS REQUIRED	STALLS PROVIDED	SHORTAGE
305 LAKE	RETAIL	7,406	6,665	20.00	76.49	53	
	OFFICE	20,922	18,830	56.49			
315 LAKE STREET	RETAIL	6,868	6,181	18.54	89.29	65	
	OFFICE	26,204	23,584	70.75			
319 BARRY AVENUE	RETAIL	0	0	0	77.85	121	
	OFFICE	28,834	25,951	77.85			
TOTAL ALL THREE BUILDINGS	RETAIL	14,274	12,846	38.54	243.63 OR 244	239	5
	OFFICE	75,960	68,364	205.09			

BRUCE W. SCHMITT & ASSOCIATES P.A. ARCHITECTS
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305 LAKE STREET EAST
WAYZATA, MINNESOTA

MATERIALS AND CALCULATIONS

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

PARKING EXHAUST DUCT WORK

175'-8"

62'-8"

51'-8"

51'-0"

10'-4"

PARKING AIR INTAKE DUCTWORK

STORAGE CLOSET

MECHANICAL

BREAK ROOM
13'-0" x 17'-8"

MEN'S ROOM

VENDING

WOMEN'S ROOM

ELEVATOR EQUIPMENT

20'-0"

23'-8"

19'-2"

DRIVE AISLE

TYPICAL 9'-0"

UP

ELEVATOR

1 2 3 4 5 6 7 8 9 10 11

12 13 14 15 16

17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36

compact compact compact compact compact compact

DRIVE AISLE 22'-5"

ONE WAY

±13'-2"

DRIVE AISLE

20'-0"

15'-8"

DRIVE AISLE

ONE WAY

ONE WAY

LOWER PARKING
36 STALLS (8 COMPACT)
AT THIS LEVEL

27'-0"

±62'-9"

±30'-4"

±5'-5"

PARKING ACCESSED FROM LOWER PARKING AT 315 LAKE STREET

EXISTING 315 LAKE STREET BUILDING

PARKING ACCESSED FROM LOWER PARKING AT 315 LAKE STREET

COMPACT ONLY

16' 8' 0 16' 48'
12' 4'
GRAPHIC SCALE: 1/16" = 1'-0"

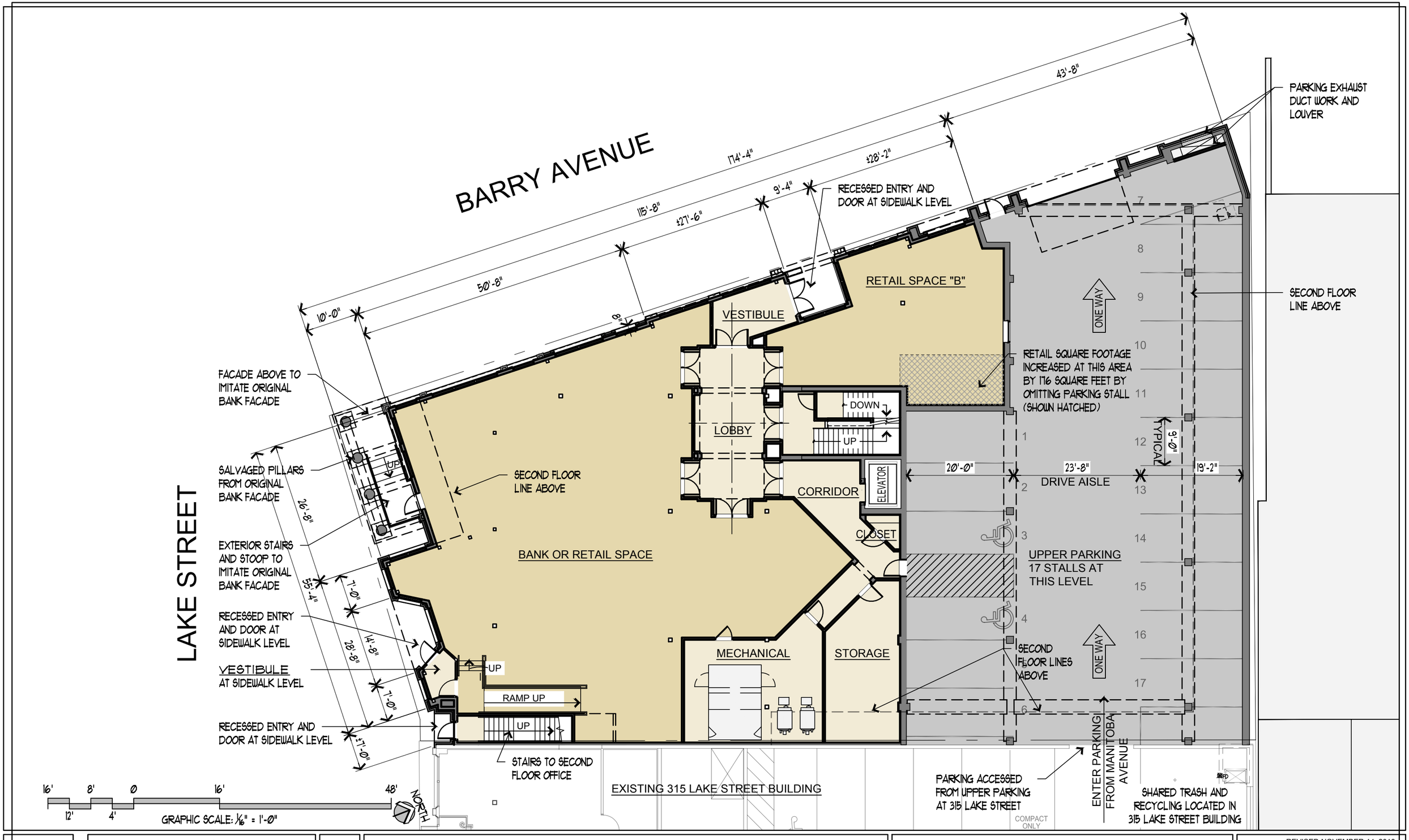
NORTH

BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

LOWER LEVEL PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018



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305 LAKE STREET EAST
WAYZATA, MINNESOTA

FIRST FLOOR PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 19, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

SECOND STORY SETBACK CALCULATIONS
44'-9½"
÷ 174'-4"
= 25.7% AT SECOND STORY
(ONLY SETBACK AREAS OVER 6'-Ø" INCLUDED)

151 SECOND FLOOR SQUARE FOOTAGE REDUCTION FROM PREVIOUS SUBMITTAL (SHOWN HATCHED)

BRICK CORNER FROM PREVIOUS SUBMITTAL (SHOWN DASHED)

SECOND FLOOR REDUCTION FROM PREVIOUS SUBMITTAL (BRICK TO BRICK)

174'-4"
52'-Ø"
44'-8"
16'-Ø" SECOND STORY SETBACK (6'-Ø" AND OVER)
8"
20'-10⅛"
11'-10⅜"
28'-9½" SECOND STORY SETBACK (6'-Ø" AND OVER)
9'-7⅛"
2'-1"
6'-Ø"
2'-1"
6'-Ø"

COPPER FLASHING AT LEDGE BELOW

RECESSED ENTRANCE BELOW SHOWN DASHED

THIS TERRACE AREA NOT COUNTED AS PART OF SECOND STORY SETBACK (2'-1" TO 6'-Ø")

THIRD FLOOR LINE ABOVE

ROOF OVER BANK FACADE BELOW

TERRACE

26'-8"
±62'-4"
28'-8"
±71'-Ø"

RECESSED ENTRANCES BELOW SHOWN DASHED

OFFICE TENANT "2A"

DOWN
UP
ELEVATOR

CORRIDOR

COMMON RESTROOMS

ELECTRIC CLOSET

TERRACE

EXTERIOR MECHANICAL COURTYARD ABOVE

OPENING
DOWN
OPENING

MECH

CONNECTING LINK AT THIRD FLOOR ABOVE

TERRACE TO ALIGN AND BE CONTINUOUS WITH 315 LAKE ST. TERRACE

EXISTING 315 LAKE STREET BUILDING

16' 8' Ø 16' 48'
12' 4'
GRAPHIC SCALE: 1/16" = 1'-Ø"

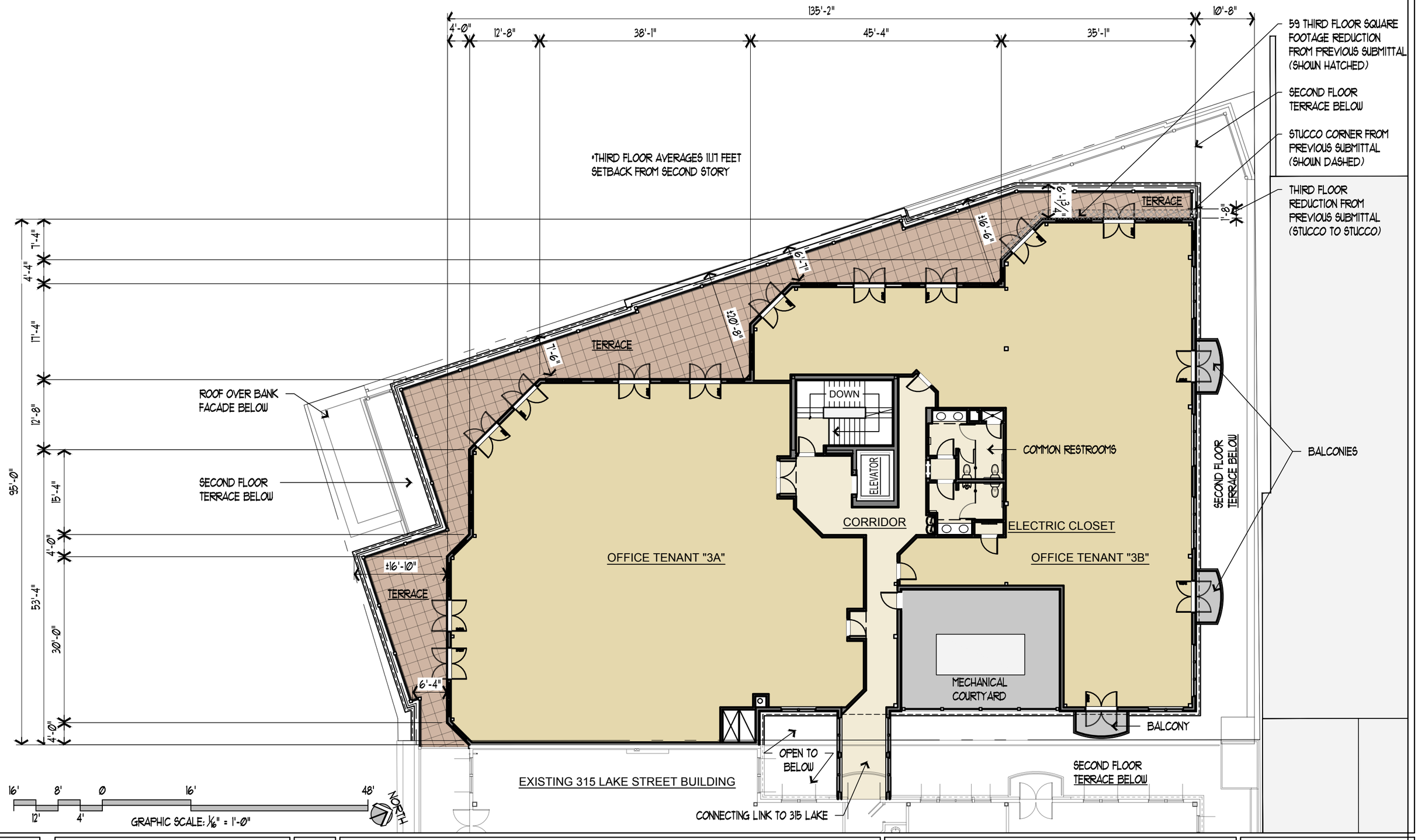
NORTH

BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

SECOND FLOOR PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 19, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

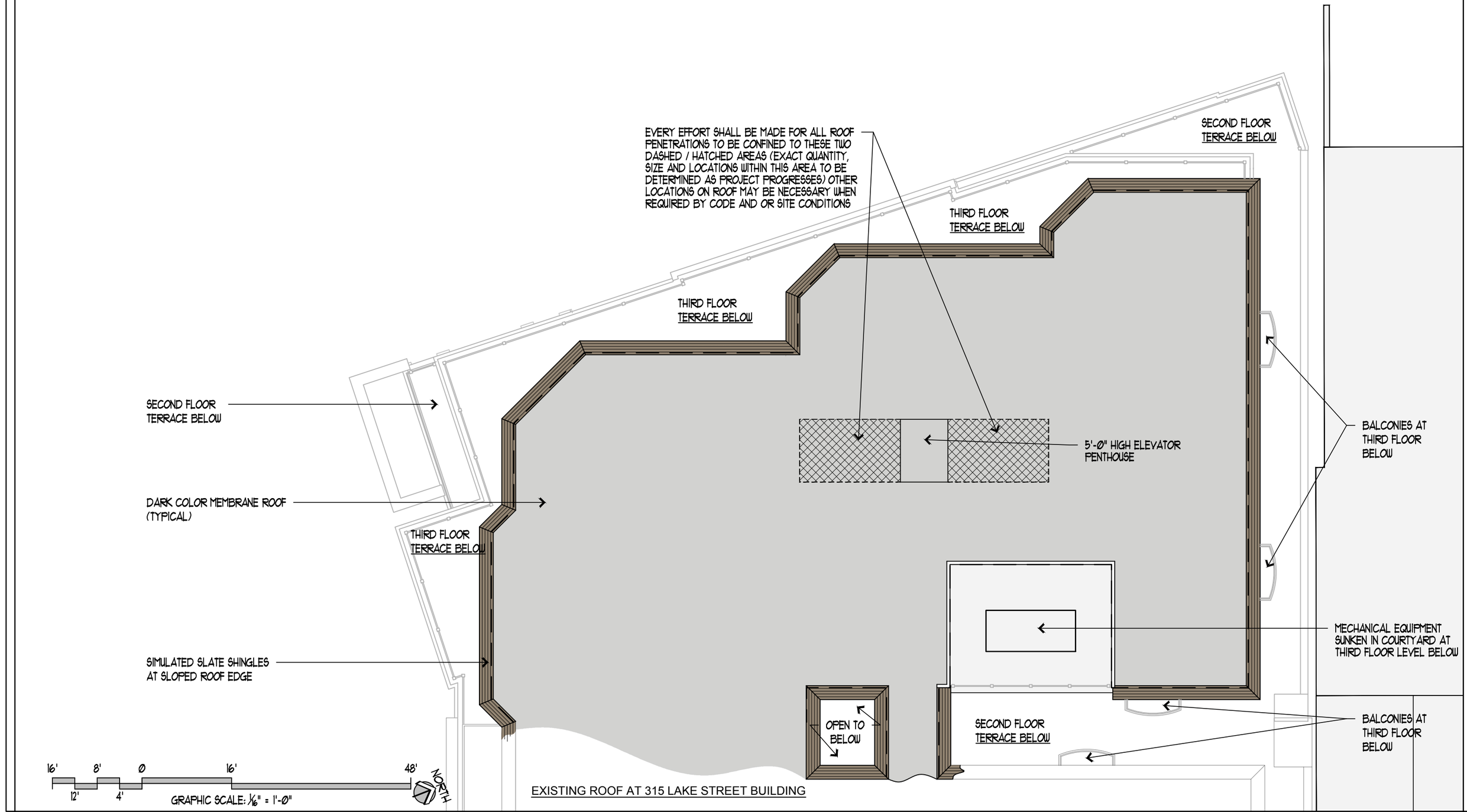


BRUCE W. SCHMITT & ASSOCIATES P.A.
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222
ARCHITECTS

305 LAKE STREET EAST
WAYZATA, MINNESOTA

THIRD FLOOR PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 19, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

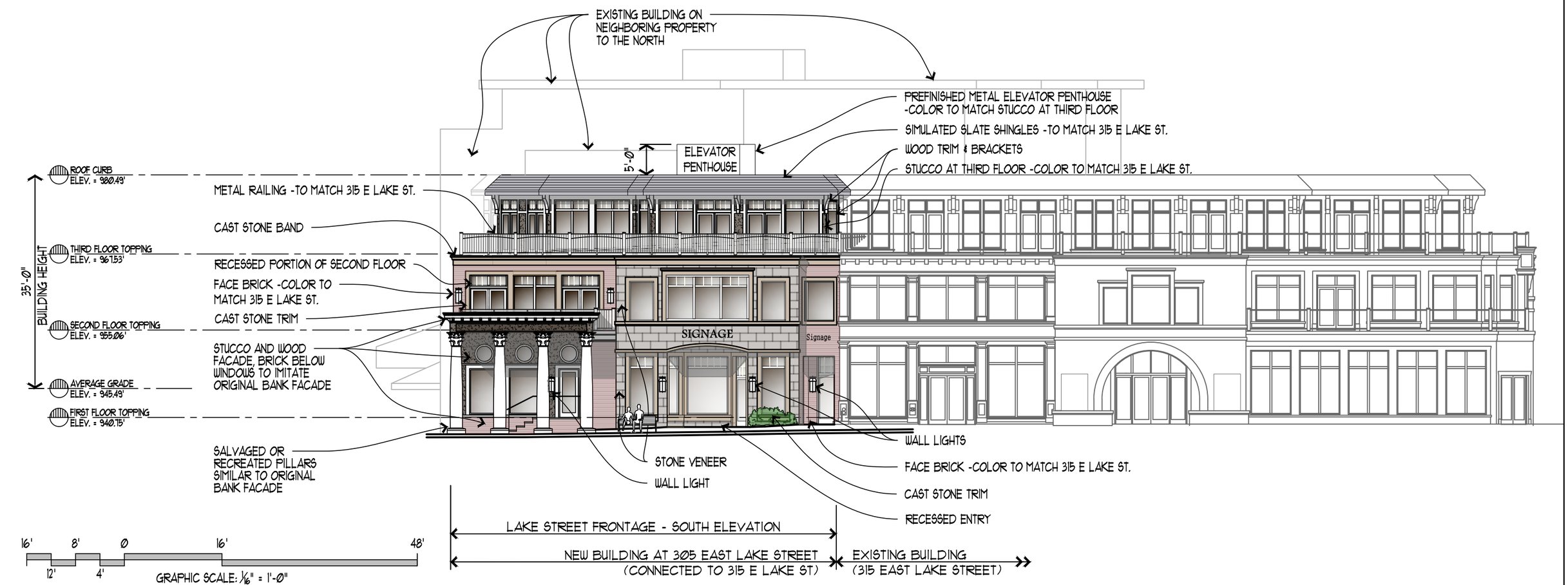


BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

ROOF PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

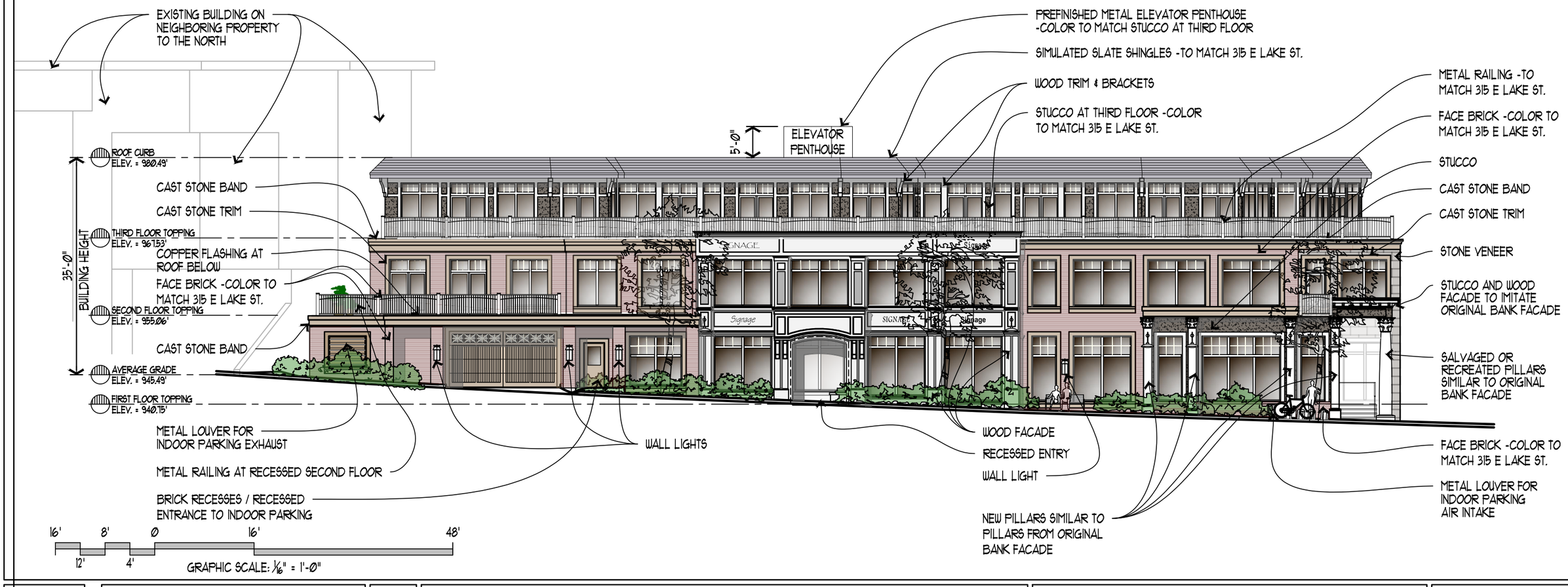


BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

SOUTH ELEVATION

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

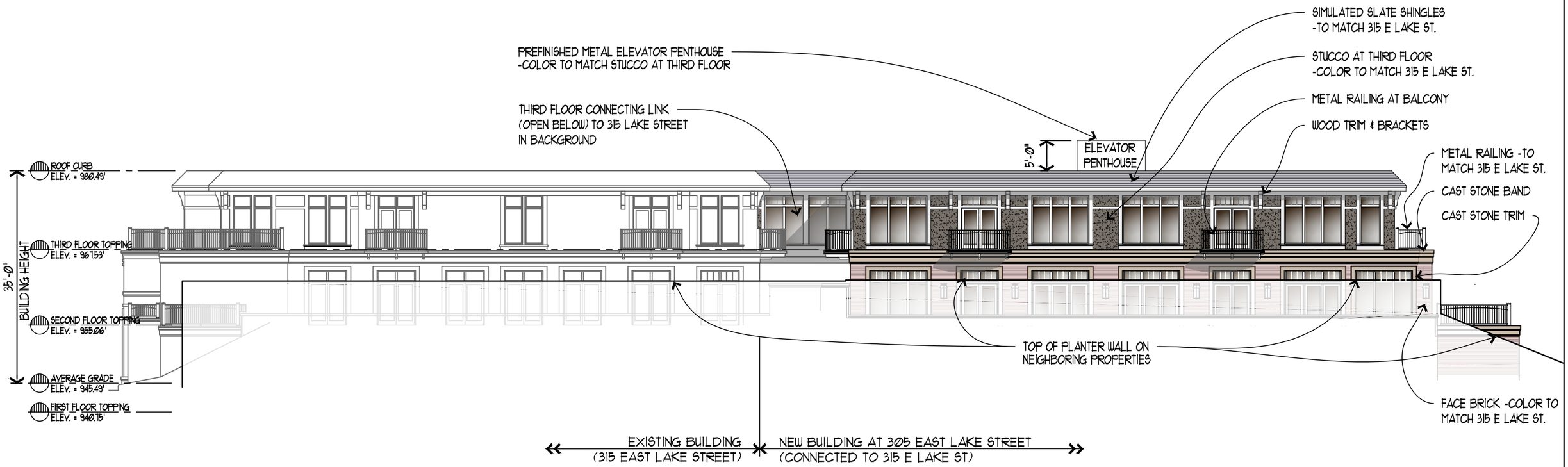


BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

WEST ELEVATION

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018



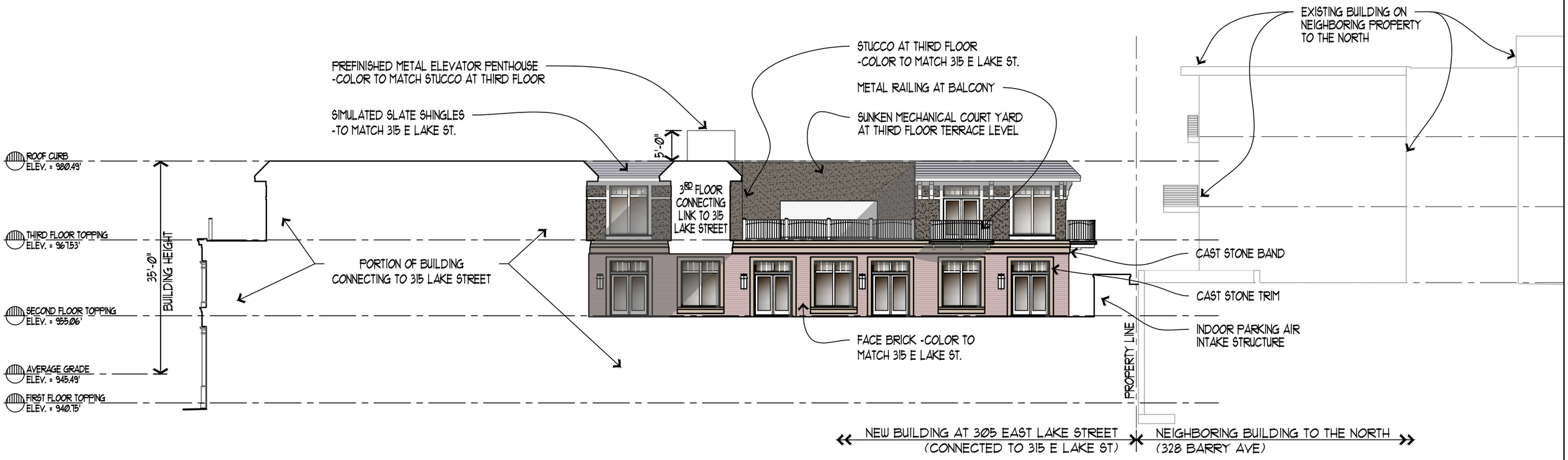
16' 8' Ø 16' 48'
12' 4'
GRAPHIC SCALE: 1/16" = 1'-Ø"

BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

NORTH ELEVATION

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018



16' 8' 0 16' 48'

12' 4'

GRAPHIC SCALE: 1/16" = 1'-0"

BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

EAST ELEVATION

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

BARRY AVENUE

LAKE STREET

NEW ORNAMENTAL TREE
-SPECIES TO BE VERIFIED
WITH CITY

TAUNTON YEW

NEW ORNAMENTAL TREES
-SPECIES TO BE VERIFIED
WITH CITY

EXISTING
ORNAMENTAL TREE

TAUNTON YEW

TAUNTON YEW

BENCH

TAUNTON YEW

TAUNTON YEW

DOOR AT
SIDEWALK LEVEL

NEW ORNAMENTAL TREE
-SPECIES TO BE VERIFIED
WITH CITY

BICYCLE PARKING

BUILDING TO BE
REMOVED (SHOWN
DASHED)

TAUNTON YEW

BRICK PLANTER
TO BE REMOVED

NEW ORNAMENTAL TREE
-SPECIES TO BE
VERIFIED WITH CITY

PROPOSED BUILDING

BENCH

DOORS AT
SIDEWALK LEVEL

BUILDING TO BE
REMOVED (SHOWN
DASHED)

TAUNTON YEW

EXISTING ORNAMENTAL TREE

EXISTING 315 LAKE STREET BUILDING

16' 8' 0 16' 48'

12' 4'

GRAPHIC SCALE: 1/16" = 1'-0"

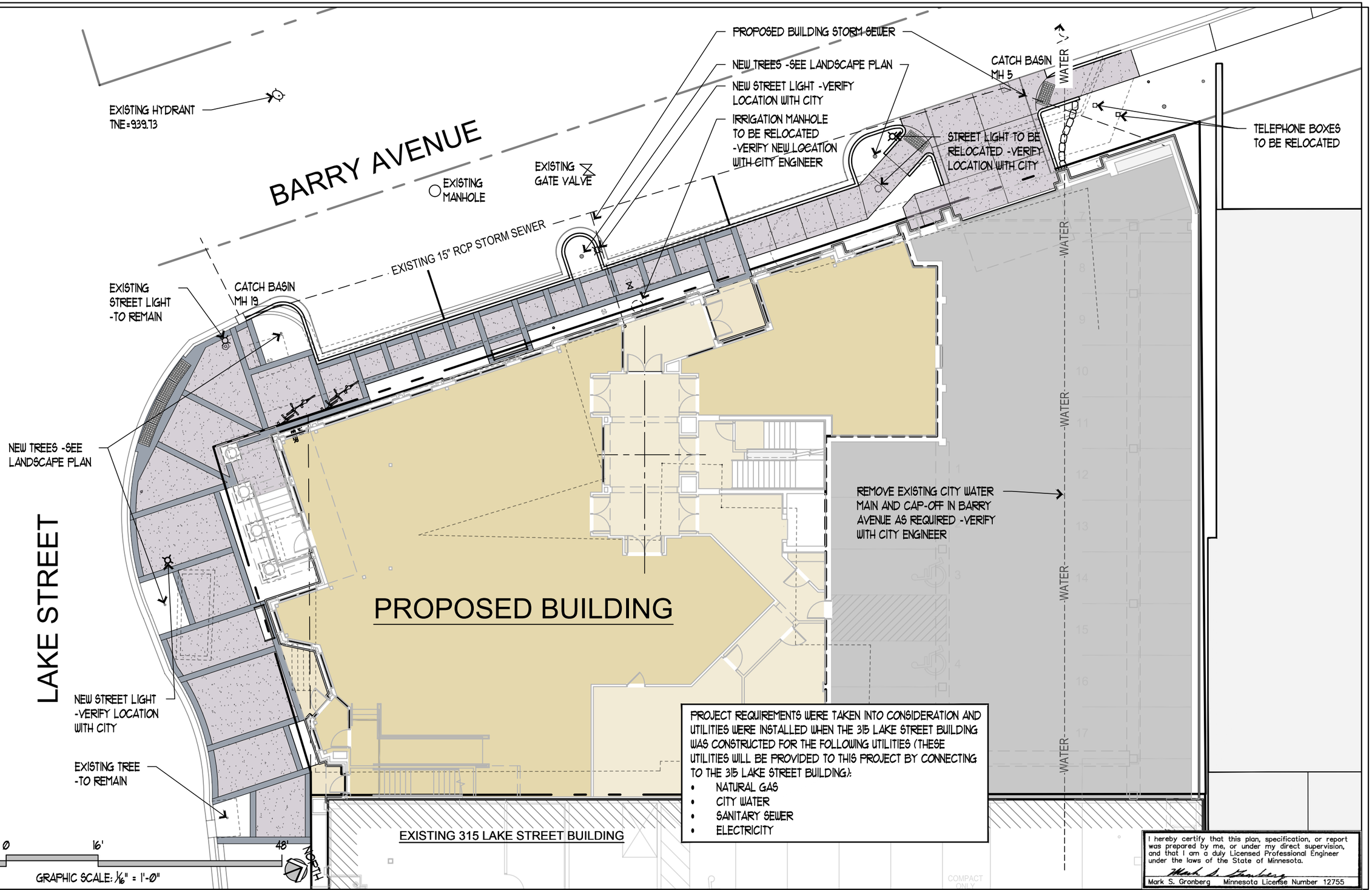
BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST

WAYZATA, MINNESOTA

LANDSCAPE PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018



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 Professional Engineer under the laws of the State of Minnesota.

Mark S. Gronberg Minnesota License Number 12755

BRUCE W. SCHMITT & ASSOCIATES P.A. ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

SITE UTILITY PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

BARRY AVENUE

LAKE STREET

NEW TREES -SEE LANDSCAPE PLAN

NEW TREES -SEE LANDSCAPE PLAN

EXISTING CATCHBASIN

EXISTING CATCHBASIN

EXISTING CATCHBASIN

FIELD VERIFY EXISTING SIDEWALK ELEVATION AT SIDEWALK TO REMAIN AND ADJUST ELEVATION AS REQUIRED

EXISTING TREE -TO REMAIN

PROPOSED BUILDING

FIRST FLOOR ELEVATION = 100'-0" OR 940.75'

FLOOR ELEVATION = 98'-6" OR 939.25'

FLOOR ELEVATION = 98'-11" OR 939.67'

EXISTING 315 LAKE STREET BUILDING

954.9 GRADE AT TERRACE ABOVE

954.9 GRADE AT TERRACE ABOVE

945.7

952.5

16' 8' 0 16' 48'

12' 4'

GRAPHIC SCALE: 1/16" = 1'-0"

NORTH

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 Professional Engineer under the laws of the State of Minnesota.

Mark S. Gronberg Minnesota License Number 12755

BRUCE W. SCHMITT & ASSOCIATES P.A.
ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST

WAYZATA, MINNESOTA

GRADING PLAN

REVISED NOVEMBER 14, 2018
REVISED SEPTEMBER 24, 2018
REVISED SEPTEMBER 7, 2018
JUNE 27, 2018

SYMBOLS
=STREET LIGHTS
=WALL LIGHTS

BARRY AVENUE

STREET LIGHT TO BE RELOCATED -VERIFY LOCATION WITH CITY

NEW STREET LIGHT (MATCH EXISTING AND MEET CITY STANDARDS) -VERIFY LOCATION WITH CITY

WALL LIGHTS (DOWNWARD PROJECTING)

WALL LIGHTS (DOWNWARD PROJECTING)

EXISTING STREET LIGHT -TO REMAIN

CEILING LIGHTING AT RECESSED ENTRY

CEILING LIGHTING AT BANK FACADE SOFFIT

PROPOSED BUILDING

LAKE STREET

NEW STREET LIGHT (MATCH EXISTING AND MEET CITY STANDARDS) -VERIFY LOCATION WITH CITY

CEILING LIGHTING AT RECESSED ENTRY

WALL LIGHTS (DOWNWARD PROJECTING)

EXISTING 315 LAKE STREET BUILDING

16' 8' 0 16' 48'

12' 4'

GRAPHIC SCALE: 1/16" = 1'-0"

NORTH

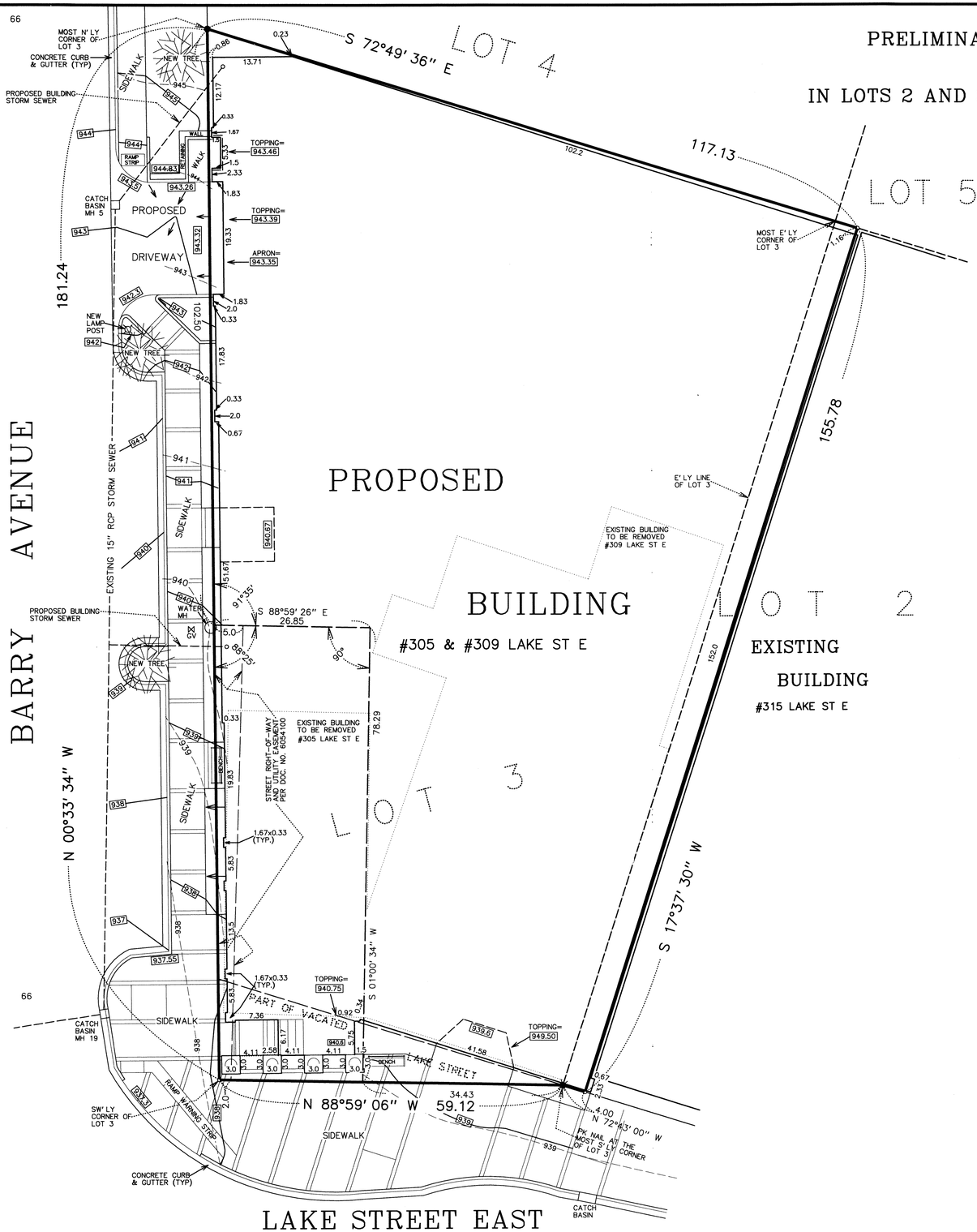
BRUCE W. SCHMITT & ASSOCIATES P.A. ARCHITECTS
320 MANITOBA AVENUE SOUTH
WAYZATA, MINNESOTA 55391
(952)476-6222

305 LAKE STREET EAST
WAYZATA, MINNESOTA

SITE LIGHTING PLAN

REVISED NOVEMBER 14, 2018
SEPTEMBER 24, 2018

PRELIMINARY PLAT AND CERTIFICATE OF SURVEY FOR
LNR PROPERTIES
IN LOTS 2 AND 3, STEPHENS ADD. TO THE TOWNSITE OF WAYZATA
HENNEPIN COUNTY, MINNESOTA



EXISTING HARDCOVER CALCULATIONS :

Lot area = 14,777 Sq. ft.

Building = 5066 sf
Blacktop parking = 5786 sf
Gravel parking = 2987 sf
Walks, steps & pillars = 491 sf

Total = 14,330 Sq. ft.

14,330 / 14,777 x 100 = 96.98%

NOTE: The remaining areas are mulch and shrubs = 447 sf.

PROPOSED HARDCOVER CALCULATIONS :

Lot area = 14,777 Sq. ft.

Building = 14,100 sf
Driveway = 46 sf
Walks, steps & pillars = 404 sf

Total = 14,550 Sq. ft.

14,550 / 14,777 x 100 = 98.46%

NOTE: The remaining areas on the westerly and northerly sides of the proposed building are assumed to be green space = 227 sf.

LEGAL DESCRIPTION OF PREMISES :

309 Lake Street East (per Certificate of Title No. 1456915)

That part of Lot 3, "Stephens' Addition to the Townsite of Wayzata" and that part of Lake Street, adjoining said Lot 3, vacated by instrument recorded in Book 121 of Miscellaneous Records, page 42, Document No. 512133, described as follows: Commencing at the most Southerly corner of said Lot 3; thence Northeasterly along the Easterly line of said Lot 3 to the most Easterly corner of said Lot 3; thence Northwesterly along the Northerly line of said Lot 3 to the most Northerly corner of said Lot 3; thence Southerly along the Westerly line of said Lot 3 a distance of 102.5 feet; thence deflecting to the left 88 degrees 25 minutes a distance of 26.85 feet; thence deflecting right 90 degrees a distance of 78.53 feet to the Southerly line of said part of vacated Lake Street described in said Document 512133; thence Easterly along said Southerly line a distance of 34.43 feet to the point of beginning.

The Northwesterly 4 feet of Lot 2, "Stephens' Addition to the Townsite of Wayzata" measured perpendicular to the Northwesterly line of said lot.

305 Lake Street East (per Certificate of Title No. 1456916)

That part of Lot 3, "Stephens' Addition to the Townsite of Wayzata" and that part of Lake Street, adjoining said Lot 3, vacated in instrument recorded in Book 121 of Miscellaneous Records, page 42, Document No. 512133, described as follows: Beginning at the southwesterly corner of said Lot 3; thence northerly along the west line of said Lot 3 to a point distant 102.5 feet southerly from the most northerly corner of said Lot 3; thence deflecting to the right at an angle of 91 degrees 35 minutes, a distance of 26.85 feet; thence southerly at a right angle a distance of 78.53 feet more or less, to the southerly line of said vacated part of Lake Street described in said Document No. 512133; thence westerly along said southerly line to the southerly extension of the westerly line of said Lot 3; thence northerly along said extension to the point of beginning.

o : denotes iron marker set

● : denotes iron marker found

(908.3) : denotes existing spot elevation, mean sea level datum

[910.8] : denotes proposed spot elevation, per architect

— — 917— — : denotes existing contour line, mean sea level datum

—— 930 ——: denotes proposed contour line, per architect

Bearings shown are based upon an assumed datum.

This survey intends to show the boundaries of the above described property, the location of two existing buildings, to be removed, spot elevations and topography, and the proposed location of a proposed building, walks, driveway and grades thereon. It does not purport to show any other improvements or encroachments.

GRONBERG & ASSOCIATES, INC.
CIVIL ENGINEERS, LAND SURVEYORS, LAND PLANNERS
445 NORTH WILLOW DRIVE LONG LAKE, MN 55356
952-473-4141

DATE	JOB NO
12-1-17	17-436
SCALE 1" = 10'	

PROJECT

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 Land Surveyor under the laws of the State of Minnesota.

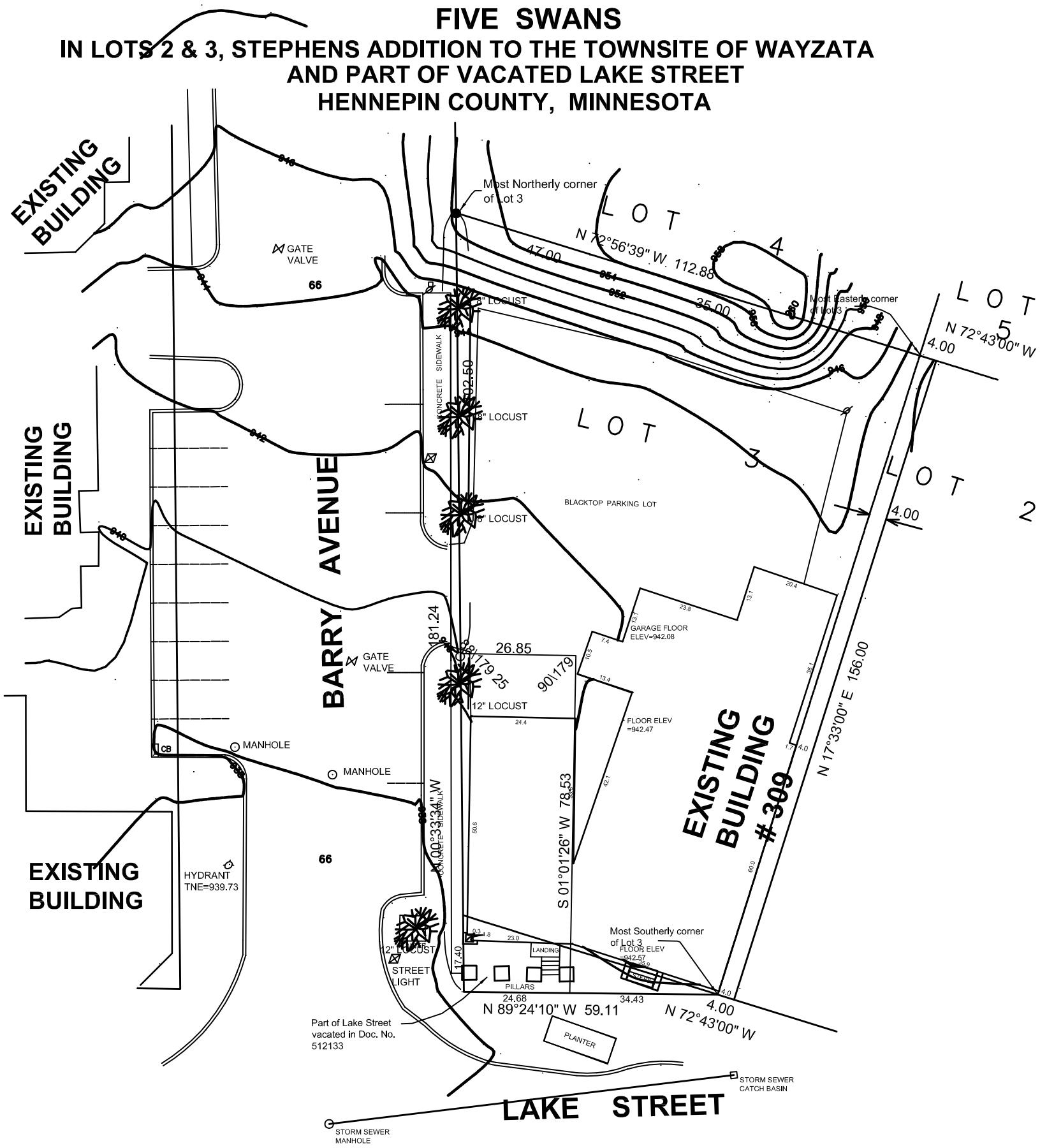
Mark S. Gronberg Minnesota License Number 12755

DATE	REMARKS
6-26-18	PRELIMINARY PLAT AND PROPOSED BUILDING

17436REVISED.SCJ

17-436

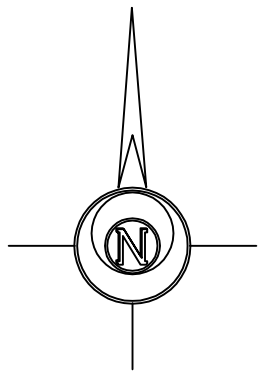
CERTIFICATE OF SURVEY FOR
FIVE SWANS
IN LOTS 2 & 3, STEPHENS ADDITION TO THE TOWNSITE OF WAYZATA AND PART OF VACATED LAKE STREET HENNEPIN COUNTY, MINNESOTA



LEGAL DESCRIPTION OF PREMISES:
That part of Lot 3, "Stephens' Addition to the Townsite of Wayzata", and that part of Lake Street, adjoining said Lot 3, vacated by instrument recorded in Book 121 of Miscellaneous Records, page 42, Document No., 512133, described as follows:
Commencing at the most Southerly corner of said Lot 3; thence Northeasterly along the Easterly line of said Lot 3 to the most Easterly corner of said Lot 3; thence Northwesterly along the Northerly line of said Lot 3 to the most Northerly corner of said Lot 3; thence Southerly along the Westerly line of said Lot 3 a distance of 102.5 feet; thence deflecting to the left 88 degrees 25 minutes a distance of 26.85 feet; thence deflecting right 90 degrees a distance of 78.53 feet to the Southerly line of said part of vacated Lake Street described in said Document 512133; thence Easterly along said Southerly line a distance of 34.43 feet to the point of beginning,
The Northwesterly 4 feet of Lot 2, "Stephens' Addition to the Townsite of Wayzata" measured perpendicular to the Northwesterly line of said lot,
ALSO
That part of said Lot 3 described as follows: Commencing at the most Northerly corner of said Lot 3; thence Southerly along the Westerly line of said Lot 3 a distance of 102.5 feet to the point of beginning of the property being described; thence deflecting to the left 88 degrees 25 minutes a distance of 26.85 feet; thence deflecting right 90 degrees a distance of 78.53 feet to the Southerly line of said part of vacated Lake Street described in said Document 512133; thence Westerly along said Southerly line to its intersection with the Southerly extension of said West line of Lot 3; thence Northerly along said extension and along said West line to the point of beginning.

This survey shows the boundaries of the above described property, and the location of an existing building, parking area, and pillars thereon. It does not purport to show any other improvements or encroachments.

● : Iron marker found
○ : Iron marker set
Bearings shown are based upon an assumed datum



DESIGNED	REVISION	DATE	DESCRIPTION
DRAWN PR			
CHECKED			

GRONBERG & ASSOCIATES, INC.
CONSULTING ENGINEERS, LAND SURVEYORS, SITE PLANNERS
445 N. WILLOW DR. LONG LAKE, MN. 55356
952-473-4141

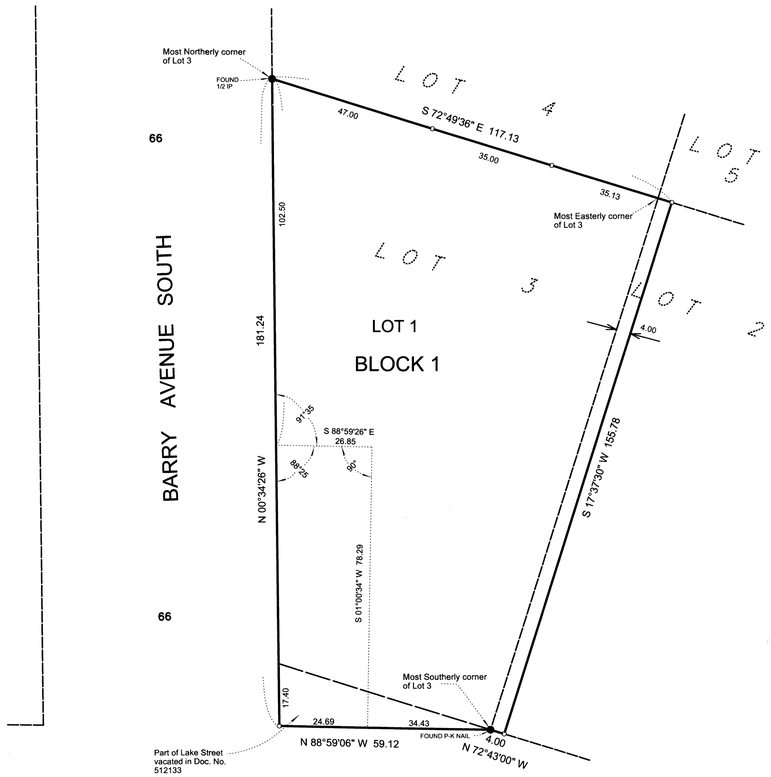
I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER AND LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

DATE _____ MN LICENSE NUMBER _____

SCALE ~~1"=20'~~ not to scale
DATE 1-7-08
JOB NO. 08-006

R.T.DOC.NO. _____

SWANS CORNER



Know all persons by these presents: That Swans Corner LLC, a Minesota limited liability company, fee owner of the following described property situated in the County of Hennepin, State of Minnesota, to wit:

That part of Lot 3, "Stephens' Addition to the Townsite of Wayzata" and that part of Lake Street, adjoining said Lot 3, vacated by instrument recorded in Book 121 of Miscellaneous Records, page 42, Document No. 512133, described as follows: Commencing at the most Southerly corner of said Lot 3, thence Northeasterly along the Easterly line of said Lot 3 to the most Easterly corner of said Lot 3; thence Northwesterly along the Northerly line of said Lot 3 to the most Northerly corner of said Lot 3; thence Southerly along the Westerly line of said Lot 3 a distance of 102.5 feet; thence deflecting to the left 88 degrees 25 minutes a distance of 26.85 feet; thence deflectiong to the right 90 degrees a distance of 78.53 feet to the Southerly line of said part of vacated Lake Street described in said Document 512133; thence Easterly along said Southerly line a distance of 34.43 feet to the point of beginning.
The Northwesterly 4 feet of Lot 2, "Stephens' Addition to the Townsite of Wayzata" measured perpendicular to the Northwesterly line of said lot.

Also

That part of Lot 3, "Stephens' Addition to the Townsite of Wayzata" and that part of Lake Street, adjoining said Lot 3, vacated in instrument recorded in Book 121 of Miscellaneous Records, page 42, Document No. 512133, described as follows: Beginning at the southwesterly corner of said Lot 3; thence northerly along the west line of said Lot 3 to a point distant 102.5 feet southerly from the most northerly corner of said Lot 3; thence deflecting to the right at an angle of 91 degrees 35 minutes, a distance of 26.85 feet; thence southerly at a right angle a distance of 78.53 feet more or less, to the southerly line of said vacated part of Lake Street described in said Document No. 512133; thence westerly along said southerly line to the southerly extension of the westerly line of said Lot 3; thence northerly along said extension to the point of beginning.

Have caused the same to be surveyed and platted as SWANS CORNER, and do hereby dedicate to the public for the public use forever the drainage and utility easements as shown on the plat.

In witness whereof said Swans Corner, LLC, a Minnesota limited liability company, has caused these presents to be signed by its proper officer this _____ day of _____, 20____.
Swans Corner, LLC, a Minnesota limited liability company,

By _____, its _____
STATE OF _____)
COUNTY OF _____) The foregoing instrument was acknowledged before me this _____ day of _____, 20_____, by _____, its _____, of Swans Corner, LLC, a Minnesota limited liability company, on behalf of the company.

_____
Notary Public, _____ County Notarys printed name
My commission expires _____

I Mark S. Gronberg do hereby certify that this plat was prepared by me or under my direct supervision; that I am a duly Licendsed Land Surveyor in the State of Minnesota; that this plat is a correct representation of the boundary survey; that all mathematical data and labels are correctly designated on this plat; that all monuments depicted on this plat have been, or will be correctly set within one year; that all water boundaries and wet lands as defined in Minnesota Statutes, Section 505.01, Subd. 3 as of the date of this certificate are shown and labeled on this plat; and all public ways are shown and labeled on this plat.

Dɛ.ed the _____ day of, _____ 20____.

_____
Mark S. Gronberg Licensed Land Surveyor and Engineer
Minnesota License Number 12755

STATE OF _____)
COUNTY OF _____) The foregoing instrument was acknowledged before me this _____ day of _____, 20_____, by Mark S. Gronberg, Land Surveyor and Engineer

_____
Notary Public, _____ County Notarys printed name
My commission expires _____

WAYZATA, MINNESOTA

This plat of SWANS CORNER was approved and accepted by the City Council of Wayzata, Minnesota, at a regular meeting held this _____ day of _____, 20_____. If applicable, the written comments and recommendations of the Commissioner of Transportaion and the County Highway Engineer have been received by the City, or the prescribed 30 day period has elapsed without receipt of such comments and recommendations, as provided by Minnesota Statutes, Section 505.03, Subd. 2.

CITY COUNCIL OF THE CITY OF WAYZATA, MINNESOTA

_____, Mayor
_____, Clerk

RESIDENT AND REAL ESTATE SERVICES, HENNEPIN COUNTY, MINNESOTA
I hereby certify that taxes payable in 20____ and prior years have been paid for land described on this plat.
Dated this _____ day of_____, 20_____

MARK V. CHAPIN, COUNTY AUDITOR

By _____, Deputy

SURVEY DIVISION, HENNEPIN COUNTY, MINNESOTA
Pursuant to MINN. STAT. Sec. 383B.565, (1969), this plat has been approved this _____ day of_____, 20_____.

CHRIS F. MAVIS, COUNTY SURVEYOR

By_____

REGISTRAR OF TITLES, HENNEPIN COUNTY, MINNESOTA
I hereby certify that the within plat of SWANS CORNER was filled for record in this office this _____ day of _____ 20____, at _____ oclock _____.M.

MARTIN MCCORMICK, REGISTRAR OF TITLES

By_____, Deputy

GRONBERG & ASSOCIATES, INC. ENGINEERS, LAND SURVEYORS, PLANNERS

SHEET 1 OF 2 SHEETS

Design Review Critique
305 and 309 Lake St E
November 14, 2018

The Design Review Critique is based on the following plans submitted by the applicant:

1. Project Information prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
2. Design Features prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
3. Materials and Calculations prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
4. Lower Level Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
5. First Floor Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
6. Second Floor Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
7. Third Floor Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
8. Roof Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
9. South Elevation prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
10. West Elevation prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
11. North Elevation prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
12. East Elevation prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
13. Landscape Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
14. Site Utility Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
15. Grading Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
16. Site Lighting Plan prepared by Bruce W. Schmitt & Associates dated June 27, 2018 and revised November 14, 2018
17. Preliminary Plat prepared by Gronberg & Associates and dated June 26, 2018
18. Certificate of Survey prepared by Gronberg & Associates and dated January 7, 2008
19. Final Plat prepared by Gronberg & Associates

		Comments		Compliance
Building Uses				
909.05.A – Lake Street District All new buildings east of Barry Avenue on Lake Street shall have retail usage at least eighty percent (80%) of the ground floor facing Lake Street. The remaining twenty percent (20%) of the ground floor frontage may only be used for walkways, public access, or public facilities. Retail activities shall comprise a total of at least fifty percent (50%) of the usage of the total building footprint.		100% of the ground level along the Lake Street frontage would be retail uses, and retail would comprise 55% of the ground floor. The remaining 45% of the ground floor would be interior parking.		Yes
Building Recesses				
909.06.A.1 – All Districts Building facades shall be articulated through the use of pilasters and/or recesses that create visible shadow lines and dimensions especially on the street level		The proposed building includes recesses and undulations in the building façade that creates shadow lines and dimensions.		Yes
909.06.A.2 Street level landscaped courtyards, outdoor seating areas and gathering areas shall be incorporated into building and site plan design.		The front of the building adjacent to the street and public sidewalk would include landscape planters and benches.		Yes

		Comments		Compliance
Building Width				
909.07.A – New Buildings In order to reduce the scale of longer façades and to eliminate the long horizontal expressions of buildings, divisions or breaks in materials shall be included and at least three of the following design strategies shall be incorporated into the design: 1. Window bays 2. Special treatment at entrances 3. Variations in roof lines or parapet detailing 4. Awnings 5. Building setbacks or articulation of the facade 6. Rhythm of elements		The proposed building incorporates special treatment at entrances, building setbacks and articulation of the façade, and rhythm of elements.		Yes
		Comments		**Compliance**
Upper Story Setbacks				
909.08.A.1 – All Districts – New Buildings Building height shall conform to the height of the applicable zoning district. Where three (3) story buildings are permitted, the third (3rd) story must be recessed from all façades fronting public right of ways at least a distance equal to the vertical distance of the 3rd story height from the second (2nd) floor footprint, or an average of ten (10) feet across the facade, but no portion of the 3rd story structure shall be closer than six (6) feet to the 2nd story façade. The 3rd story façade shall be designed with railings, pillars, dimensional windows, building recesses or other similar design techniques to break up the 3rd story façade.		The third story of the building would be fully recessed from the second story along both Barry Avenue and Lake Street. The third story along Lake St is recessed between 6.6 and 20.7 feet, and the third story along Barry Ave is recessed between 6.3 feet and 16.8. The average third story setback is 11.1 feet. The third story façade includes railings, pillars to break up the façade.		Yes

		Comments		Compliance
909.08.A.2 – All Districts – New Buildings The façades fronting public right-of-ways of every two and three story building, longer than sixty (60) feet, must have a recessed second story of approximately twenty-five percent (25%) of the façade's length, setting back a minimum of six (6) feet from the face of the first floor façade. The required third floor setback must follow the frontal plane of the second story setback.		The second story of the building would be recessed at least 6 feet for 43% of the Lake St frontage, and for 25.7% of the Barry Ave frontage.		Yes
909.08.A.3 – All Districts – New Buildings Wintertime sun orientation, solar access, and views of Lake Minnetonka are significant issues within the Design Districts. Building height should not negatively and significantly impact neighboring properties.		The proposed plans eliminates the rooftop patio and fully conforms to the building height requirement in the C-4 zoning district.		Yes

		Comments		Compliance
Roof Design				
909.09.A – All Districts "Green" roofs, roof garden terraces, arbors and other similar structures are encouraged on roofs of building.		The proposed plan does not include a green roof.		N/A
909.09.B.1 – All Districts – Roof Materials The roof material for all sloped roofs in all districts shall be slate, untreated copper, pre-finished metal, cedar shake or asphalt shingle in dark colors. 909.09.B.2 – All Districts – Roof Materials The roof material for all flat roofs in all districts shall be treated synthetic membrane or other similar material in dark colors.		The proposed building has a flat roof which would consist of a synthetic membrane in a dark color.		Yes

Screening of Rooftop Equipment				
909.10.A – Lake Street District No mechanical equipment for a building may be located on the roof deck. All such mechanical equipment must be located within the interior of the structure.		The proposed plans do not include mechanical units on the rooftop. The mechanical equipment would be located in a sunken courtyard below the third level roof deck.		Yes

		Comments		Compliance
Facade Transparency				
909.11.B – Lake Street District No less than fifty percent (50%) of the ground level façade of any building fronting Lake Street shall be transparent glass. No less than twenty-five percent (25%) of the ground level side and rear façade facing a public right of way, parking area or open space shall be transparent glass.		The first floor of the building is comprised of only 41.5% glass along the Lake Street façade and 42.3% glass along the Barry Ave façade. The proposed building meets the transparency requirement along Barry Ave, but not along Lake St.		No. Deviation Requested.
Ground Level Expression				
909.12 – All Districts In multi-story buildings, the ground floor shall be distinguished from the floors above by the use of at least three of the following elements: 1. An intermediate cornice line 2. A difference in building materials or detailing 3. An offset in the façade 4. An awning, trellis, or loggia 5. Arcade 6. Special window lintels 7. Brick/stone corbels		The ground floor of the proposed building is distinguished from the 2nd and 3rd floor by an architectural cornice, a change in building materials, and an offset in the façade.		Yes

Entries				
909.13 – All Districts The front facade of all buildings shall be landscaped with window boxes or planters with seasonally appropriate plantings. The main entries shall face the primary street at sidewalk grade.		The front façade along Lake Street and Barry Avenue have landscape planters located in front of the building. The main entries are located along the street at sidewalk level.		Yes

		Comments		Compliance
Building Materials and Quality				
909.14.A – Primary Opaque Surfaces – All Districts Other than the accent materials listed in 801.09.11.G, ninety percent (90%) of the non-glass surfaces of each elevation of the exterior building façade shall be composed of one or more of the following materials: 1. Brick 2. Stone 3. Cast stone 4. Factory finished and certified wood, including, but not limited to: a. Wood shingles (cedar shingles six (6) inch maximum exposure) b. Lap-siding (six (6) inch maximum width) 5. Stucco		The exterior building materials on all sides of the building would consist of brick, stone, wood, stucco, and cast stone.		Yes
909.14.B – Façade Coverage – All Districts The primary opaque surface materials of all free standing buildings must be the same on all facades of the building.		The proposed building would consist of the same primary materials – brick, stone, stucco, and cast stone – on all sides of the building.		Yes
909.14.C – Type of Brick – All Districts On all facades of a free-standing building where brick is used, full course modular, Roman, Norman or other standard size brick must be used.		The proposed brick will be standard size.		Yes

909.14.D – Façade Detail – All Districts 1. Brick and/or stone façades shall be well detailed and dimensionally designed in order to avoid fractional cuts and odd pieces. All outside brick corners must be full bricks (custom if necessary), with no mitering, forming continuous vertical joints. 2. The narrow face of an exposed stone butt joint, at corners, must be a minimum dimension of two (2) inches. Mitered and quirked stone corners are also acceptable.		The brick and stone facades will be well detailed.		Yes
909.14.E – Brick Joints – All Districts 1. The mortar for brick must be dark grey or in the color range of the brick. All joints must be concave or 'v' joint. No mortar may be used beyond the face of the brick. 2. All brick walls must be built to avoid efflorescence		All brick will be tooled with brick and mortar color to match.		Yes
909.14.F – Stone Joints – All Districts Stone joints shall be no larger than one-fourth (1/4) inch.		The stone joints would be no larger than ¼ inch.		Yes

909.14.G – Accent Materials – All Districts Only the following materials may be used for lintels, sills, cornices, bases, and decorative accent trims, and must be no more than 10 percent (10%) of the non-glass surfaces of each elevation of the exterior building façade: 1. Stone 2. Cast stone 3. Copper (untreated) 4. Rock faced stone 5. Aluminum or painted steel structural shapes 6. Fiber cement board 7. Premium grade wood trim with mitered outside corners. Examples of premium grade wood are cedar, redwood, and fir. 8. EIFS		The building includes sills, accents, and cornices that consist of the same primary building materials – stone, cast stone, and wood.		Yes
909.14.H - Parapets, Flashing, Coping – All Districts 1. Only the following materials may be used for parapets, flashing and coping: a. copper (untreated) b. brick c. stone d. cast stone e. premium grade wood. *2.* Pre-finished, painted .032 aluminum may only be used as a standard parapet coping with a maximum exposed edge of five (5) inches.		The parapets, flashing, and coping are has copper over the pitched simulated slate shingles.		Yes

909.14.I – Awnings – All Districts 1. Only the following types of awnings may be used: a. Fabric awnings of a heavy canvas in dark solid colors or other colors that are approved as part of the design review process b. Highly detailed, ornate metal in dark colors c. Glass awnings 2. Backlit awnings are prohibited. 3. Awnings with text or graphic material may be permitted but require approval via the sign permit process of the Zoning Ordinance.		The proposed building does not include any awnings.		N/A
909.14.J – Balconies – All Districts Balconies shall be accessible and useable by persons. Fake or unusable balconies are prohibited. All balconies shall remain within the property line. Metal railings with members painted dark, or glass panels are permitted.		The building includes usable balconies with metal railings. The balconies would all be located within the property lines. The proposed rooftop patio would be surrounding by a cable railing system.		Yes
909.14.K – Glass – All Districts Glass shall not be mirrored, reflective or darkened. Slight green, bronze and grey tints are acceptable. Spandrel glass shall not be counted as transparent glass for the purposes of calculations under the transparency requirements of Section 801.09.8 of the Standards, but may be used for detailing purposes. Environmentally appropriate glass, such as Low-emissivity glass, shall be used in all projects		The exterior glass will not be mirrored, reflective, or darkened.		Yes

909.14.L – Door Systems – All Districts Unless there are building security concerns, main entry doors shall be primarily glass. If, for security reasons, a main entry door is not possible or practical, a main entry door must be well detailed. Appropriately designed wood doors may be utilized for retail and office buildings.		All entry doors are glass on the front façades along Lake Street and Barry Avenue.		Yes
		Comments		**Compliance**
Franchise Architecture				
909.15 – All Districts A. Typical or standardized franchise architecture (including building design that is the trade dress of, or identified with a particular chain, franchise or business and is repetitive in nature) is prohibited. B. Large, bold or bright signage, trade dress or logos must be altered and scaled down to meet the purpose of these standards as articulated herein, and must not be repeated on the facades of the principal structure more than once. All new, altered and/or proposed signage for buildings must be submitted for review under Section 801. 09.18 by the Planning Commission at the time of Design Standards Review application		There is no franchise architecture proposed.		N/A

		Comments		Compliance
Walkways				
909.16.A – Lake Street District A. Continuous sidewalks at least twelve (12) feet in width shall be provided along all public street frontages. B. Lighted sidewalks shall extend between rear and side parking areas and building entrances. All sidewalk lighting must project downward. C. Buildings with street frontage exceeding fifty (50) feet shall have at least one (1) bench. D. All sidewalk surfaces must match the exposed aggregate/brick accent sidewalks on Lake Street.		The proposed plans include continuous sidewalks along both Lake St and Barry Avenue which would be composed of exposed aggregate with concrete bands. The Lake Street sidewalk would be 16 feet in width. However, the Barry Ave sidewalk is only 6 feet in width. Both the Lake St and Barry Ave frontages have benches.		No. Deviation Requested.

		Comments		Compliance
Landscaping				
909.17.A – All Districts A. Seasonal landscaping shall be used in all Design Districts, including use of window boxes, hanging flowers baskets, vines and/or other similar seasonal landscaping. If feasible, garden areas and ornamental trees shall be used at the street level. B. Window boxes, hanging baskets and planters with seasonally appropriate plantings shall be used around entries to buildings. C. Vines shall be used to cover walls with more than one hundred (100) square feet of uninterrupted surface area. D. Streetscaping shall include all of the following: 1. Boulevard species trees, with at least three (3) caliper inches. 2. Exposed aggregate sidewalks with brick accents 3. Street lights 4. Benches (if building length is 50 feet or greater), which utilize existing city bench designs. 5. Flowers		The proposed plans include seasonal landscaping within planters along Lake St and Barry Ave. The proposed streetscaping consists of existing and proposed boulevard trees, exposed aggregate sidewalks, and benches. The proposed plans include street lights according to the City's design specifications.		Yes

909.17.B – Lake Street District A. Established Lake Street landscape treatments shall be followed in accordance with the specifications of the Wayzata Engineering Guidelines set forth in Wayzata City Code. Exposed aggregate with brick accent sidewalks shall be used. B. Approved boulevard trees, planted in sidewalk areas, shall be planted no more than twenty six (26) feet on center from each other.		The proposed plans include a 16-foot continuous sidewalk along Lake Street and 6-foot continuous sidewalk along Barry Avenue, with existing and proposed boulevard trees.		Yes

		Comments		Compliance
Parking Lot Landscaping				
909.18 – All Districts A landscaped buffer strip at least five (5) feet wide shall be provided between all parking areas and the sidewalk or street. The buffer strip shall consist of shade trees appropriately spaced for the particular Design District, and a decorative metal fence, masonry wall or hedge. A solid wall or dense hedge shall be no less than three (3) feet and no more than four (4) feet in height.		The proposed plans do not include a surface parking lot. All of the proposed parking would be located internal to the building.		N/A
Surface Parking				
909.19 – All Districts A. Off-street parking shall be located to the rear of buildings. When parking must be located in a side yard adjacent to the street, a landscaped buffer shall be provided in accordance with the Design Standards. The street frontage occupied by parking shall not exceed sixty (60) feet per property. B. Side-by-side parking lots creating a parking area frontage longer than sixty (60) feet are prohibited, except where a heavily landscaped buffer of at least twenty (20) feet wide completely separates both lots. C. Side yard parking shall not extend beyond the front yard setback of the primary building on the property. D. Front yard parking is prohibited. E. There shall be no corner parking.		The proposed plans do not include a surface parking lot. All of the proposed parking would be located internal to the building.		N/A

		Comments		Compliance
909.20 – All Districts – Bicycle Parking Commercial developments requiring more than twenty (20) parking spaces shall provide at least four (4) bicycle parking spaces in a convenient, visible, preferably sheltered location.		The proposed plans include four bicycle parking spots along Barry Avenue.		Yes
Parking Structures				
909.21 – All Districts Parking structures shall meet the following standards, along with all other applicable building code standards: A. The ground floor façade abutting any public street or walkway shall be architecturally compatible with surrounding commercial or office buildings. B. The parking structure shall be designed in such a way that sloped floors do not dominate the appearance of the façade. C. Windows or openings shall be similar to those of surrounding buildings. D. Vines and other significant landscaping shall be used to minimize the visual impact of the parking structure.		All of the proposed parking would be located internal to the building. The proposed plans do not include a parking structure.		N/A

		Comments		Compliance
Signs				
<u>909.22 – All Districts</u> A. Compatibility 1. Signs shall be architecturally compatible with the style, composition, materials, colors and details of the building, and with other signs on nearby buildings. Signs shall be an integral part of the building and site design. 2. A sign plan shall be developed for buildings which house more than one (1) business. Signs need not match, but shall be compatible with one another. Franchise or national chains must comply with these Sign Standards to create signs compatible with their context. 3. When illuminated signs are proposed, only the text and/or logo portion of the sign may be illuminated. Illuminated signs must be compatible with the location. Illumination of the sign to highlight architectural details is permitted. Fixtures shall be small, shielded, and directed towards the sign rather than toward the street, so as to minimize glare for pedestrians and adjacent properties. 4. Sign plans must be submitted for review as part of an Applicant for Design Approval. Proposed signs must also conform to the requirements of Section 801.27 of the Wayzata Zoning Ordinance.		The proposed plans include wall signs on the Lake Street and Barry Ave frontages. The signs would identify individual tenants within the building. The signs would be constructed of natural materials such as wood, metal, or stone. The signs will be attached directly to the building and would be lit.		Yes

909.23.A – Permitted Sigs – Lake Street District A. **Lake Street District.** Only the following types of signs are permitted in the Lake Street District: 1. Awning, canopy or marquee signs 2. Wall signs 3. Monument or ground signs 4. Projecting signs 5. Window signs (small accent signs) 6. Roof signs if located on pitched-roof buildings, below the peak of the roof		Only wall signs are included on the proposed plans.		Yes

		Comments		**Compliance**
Parking Lot and Building Lighting				
909.24 – All Districts A. Parking lot lighting shall be designed in such a way as to be in scale with its surroundings, and reduce glare. B. Cutoff fixtures shall be located below the mature height of trees located in parking lot islands so as to minimize ambient glow and light pollution. C. Pedestrian-scale lighting, not exceeding thirteen (13) feet in height, shall be located on walkways and adjacent to store entrances. All sidewalk lighting must be projected downwards. City light standard shall be followed for all public streets. D. Light posts shall be of a dark color. E. Lighting fixtures shall be compatible with the architecture of the building. F. Lights attached to buildings shall be screened by the building's architectural features to eliminate glare to adjacent properties. All façade lighting must be projected downwards. G. All lighting fixtures shall comply with City Code Section 801.16.6 as it relates to glare.		The proposed plans do not include a surface parking lot. Wall-mounted decorative light fixtures will be located along Lake Street and Barry Ave at entrance doors and terrace locations.		Yes

DRAFT RESOLUTION NO. 62-2018

RESOLUTION APPROVING PROJECT DESIGN, THIRD STORY SETBACK VARIANCE, FLOOR AREA RATIO VARIANCE, SHORELAND IMPACT PLAN/CUP FOR IMPERVIOUS SURFACE, JOINT PARKING CUP, AND LOT COMBINATION

WHEREAS, Lowell Zitzloff, and the property owner, Swans Corner, LLC, (the "Applicant") submitted a development application (the "Application") to redevelop the properties at 305 and 309 Lake Street East (collectively, the "Property" and legally described on Attachment A hereto), involving the demolition of the existing buildings on the Property, and construction of a new three-story mixed use building with a fourth-story penthouse and elevator overrun (the "Project"); and

WHEREAS, the Application included an alternative plan for the Project that would eliminate the fourth-story penthouse and elevator overrun, and that would not require the requested Height Variance and Shoreland Impact Plan/Conditional Use Permit for Height (the "Three Story Alternative Plan"); and

WHEREAS, the Wayzata Planning Commission, pursuant to the Zoning and Subdivision Ordinances, has held a public hearing on the Application, made findings of fact on each of the land use requests in the Application, and delivered a Report and Recommendation to the City Council, attached to this Resolution as Attachment B (the "PC Report") that recommended approval of the Three Story Alternative Plan; and

WHEREAS, the Wayzata City Council reviewed the Application at its November 7, 2018 meeting, and tabled action on the Application and requested that the Applicant consider revising the Three Story Alternative Plan to eliminate the need for the second story setback deviation from the Design Standards;

WHEREAS, the Applicant has amended its Application with a revised Three Story Alternative Plan, attached to this Resolution as Attachment C, (the "Revised Three Story Alternative Plan") that (i) eliminates the need for the requested second story setback deviation from the Design Standards; (ii) increases the number of off site parking stalls in the requested Joint Parking CUP from 14 to 15 stalls; and (iii) decreases the size of the requested FAR Variance from 2.35 to 2.33

NOW THEREFORE, BE IT RESOLVED by the City Council of Wayzata, Minnesota as follows:

A. Based on the Application materials, additional materials and plans submitted by the Applicant, staff reports, public comment and information presented at the public hearing, the standards of the Wayzata Zoning and Subdivision Ordinances, the PC Report, all of which are incorporated by reference in this Resolution, the City Council of the City of Wayzata hereby confirms and memorializes that the Revised Three Story Alternative Plan, as set forth in the amended Application and attached

hereto, meets the applicable requirements of Wayzata's Zoning and Subdivision Ordinance.

B. Based on the foregoing, the (i) Height Variance and (ii) Height CUP, as defined in the PC Report and requested in the Application, are **HEREBY DENIED** and the (i) Preliminary and Final Plat Subdivision, (ii) Design of the Project, (iii) Third Story Setback Variance, (iv) Floor Area Ratio Variance, (v) Shoreland CUP, and (vi) Joint Parking CUP, as defined in the PC Report and amended in the amended Application and Revised Third Story Alternative Plan, are **HEREBY APPROVED**, subject to the following conditions:

1. The Applicant must 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 Applicant must build and complete the Project in conformance in all material respects with the Revised Three Story Alternative Plan, included as Attachment C to this Resolution.

3. All roof penetrations for mechanical, plumbing, and other building systems must be located within the hatched area as shown on the Roof Plan in the Application. Any request by the Applicant for roof penetrations outside of the hatched area must be reviewed by the City Council.

4. Before the City issues a building permit for the Project, the final civil engineering plans, including Site Plan, Grading and Drainage Plan, Utility Plan, and Stormwater Management Plan must be reviewed and approved by the City Engineer.

5. Park Dedication fees must be paid as required by the Subdivision Ordinance at the time of recording of the final plat for the Subdivision.

6. The Applicant must record the Final Plat with the appropriate Hennepin County officials within one hundred twenty (120) days in conformance with Section 805.15.E.7 of the Subdivision Ordinance, and provide a recorded copy to the City.

7. The Applicant must enter into a Development Agreement with the City, with terms and in a form acceptable to the City Attorney, that addresses all public improvements associated with the Project.

8. The Applicant must provide the agreement for joint use of off-street parking facilities as required by the Zoning Ordinance and in a form acceptable to the Wayzata City Attorney.

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9. All expenses of the City of Wayzata, including consultant, expert, legal, and planning fees incurred must be fully reimbursed by the Applicant.

Adopted by the Wayzata City Council this 20th day of November, 2018.

_____
Mayor Ken Willcox

ATTEST:

_____
City Manager Jeffrey Dahl

ACTION ON THIS RESOLUTION:

Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Wayzata, Minnesota, at a duly authorized meeting held on November 20, 2018.

_____
Kathy Leervig, City Clerk
SEAL

DRAFT

Attachment A
Legal Descriptions of Property

DRAFT

Attachment B

Planning Commission Report and Recommendation, dated October 15, 2018

DRAFT

Attachment C

Revised Three Story Alternative Plan, dated June 27, 2018 and revised November 14, 2018

DRAFT

WAYZATA PLANNING COMMISSION

October 15, 2018

REPORT AND RECOMMENDATION FOR DEVELOPMENT APPLICATION AT 305 AND 309 LAKE ST E

SUMMARY OF RECOMMENDATION

1. **Approval*** of Concurrent Preliminary and Final Plat Subdivision
2. **Approval*** of Design of Project
3. **Denial** of Height Variance
4. **Approval*** of Third Story Setback Variance
5. **Approval*** of Floor Area Ratio Variance
6. **Denial** of Shoreland Impact Plan/Conditional Use Permit for Height
7. **Approval*** of Shoreland Impact Plan/Conditional Use Permit for Impervious Surface
8. **Approval*** of Joint Parking CUP

*** with certain conditions listed at the end of this Report**

REPORT AND RECOMMENDATION

Section 1. BACKGROUND

1.1 Proposed Land Use. Lowell Zitzloff, and the property owner, Swans Corner, LLC, (collectively, the "Applicant") have submitted a development application (the "Application") to redevelop the properties at 305 and 309 Lake Street East (the "Property"). The proposed redevelopment involves the demolition of the existing buildings on the site, and construction of a new three-story mixed use building with a fourth-story penthouse and elevator overrun (the "Project"). The Application includes alternative plans that would not include the fourth-story penthouse and elevator overrun, and would not require the requested Height Variance and Shoreland Impact Plan/Conditional Use Permit for Height (the "Three Story Alternative"). This Report addresses all of the requests in the Application for the Project with the fourth-story penthouse and elevator overrun, and makes a recommendation of approval on the Three Story Alternative.

1.2 Approvals Requested. The Application includes requests for approval of the following:

A. Preliminary and Final Plat for Lot Combination: A concurrent preliminary and final plat to combine the three existing lots comprising the Property into a new single lot (the "Subdivision", "Preliminary and Final Plats" or "Lot Combination").

B. Design: The design elements of the Project (the "Design"), as further detailed in the Design Critique attached to this Report as Attachment A, including the following three deviations from the Design Standards (collectively, the "Deviations"):

1. 2nd Story Building Recession: The second story of the building would be recessed 15% of the façade along Barry Avenue, instead of the required 25% of the façade.

2. Lake Street Ground Level Transparency: Ground level façade glass transparency along Lake Street of 41.5%, rather than the required 50%.

3. Barry Ave Sidewalk Width: A 6-foot sidewalk along Barry Ave rather than the required 12-foot wide sidewalks along all public streets.

C. Variance from the Building Height Standard: A variance from the maximum 35 foot, 3 story building height permitted in the C-4 Zoning District to allow for a proposed building height of up to 44 feet to the top of a fourth story penthouse, and 48 feet to an elevator overrun (the "Height Variance").

D. Variance from the 3rd Story Setback Standard: A variance from the minimum third story set back requirement in the C-4 Zoning District of ten feet from the building's front façade to allow for the proposed third story setback of 6.2 feet at its closest point on Barry Ave S, and 6.3 feet at its closest point along Lake St E (the "Third Story Setback Variance").

E. Variance from the Floor Area Ratio Standard: A variance from the maximum floor area ratio (FAR) requirement in the C-4 Zoning District of 2.0 to allow for a floor area ratio of 2.35 (the "Floor Area Ratio Variance").

F. Shoreland Impact Plan/Conditional Use Permit for the Building Height: A shoreland impact plan/conditional use permit for a building in excess of 35 feet in the S/Shoreland District to allow for the proposed building height of up to 44 feet to the top of a fourth story penthouse, and 48 feet to top of an elevator overrun (the "Height CUP").

G. Shoreland Impact Plan/Conditional Use Permit for Impervious Surface: A shoreland impact plan/conditional use permit for an impervious surface coverage that exceeds 75% of the lot coverages to allow for the Project's

proposed 97.7% impervious surface coverage (the "Impervious Surface CUP").

H. Joint Parking Conditional Use Permit: A conditional use permit for joint parking to provide 14 of the required 68 stalls of off-street parking for the Project through joint use of one or more parking sites where the total number of spaces provided are less than the sum of the total required for each use (the "Joint Parking CUP").

1.3 Property. The address, property identification numbers, and owner of the Property are:

Address	PID	Owner
305 Lake St E	06-117-22-31-0006	Swans Corner, LLC
305 Lake St E	06-117-22-31-0005	Swans Corner, LLC
305 Lake St E	06-117-22-31-0004	Swans Corner, LLC

1.4 Land Use Designations. The Property is zoned and guided as follows:

Zoning:	C-4/Central Business District
Comp Plan designation:	Central Business District
Overlay districts:	S/Shoreland Overlay District

1.5 Notice and Public Hearing. Notice of the public hearing on the Application was published in the *Wayzata Sun Sailor* on September 20, 2018 and mailed to all property owners located within 350 feet of the Property on September 21, 2018. The public hearing on the Application was held at the October 1, 2018 Planning Commission meeting.

Section 2. STANDARDS

2.1 Subdivision / Preliminary and Final Plat. Review and approval of subdivisions of property, combinations of two or more lots, and preliminary/final plats are governed by the City's Subdivision Ordinance, Part X of City Code. The City may agree to review the preliminary and final plat simultaneously. Sec. 1003.03.A. In reviewing such requests, the Planning Commission shall consider possible adverse effects of the preliminary plat. Its judgment shall be based upon, but not limited to, the following factors found in Section 1003.2.E:

A. The proposed subdivision or lot combination shall be consistent with the Wayzata Comprehensive Plan.

B. Building pads that result from a subdivision or lot combination shall preserve sensitive areas such as lakes, streams, wetlands, wildlife habitat, trees and vegetation, scenic points, historical locations, or similar

community assets.

C. Building pads that result from subdivision or lot combination shall be selected and located with respect to natural topography to minimize filing or grading.

D. Existing stands of significant trees shall be retained where possible.

E. Building pads that result from a subdivision or lot combination shall be sensitively integrated into existing trees.

F. The creation of a lot or lots shall not adversely impact the scale, pattern or character of the City, its neighborhoods, or its commercial areas.

G. The design of a lot, the building pad, and the site layout shall respond to and be reflective of the surrounding lots and neighborhood character.

H. The lot size that results from a subdivision or lot combination shall not be dissimilar from adjacent lots or lots found in the surrounding neighborhood or commercial area.

I. The architectural appearance, scale, mass, construction materials, proportion and scale of roof line and functional plan of a building proposed on a lot to be divided or combined shall be similar to the characteristics and quality of existing development in the City, a neighborhood or commercial area.

J. The design, scale and massing of buildings proposed on a subdivided or combined lot shall be subject to the architectural guidelines and criteria for the Downtown Architectural District, Commercial and Institutional Architectural Districts, and Residential Architectural Districts and the Design Review Board/City Council review process outline in Section 9 of the Wayzata Zoning Ordinance.

K. The proposed lot layout and building pads shall conform with all performance standards contained herein.

L. The proposed subdivision or lot combination shall not tend to or actually depreciate the values of neighboring properties in the area in which the subdivision or lot combination is proposed.

M. The proposed subdivision or lot combination shall be accommodated with existing public services, primarily related to transportation and utility systems, and will not overburden the City's service capacity.

2.2 Design Standards. All new non-residential building construction in the City must comply with the Design Standards found in Chapter 909 of the Zoning Ordinance. The Project falls within the Lake Street Design District, and the relevant design standards applicable to the Project are outlined in the attached "Design Critique" (Attachment A). Deviations from the Design Standards may be permitted under Sec. 909.29 (with the exception of Section 909.10 of the Design Standards) if City Council (after considering the Planning Commission's recommendation) makes a finding that the negative impact of such deviation is outweighed by one or more of the following factors:

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

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

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

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

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

F. A national, state or local historic designation.

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

2.3 Building Height; Variances. Under Section 978.07.A.1, the maximum building height in the C-4 Zoning District is thirty-five (35) feet and three (3) stories, whichever is less. Section 905.01.C provides the criteria for reviewing variances from the standards of the Zoning Ordinance. Criteria for granting a variance are as follows:

A. Variances shall only be permitted when they are:
   (i) in harmony with the general purposes and intent of the Zoning Ordinance; and
   (ii) consistent with the Comprehensive Plan.

B. Variances may be granted when the Applicant for the variance establishes that there are practical difficulties in complying with this Ordinance.

C. "Practical difficulties," as used in connection with the granting of a variance, means that:
   (i) the property owner's proposal for the property is reasonable but not permitted by Zoning Ordinance;
   (ii) the plight of the landowner is due to circumstances unique to the property, and not created by the landowner; and
   (iii) the variance, if granted, will not alter the essential character of the locality.

D. Economic considerations alone do not constitute practical difficulties. Practical difficulties include, but are not limited to, inadequate access to direct sunlight for solar energy systems.

E. Variances shall be granted for earth sheltered construction as defined in Minnesota Statutes, section 216C.06, subdivision 14, when in harmony with this Ordinance.

F. The City Council shall not permit as a variance any use that is not allowed under this Ordinance for property in the zoning district where the affected person's land is located, except the City Council may permit as a variance the temporary use of a one family dwelling as a two family dwelling.

G. The City Council may impose conditions in the granting of variances. A condition must be directly related to and must bear a rough proportionality to the impact created by the variance.

H. An application for a variance shall set forth reasons that the variance is justified under the criteria of this section in order to make reasonable use of the land, structure or building.

2.4 Third Story Setback and Floor Area Ratio; Variances. Under Section 978.07.A.1, the minimum third story set back requirement in the C-4 Zoning District is ten feet from the building's front façade, and under Section 978.07.C, the maximum floor area ratio in the C-4 Zoning District is 2.0. Section 905.01.C provides the criteria for reviewing variances from the standards of the Zoning Ordinance. Criteria for granting a variance are as follows:

A. Variances shall only be permitted when they are:
   (i) in harmony with the general purposes and intent of the Zoning Ordinance; and
   (ii) consistent with the Comprehensive Plan.

B. Variances may be granted when the Applicant for the variance establishes that there are practical difficulties in complying with this Ordinance.

C. "Practical difficulties," as used in connection with the granting of a variance, means that:
   (iv) the property owner's proposal for the property is reasonable but not permitted by Zoning Ordinance;
   (v) the plight of the landowner is due to circumstances unique to the property, and not created by the landowner; and
   (vi) the variance, if granted, will not alter the essential character of the locality.

D. Economic considerations alone do not constitute practical difficulties. Practical difficulties include, but are not limited to, inadequate access to direct sunlight for solar energy systems.

E. Variances shall be granted for earth sheltered construction as defined in Minnesota Statutes, section 216C.06, subdivision 14, when in harmony with this Ordinance.

F. The City Council shall not permit as a variance any use that is not allowed under this Ordinance for property in the zoning district where the affected person's land is located, except the City Council may permit as a variance the temporary use of a one family dwelling as a two family dwelling.

G. The City Council may impose conditions in the granting of variances. A condition must be directly related to and must bear a rough proportionality to the impact created by the variance.

H. An application for a variance shall set forth reasons that the variance is justified under the criteria of this section in order to make reasonable use of the land, structure or building.

2.5 Shoreland Impact Plan/Conditional Use Permit for Building Height. The maximum height of buildings in the Shoreland Overlay District is 35 feet. Section 991.10. Under Section 991.10, building heights over 35 feet may be allowed through approval of a shoreland impact plan/conditional use permit. Section 991.19 states that landowners or developers desiring to develop land located within the Shoreland District must first submit a conditional use permit application as regulated by Chapter 904 and a "Shoreland Impact Plan", which shall set forth proposed provisions for sediment control, water management, maintenance of landscaped features, and any additional matters intended to set forth proposed changes requested by the applicant and affirmatively disclose what, if any, change will be made in the natural condition of the earth, including loss of change of earth ground cover, destruction of trees, grade courses and marshes. City Code Section 904.02.F. states that the Planning Commission and City Council shall consider possible adverse effects of a proposed conditional use. Their judgment shall be based upon (but not limited to) the following factors:

A. The proposed action in relation to the specific policies and provisions of the official City Comprehensive Plan.

B. The proposed use's compatibility with present and future uses of the area.

C. The proposed use's conformity with all performance standards contained herein (i.e., parking, loading, noise, etc.).

D. The proposed use's effect on the area in which it is proposed.

E. The proposed use's impact upon property values in the area in which it is developed.

F. Traffic generated by the proposed use is in relation to capabilities of streets serving the property.

G. The proposed use's impact upon existing public services and facilities including parks, schools, streets and utilities, and the City's service capacity.

2.6. Shoreland Impact Plan/Conditional Use Permit for Impervious Surface. The Shoreland Overlay District establishes a maximum impervious surface of 25% of the lot area, except impervious surface coverage may be allowed to exceed 75% of the lot area with a shoreland impact plan/conditional use permit pursuant to the criteria of Chapter 991 related to sediment control, water management, maintenance of landscaped features, and other shoreland management matters, and the general CUP criteria of Section 904.02.F which states that the Planning Commission and City Council shall consider possible adverse effects of the proposed conditional use. Their judgment shall be based upon (but not limited to) the following factors:

A. The proposed action in relation to the specific policies and provisions of the official City Comprehensive Plan.

B. The proposed use's compatibility with present and future uses of the area.

C. The proposed use's conformity with all performance standards contained herein (i.e., parking, loading, noise, etc.).

D. The proposed use's effect on the area in which it is proposed.

E. The proposed use's impact upon property values in the area in which it is developed.

F. Traffic generated by the proposed use is in relation to capabilities of streets serving the property.

G. The proposed use's impact upon existing public services and facilities including parks, schools, streets and utilities, and the City's service capacity.

2.7. Joint Parking Conditional Use Permit. Under Section 920.09.A, the City Council may approve a conditional use permit for one or more uses to provide the required off-street parking facilities by joint use of one or more sites where the total number of spaces provided are less than the sum of the total required for each use should they provide them separately. When considering a request for such conditional use permit, the Planning Commission shall not recommend that such permit be granted except when the calculations in Section 920.09.A for parking stalls are provided through such joint parking arrangements, and the following conditions relevant to the Application are found to exist:

A. Proximity. The building or use for which application is being made to utilize the offstreet parking facilities provided by another building or use shall be located within 300 feet of such parking facilities.

B. Conflict in Hours. The applicant shall show that there is no substantial conflict in the principal operating hours of the two buildings or uses for which joint use of offstreet parking facilities is proposed.

C. Written Consent and Agreement. A legally binding instrument, executed by the parties concerned, for joint use of off-street parking facilities, duly approved as to title of grantors or lessors, and form and manner of execution by the City Attorney, shall be filed with the City Clerk and recorded with the Hennepin County Recorder or Registrar of titles, and a certified copy of the recorded document shall be filed with the City within 60 days after approval of the joint parking use by the City.

Section 3. FINDINGS OF FACT

Based on the Application materials, additional materials submitted by the Applicant, staff reports and documents, public comment and information presented at the public hearing, and the standards of the Wayzata Zoning and Subdivision Ordinances, the Planning Commission of the City of Wayzata makes the following findings of fact:

3.1 Preliminary / Final Plat Subdivision for Lot Combination. The Planning Commission finds that there would be no significant adverse effects of the proposed Preliminary and Final Plats based upon the following factors found in Section 1003.2.E:

A. The Subdivision is consistent with the Wayzata Comprehensive Plan which guides the property for the mixed uses proposed as part of the Project, including first floor retail uses.

B. The building pad that results from the Subdivision will not impact sensitive areas on the Property.

C. The building pad that results from the Subdivision has been selected and located with respect to natural topography to minimize filing or grading.

D. There are no existing stands of significant trees on the Property impacted by the Project.

E. The Subdivision does not adversely impact the scale, pattern or character of the City, its neighborhoods, or its commercial areas, and is consistent with the surround areas on Lake Street.

F. The design of the lot, the building pad, and the site layout responds to and is reflective of the surrounding lots and Lake Street character.

G. The lot size resulting from the Subdivision is not dissimilar from adjacent lots or lots found in the surrounding area of Lake Street.

H. The architectural appearance, scale, mass, construction materials, proportion and scale of roof line and functional plan of the building proposed is similar to the characteristics and quality of existing development in the City along Lake Street.

I. The building proposed for the Subdivision meets the applicable Design Standards outlined in Section 9 of the Wayzata Zoning Ordinance, assuming approval of the Deviations as recommended.

J. The proposed lot layout and building pad conforms with all performance standards contained in the Subdivision Ordinance with the exception of those for which CUPs and variances are being requested.

K. The Subdivision will not tend to or actually depreciate the values of neighboring properties in the area in which it is proposed.

L. The Subdivision will be accommodated with existing public services, including those related to transportation and utility systems, and will not overburden the City's service capacity.

3.2 Project Design. The Project meets the applicable provisions of the Design Standards as reflected in the Design Critique attached to this Report as Attachment A, except for the Deviations, which are:

1. 2nd Story Building Recession: The Design Standards require that the second story of the building be recessed at least 6 feet for 25% of the façade length along a public street. The proposed second story of the proposed building would be recessed at least 6 feet for 43% of the façade along Lake Street, but only 15% along Barry Avenue.

2. Lake Street Ground Level Transparency: The Design Standards require that at least 50% of the ground level façade of a building along Lake Street be transparent glass. The proposed building includes 41.5% glass transparency along Lake Street.

3. Barry Ave Sidewalk Width: The Design Standards require 12-foot wide sidewalks along all public streets. The Applicant is proposing a 12-foot sidewalk along Lake Street, but a 6-foot sidewalk along Barry Ave.

The Commission finds that there would be very little, if any, negative impacts of this Deviations, and that several of the Deviations are due to positive aspects of the Design, including landscaping along Barry Avenue and the recreation of the existing bank building façade along Lake Street. To the extent there are any negative impacts of the Deviations, those impacts are outweighed by one or more of the following factors:

A. The extent to which the Project advances specific policies and provisions of the City's Comprehensive Plan, as noted in the record.

B. The extent to which the deviation permits greater conformity with other Standards, policies behind the Standards, or with other Zoning Ordinance standards, as noted in the record and as noted above.

C. The positive effect of the Project on the area in which the Project is proposed, including renovation of an important section of Lake Street.

3.3 Height Variance. The Height Variance does not meet all of the standards for granting a variance under the Zoning Ordinance:

A. The Applicant has not demonstrated in the Application and its presentation to the Planning Commission that the request is reasonable in light of the impacts of the increased height on views and the increase in scale and mass of the building, nor that there are practical difficulties in complying with the building height requirement under the relevant criteria of the Zoning Ordinance, including a demonstration that the Height Variance requested is (i) due to circumstances related to the topography, soils, and water table on the Property, and not created by the landowner; and (ii) the Height Variance, if granted, will not alter the essential character of the

locality, which include buildings of similar height, scale and massing along Lake Street.

3.4 Third Story Setback Variance and Floor Area Ratio Variance. The Third Story Setback Variance does meet all of the standards for granting a variance under the Zoning Ordinance:

A. The Third Story Setback Variance and the Floor Area Ratio Variance are in harmony with the general purposes and intent of the Zoning Ordinance and is consistent with the Comprehensive Plan.

B. The Applicant has established that there are practical difficulties in complying with the third story setback and floor area ratio requirements.

C. Practical difficulties include the fact that :

(i) the Applicant's proposal for the Property is reasonable but not permitted by Zoning Ordinance;
(ii) the plight of the Applicant is due to circumstances unique to the Property, and not created by the landowner, and driven in large part by meeting a desire to maintain the historical aesthetic of the bank façade and the desire to provide enclosed parking within the building, which is included in the floor area, rather than a surface parking lot; and
(iii) the Third Story Setback Variance and Floor Area Ratio, if granted, will not alter the essential character of the locality but will instead help preserve it.

D. Economic considerations alone are not the reason for the Third Story Setback Variance and Floor Area Ratio Variance.

E. The Applicant has explained the reasons that the Third Story Setback Variance and Floor Area Ratio Variance are justified under the criteria for granting variances in order to make reasonable use of the land, structure or building.

3.5 Shoreland Impact Plan/Conditional Use Permit for Building Height. The provisions of Section 801.91.19 and 801.04.2(F) of the Zoning Ordinance have been considered and are not satisfactorily met.

A. The Applicant has submitted a "Shoreland Impact Plan" with all of the information required under Section 801.91.19.

B. The height requested under the Height CUP (the "Proposed Height") is not consistent with the policies and provisions of the official City Comprehensive Plan as noted in this Report.

C. The Proposed Height would not be compatible with present and future uses of the area, including the adjacent property, as noted in this Report.

D. The Proposed Height would significantly impact the Lake Street streetscape, and the views from the sides and rear of adjacent properties and bluff area.

3.6 Shoreland Impact Plan/Conditional Use Permit for Impervious Surface. The provisions of Section 801.91.19 and 801.04.2(F) of the Zoning Ordinance have been considered and are satisfactorily met.

1. All structures and practices are or will be in place for the treatment of storm water runoff for the Project as reviewed and approved by the City Engineer.

2. A Shoreland Impact Plan has been submitted for review and approval by the City Engineer.

Section 801.04.2(F) Findings

1. The proposed action is compatible with the specific policies and provisions of the official City Comprehensive Plan.

2. The proposed use is compatible with present and future uses of the area.

3. The proposed use conforms with all performance standards contained in the Zoning Ordinance, except those for which a CUP is requested.

4. The proposed expansion and associated uses will not have a negative effect upon the surrounding area.

5. The proposed expansion and associated use will not have a negative impact upon surrounding property values.

6. The proposed expansion and associated use will not increase traffic above capacity.

7. The proposed expansion and associated use will not negatively impact existing public services and facilities including parks, schools, streets and utilities, and the City's service capacity.

3.7. Joint Parking Conditional Use Permit. The calculations in Section 920.09.A for parking stalls can be provided through joint parking arrangements, and the following conditions relevant to the Application exist:

A. Proximity. The proposed joint parking facilities at 319 Barry Ave S are less than 200 feet from the Property.

B. Conflict in Hours. The Applicant is not proposing to use parking stalls on the 319 Barry Ave S during off peak hours. Rather, the 43 surplus parking stalls are above and beyond the City's minimum parking requirements for the proposed office building on the Property.

C. Written Consent and Agreement. A condition of approval of the Joint Parking CUP should be the requirement of the agreement for joint use of off-street parking facilities as required by the Zoning Ordinance.

Section 4. RECOMMENDATION

4.1 Planning Commission Recommendation. Based on the findings in section 3 of this Report, the Planning Commission recommends **DENIAL** of the (i) Height Variance, and (ii) Height CUP, and **APPROVAL** of the (i) Preliminary and Final Plat Subdivision, (ii) Design of the Project, (iii) Third Story Setback Variance, (iv) Floor Area Ratio Variance, (v) Shoreland CUP, and (vi) Joint Parking CUP, all of which comprise the Three Story Alternative in the Application, subject to the following conditions:

A. The Applicant must secure all necessary building permits for construction, and follow all laws and regulations applicable to the Project, including building codes and land use regulations.

B. The Applicant must build and complete the Project in conformance in all material respects with the plans depicted in the Application, included as Attachment B.

C. The final Grading, Drainage, and Erosion Plan, Utility Plan, and Landscape Plan for the Project the must be approved by the City Engineer prior to the submission of building permits and submitted to the City for review.

D. Before the City issues a building permit for the Project, the Applicant must submit a Stormwater Management Plan that complies with the City's Stormwater Management Plan for review and approval by the City Engineer.

E. Park Dedication fees must be paid as required by the Subdivision Ordinance at the time the City releases the Final Plat for recording at Hennepin County.

F. The Applicant must record the Final Plat with the appropriate Hennepin County officials within one hundred twenty (120) days in conformance with Section 1003.03 of the Subdivision Ordinance, and provide a recorded copy to the City.

G. The Applicant must enter into a Development Agreement with the City, with terms and in a form acceptable to the City Attorney, that addresses all public improvements associated with the Project.

H. The Applicant must provide the agreement for joint use of off-street parking facilities as required by the Zoning Ordinance.

I. All expenses of the City of Wayzata, including consultant, expert, legal, and planning fees incurred must be fully reimbursed by the Applicant.

Adopted by the Wayzata Planning Commission this 15th day of October 2018.

Voting For Approval Recommendation: Buchanan, Douglas, Iverson, Plantan
Voting Against Approval Recommendation: None
Abstaining: None
Absent: Flannigan, Murray

Attachment A
Design Critique

City of Wayzata
Housing and Redevelopment Authority
Agenda Report

MEETING DATE: March 5, 2019	**AGENDA ITEM:** 6.e.
TITLE: Development Updates	
PROPOSED MOTION: N/A	
PREPARED BY: Jeff Dahl, City Manager, Executive Director	
REVIEWED BY: N/A	

ACTION REQUESTED:
N/A

FINANCIAL OR BUDGET CONSIDERATION:
N/A

BACKGROUND:
Staff will provide a verbal update of the following items:

Pending Developments;
Proposed Developments;
Public Parking Lot at Barry and Lake Street;
Lake Effect;
2040 Comprehensive Plan Update; and
Special Services District/Parking Assessment.

ATTACHMENTS:
None