WAYZATA CITY COUNCIL
MEETING MINUTES
January 21, 2014

AGENDA ITEM 1. Call to Order and Roll Call.

Mayor Willcox called the meeting to order at 7 p.m. Council Members present: Amdal, Anderson, and Tanner. Council Member absent and excused: Mullin. Also present: City Manager Nelson, City Planner Gadow, City Engineer Kelly, and City Attorney Schelzel.

AGENDA ITEM 2. Approve Agenda.

Mr. Tanner made a motion, seconded by Mr. Amdal, to approve the agenda, as presented. The motion carried 4/0.

AGENDA ITEM 3. Public Forum – 15 Minutes (3 minutes per person).

There were no comments.

AGENDA ITEM 4. Consent Agenda.

Mr. Amdal made a motion, seconded by Mr. Tanner, to approve the consent agenda:

a. Approval of Workshop Minutes of January 7, 2014 and Minutes of January 7, 2014
b. Approval of Check Register
c. Consider Second Reading of Ordinance #743 Amending Chapters 502-505 of the City Code (Intoxicating Liquor, Wine 3.2% Malt Liquor, Private Club Liquor)
d. Approval of Fire Protection Agreement with the City of Woodland for 2014
e. Approval of Fire Protection Agreement with the City of Orono for 2014
f. Consider 6:30 p.m. on April 1, 2014 Date for Local Board of Appeal and Equalization Meeting
g. Municipal licenses which received administrative approval (informational only)
h. Police Activity Report
i. Building Activity Report

The motion carried 4/0.

AGENDA ITEM 5. Public Hearing.

a. Public Hearing on Street and Public Utilities Vacation for Elm Lane

Mr. Gadow explained this is a component of the application to redevelop 1055 Wayzata Boulevard to vacate Elm Lane and allow for realignment to incorporate a new Walgreens and Anchor Bank buildings. Since vacation of a street requires five affirmative votes, he recommended the public hearing be held tonight and the vote delayed until the next meeting. Mr. Gadow displayed a map depicting the location of Elm Lane and indicated that placement of utility easements will be part of the final platting process.

The Council noted an advantage of this vacation is to move the project farther south and away from the residential neighborhood and better align the point of access. Mr. Gadow indicated that consideration of the redevelopment project is subject to this vacation. If the vacation is not approved, the applicant would have to submit a modified site plan.

Mr. Willcox opened and closed the public hearing at 7:10 p.m. as no one wished to speak to this item.

Mr. Gadow explained that staff will vet, with financial and legal staff, the process to set aside tax increment gained from this property for park purposes or to plant trees. Ms. Nelson explained the market value would be increased with this vacation and it would be a Council determination whether to set policy to divert that portion of increased taxes (estimated at $1,015) to a specific purpose. The Council briefly discussed that option and concern was raised about "tying the hands" of future Councils and the benefit of not restricting re-designation of those funds. Ms. Nelson explained how the funds could be tracked. The Council asked staff to provide a recommendation at a future meeting.

Mr. Tanner made a motion, seconded by Mr. Amdal, to table consideration of the vacation of Elm Lane for street and public utilities purposes to the February 5, 2014 meeting. The motion carried 4/0.

<u>AGENDA ITEM 6. New Business.</u>

a. Consider Resolution No. 05-2014 Anchor Bank / Walgreens Project

Mr. Gadow reviewed that in November of 2013, the Council directed staff to prepare a draft resolution to approve this project with conditions of approval. He noted the number of exhibits that would be attached to the resolution, if approved. Mr. Gadow displayed each of the four design iterations and fifth iteration the Council reviewed two weeks ago.

Todd Mohagen, Mohagen Hanson Architectural Group representing Anchor Bank, displayed images of the site and final design iteration, and described project elements. He stated a trellis was added on the west side to soften the area in addition to a wall that will screen the drive thru.

John Kohler, architect with Semper Development representing the applicant, presented the updated site plan, enhanced landscaping, and final grading elevations. He noted the retaining walls would be lowered to 1.5 feet to 2.5 feet in height and there would be gentler slopes. Sidewalks will meet ADA requirements. Mr. Kohler advised that the County would be taking right-of-way, which would be part of the plat. The Walgreens signs would only be on the south and east sides and equipped with dimmers and there would be 67 parking spaces.

The Council discussed the site plan and asked questions of Messrs. Mohagen and Kohler relating to whether the number of parking spaces could be reduced to the Code requirement of 54 to create additional green space and buffer for the neighborhood. Mr. Kohler stated Walgreens wants 50 parking spaces so while some of the parking spaces could be eliminated, an entire row could not be eliminated. Mr. Kohler agreed with the Council's suggestion to eliminate the four parking spaces in the island west of the drive thru, eliminate the trellis, and plant a three-foot berm. The Council noted that Code requires 50% transparency on the Wayzata Boulevard side. Mr. Kohler explained how the historical Wayzata window scenes could be changed. Mr. Gadow advised that three deviations were being requested: less than 50% transparency on the Wayzata Boulevard façade, more than 10% metal on the Anchor Bank building, and more than 10% metal on the Walgreen's building. With regard to having less than 50% transparency on the Wayzata Boulevard façade, he explained that support had been expressed to screen views of the store's operation. It was noted that should the use change in either building, it would require a process and review by the Planning Commission and Council.

Mr. Kohler stated a lid could be constructed to create a more finished ceiling appearance and block the view of ductwork. He stated Walgreens wants to remain open until midnight; however, there was resident concern so a condition within the Resolution is to close at 10 p.m. The Council discussed the three design deviation requests and expressed no objections.

Mr. Gadow advised of the following revision to the draft Resolution, Page 18, Condition C. Construction Times and Timing. 2. "Walgreens ~~and Anchor Bank~~ may not be open for business until a certificate of occupancy has been issued for the first house constructed on the Residential Parcels that are a part of the project." Mr. Kohler stated in Phase 1 they will install the access drive and remove Elm Lane to accommodate the location of Anchor Bank. He reviewed the schedule for the residential plat, demolition of the existing Anchor Bank building, and construction of the new Anchor Bank and Walgreens. The Council agreed with this Resolution revision.

The Council supported a revision to the draft Resolution, Page 21, Section 4.2 Proposed Subdivision, to add: "F. <u>The final plat must include easement language for emergency access and pedestrian use</u>." Mr. Willcox reviewed operational restrictions as contained in the Resolution.

Mr. Kohler stated the Walgreen's signage is shut off when the store is closed and can incorporate a timer for that function.

Because it is addressed elsewhere in the Resolution, the Council supported a revision to the draft Resolution, Page 20, Section D. Operational Requirements, to strike Condition 6 indicating: "~~Garbage pickup times must occur during permitted business hours.~~"

The Council also supported revisions to the draft Resolution, Page 22, Section 4.5 Site Plan, to address the reduction of four parking spaces in the drive-thru island, to construct a three-foot buffer, and to include the use of historical pictures in the windows.

Mr. Mohagen stated Code requires a four-inch metal flashing cap on top of the walls; however, due to the scale of this building, they will use a larger 12-inch metal architectural cap. The Council supported this additional deviation to the Resolution under in Section 801.09.11.1h, Item 3.4. a3.

Mr. Tanner made a motion, seconded by Mr. Amdal, to adopt Resolution No. 05-2014 Approving PUD Amendment, Concurrent Preliminary and Final Plat, Drive-Thru CUPs, Project Design, and Site Plan for 1055 Wayzata Boulevard E., and 141, 155 Central Avenue N., as revised above and subject to the vacation of Elm Street.

Mrs. Anderson voiced her reservation because there is a current PUD on the property and she found there was not just cause for that PUD agreement to be amended. In addition, she found the items listed in this application are not consistent with the Comprehensive Plan to protect this neighborhood and residential neighborhoods farther west on Wayzata Boulevard from zoning creep.

The motion carried 3/1 (Anderson).

b. Consider Resolution No. 06-2014 – 1409 Holdridge Terrace Subdivision

Mr. Gadow presented the application for concurrent preliminary and final plat for a three-lot subdivision at 1409 Holdridge Terrace, a 2.3 acre property, that would keep the existing single-family home on one lot and construct two new single-family homes on the two newly created lots. He displayed diagrams depicting the plat, landscaping plan, development plan, and two proposed building renderings that identified building materials. Mr. Gadow also displayed a new building rendering for Lot 2 with a side-loading garage as requested by the Planning Commission. The Council found the building renderings were too similar in style.

Ben Wikstrom, Lakewest Development Company LLC, stated the homes have not yet been sold. He indicated the house on Lot 3 will face the I-394 frontage road and the other will face Holdridge Terrace. Mr. Wikstrom stated they would be happy to incorporate different design elements or building materials so the houses are not too similar.

The Council expressed concern that the house facing I-394 frontage road would receive a lot of freeway noise. Mr. Wikstrom agreed that was a concern but the neighbors wanted the house on Lot 3 to remain on the front of the lot. He stated they were willing to construct on the rear of the lot but the driveway would result in the loss of a few more trees. Mr. Wikstrom stated they would like to first identify the buyer and understand that a change in the house plans would require Council review.

With regard to drainage, Mr. Gadow indicated Code would not allow water to go onto other properties. Mr. Kelly stated in review of the subdivision, drainage across Lot 3 was his concern and the intent is to notify future owners of the drainage easement.

The Council voiced concern about allowing tree removal before the home is constructed. Mr. Gadow explained that if approved tonight, the builder would be able to clear trees prior to receipt of a building permit. If that is of concern, a condition could be added to establish parameters for tree removal. Mr. Wikstrom reviewed the types and sizes of trees to be planted. It was noted that staff had contacted a landscape consultant and his suggestions were followed related to species of plants. Marty Campion, Campion Engineering, stated the front portion of Lot 3 would be filled to meet the road elevation and create the vision for a potential buyer.

The Council discussed house placement. Mr. Wikstrom stated they did not argue the condition to place the house towards the front of Lot 3 but if there was an option in case a buyer wants the house located towards the rear, they would accept that as well. He advised of the location of a 42-inch oak tree along Holdridge Terrace that was shown to be removed; however, they think it can be saved. Mr. Gadow noted if the house on Lot 3 is located farther back, it would increase the hardcover.

The Council reviewed each of the conditions as contained in the draft Resolution and asked questions of staff. With regard to restricting the timing of tree removal to one lot at a time, Mr. Wikstrom stated that may be problematic unless they can do Lot 3 in its entirety. Mr. Campion stated most of the grading occurs on Lot 3 and it should not impact grading on Lot 2 but such a restriction would reduce efficiency. Mr. Wikstrom noted there are other homes along the frontage road and with the demand market within Wayzata and its school system, it may not take long for the lots to sell. The Council explained its concern relates to clear cutting the property and the lots not selling for a long period of time due to road noise. Mr. Gadow suggested allowing removal of trees on Lot 3 as long as screening to the south and west occurs concurrently. Mr. Wikstrom agreed to such a condition. It was noted that the newly planted trees would be of a much smaller size than the trees to be removed, but it would provide a "mid-ground" solution.

Mrs. Anderson made a motion, seconded by Mr. Tanner, to adopt Resolution No. 06-2014 Approving Preliminary and Final Plat Subdivision at 1409 Holdridge Terrace, as revised: Page 7, Condition A, to indicate: "The Applicant shall construct the single family detached Building Plans included in the Application, and Depicted in Attachment B, with differentiating exterior architecture of the two new homes." and Page 7, Condition L, to allow removal of trees on Lot 3 as long as screening to the south and west occurs concurrently. The motion carried 4/0.

c. Consider Parking Development Agreement at 328 Barry Avenue S.

Mr. Gadow reviewed the Council's past approval of a development for a three-story mixed use office project at 328 Barry Avenue S., including a CUP to reduce the number of parking stalls. In 2008, the Council approved two programmatic changes to the building to allow a second level of underground parking, the upper two floors to be utilized as office, and the lower floor to be utilized as residential. In 2010, the Council approved a request to allow the building to be fully utilized for office with a condition that the owner work with staff to address future proof-of-parking. Mr. Gadow explained that since that time, John Nolan and his staff have worked with City staff and the City Attorney to draft an Agreement to provide for future proof-of-parking and address parking concerns if the building usage were to exceed the 33 underground parking spaces within the building. Mr. Gadow presented the Parking Development Agreement.

The Council noted the "trigger" to activate is a tenant change that drives a greater parking demand and the requirement is on the landowner to so notify the City. The City would then evaluate the actual demand.

The Council agreed with the suggestion of Mr. Gadow to amend Section 3, Special Assessments, to add the following sentence to Subsection D. "Not withstanding the foregoing, the parking shortage shall in no event exceed 18 stalls."

Mr. Tanner made a motion, seconded by Mr. Amdal, to approve the Parking Development Agreement for 328 Barry Avenue S., as amended above. The motion carried 4/0.

d. Consider Cooperative Agreement with Three Rivers Park District

Mr. Gadow stated at the direction of the Council, staff prepared a Cooperative Agreement with Three Rivers Park District to make application for a Transportation Alternatives Program Solicitation grant for the potential cycle track along Lake Street and wayfinding signage along Ferndale Road N. to connect Dakota Trail to the Luce Line Trail. He reported that only the project for wayfinding signage was accepted for the bundled grant. It was noted that a requirement of this grant was a 20% match of funds ($13,600) in 2017 if the grant is successful.

The Council asked staff to monitor placement of signage to prevent "signage pollution." Mr. Gadow indicated staff will work on a separate grant application for the cycle track project and seek a sponsor for that application. It was noted these projects were identified within the Lake Effect.

Mrs. Anderson made a motion, seconded by Mr. Amdal, to approve a Cooperative Agreement with Three Rivers Park District. The motion carried 4/0.

e. Consider Approval of Strategic Planning Report 2014

Ms. Nelson presented the updated 2014 Strategic Planning Report and identified initiatives. She stated staff continues to work with the facilitator to refine the Report. Ms. Nelson stated she met with the Long Lake Administrator relating to the opportunity for shared services and felt it may still be an option.

Mr. Amdal made a motion, seconded by Mrs. Anderson, to approve the 2014 Strategic Planning Report. The motion carried 4/0.

f. Consider Approval of RFP for New Website

Ms. Nelson presented details of the Request for Proposals (RFP) for the new website to create a more usable platform. She reviewed the process and anticipated schedule and requested feedback on the RFP and web redesign.

The Council noted the proposed rate is drastically lower than when the website was first developed. Ms. Nelson stated she thinks it is a reasonable budget based on the features it will contain. She stated staff would review the RFPs, schedule interviews for three to five firms, and bring forward a recommendation based on input from the Communications Board.

John Berryhill, 229 Byrondale Avenue North, suggested the website offer a search feature such as Google.

Mr. Tanner made a motion, seconded by Mrs. Anderson, to approve the RFP as presented. The motion carried 4/0.

AGENDA ITEM 7. City Manager's Report and Discussion Items.

Ms. Nelson reported on upcoming committee and staff meetings and items to be considered by the HRA at its next meeting. She announced Lake Effect meetings and anticipated schedule when the Draft Report would be available for review and feedback.

Mr. Kelly provided an update on the Bushaway Road project. The Council expressed interest in addressing the landscaping plan within Wayzata.

Mr. Willcox announced the Chilly Open on February 8, 2014 and that the next Council meeting would be held on Wednesday, February 5, due to the caucus.

AGENDA ITEM 8. Public Forum Continued (if necessary).

There were no comments.

AGENDA ITEM 9. Adjournment.

Mr. Tanner made a motion, seconded by Mr. Amdal to adjourn. There being no further business, Mr. Willcox adjourned the meeting at 9:15 p.m.

Respectfully submitted,

Becky Malone
Deputy City Clerk

Drafted by Carla Wirth, *TimeSaver Off Site Secretarial, Inc.*