HRA members present: T. Shaver, B. Ambrose, D. McGill, R. Wothe
HRA members absent and excused: B. Petit
City Staff/HRA Executive Director present: Heidi Nelson
City Staff present: Becky Malone, Bryan Gadow and Don Uram
Others present: James Lasher with LSA Design, Inc., Stacie Kvilvang with Ehlers and Associates, City Attorney Robert Meller

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

APPROVAL OF AGENDA

Wothe motioned to approve the January 29, 2015, annual meeting agenda as presented, seconded by Ambrose. The motion passed 4/0 by voice vote.

APPROVAL OF MINUTES – MINUTES OF OCTOBER 23, 2014

Ambrose motioned to approve the October 23, 2014 minutes as presented, seconded by Wothe as presented. The motion passed 4/0 by voice vote.

ANNUAL MEETING 2014/2015

a. Election of officers (Current officers: Chair Shaver; Vice-Chair Wothe; Secretary McGill)

Shaver asked if there were any nominations.

Ambrose motioned to nominate the current slate of officers as: Chair Shaver, Vice-Chair Wothe, and Secretary McGill, seconded by Wothe. The motion passed 4/0 by voice vote.

b. Appoint Executive Director

McGill motioned to appoint Ms. Nelson as Executive Director, seconded by Ambrose. The motion passed 4/0 by voice vote.

c. Receipt of Financial Report (will be presented at April 30 meeting, post audit)

Ms. Nelson stated the post audit presentation would be done at the April 30 meeting.

d. Confirm 2015 Meeting Schedule: April 30, July 30, and October 29

Ambrose motioned to approve the 2015 HRA meeting dates of April 30, July 30, and October 29, seconded by McGill. The motion passed 4/0 by voice vote.

NEW BUSINESS

a. Consider Subordination Agreement for Marquee Place – Robert Meller

Mr. Meller stated the owners of Marquee Place have requested that the HRA execute a new subordination agreement for the property due to a refinancing of the real estate. The City's legal counsel has reviewed the new subordination agreement and terms of the development agreement and recommend approval of the new subordination agreement.

Shaver stated the subordination agreement is something that had been pre-negotiated and is part of a finance package. He appreciates the owners being cooperative with the City and the ramp has worked well for the City.

Wothe clarified in the event of foreclosure the agreement would be null and void except for Articles 4, 5, and 6.

Ambrose stated he would be more comfortable if everything pertaining to the parking ramp were in one package.

Shaver clarified the subordination agreement was pre-negotiated relative to refinancing and action on the overall parking plan is a future item. He does not believe these two events could be linked. He does recognize that the City would continue to work with the owners in regards to an overall parking plan.

Ambrose stated on page 2 of the Agreement, the sentence that starts "Accordingly", the word "sufficiently" should be changed to "sufficiency".

Ambrose motioned to approve the Subordination Agreement for Marquee Place with the correction, seconded by McGill. The motion passed 4/0 by voice vote.

b. Review of Wayzata Bay Center Redevelopment Tax Increment Financing – Stacie Kvilvang

Nelson stated Ehlers had prepared an update on the status of the Bay Center Redevelopment TIF district. They are currently 3-years into the project and four (4) of the buildings should be completed this summer. Presbyterian Homes will be coming forward with plans for the final block of the project in late winter/early spring. A workshop with the City Council and the Planning Commission was held on January 20 to review the proposed use changes to the East Block as well as preliminary design of the East Block.

Kvilvang provided background on the Promenade of Wayzata Project including the approved site plan and the approved block plan. The current approved uses include 353 rental units, 59 condos, 100 hotel rooms, 129,000 square feet of retail, and 27,000 square feet of office space. She provided a comparison of what had been proposed for uses and what was actually done. She reviewed the increase in market value through 2018, with the original market value at $16,800,000 and the 2015 market value at $90,603,000 and estimated market value in 2018 at $204,490,304. The market value in 2018 is based on the property being fully developed. She explained the City participates in a pay-as-you-go TIF note and the HRA retains 5% of the increment that is generated for administrative costs or other redevelopment costs. As part of the TIF agreement there is a Look Back Provision to review the project to see that it is meeting its goals.

Shaver asked if the project was currently at 95% occupancy for senior housing.

John Mehrkens, Presbyterian Homes, stated the project is not quite at 95% occupancy but should be by mid-2015.

Kvilvang explained the changes that were being proposed to the project and the increase in value this would create. The hotel units will be reduced in number from 100 to 82, and 29 condominium units have been added. She reviewed the upcoming actions that would be required including District modifications and project area modifications.

c. Update on Downtown Parking Improvements – Scope of Work – James Lasher

Nelson stated at the January 6 City Council meeting a scope of work was authorized with LSA·Design to address Downtown Parking Improvements.

Jim Lasher, LSA Design, stated six (6) separate projects are proposed to be worked on concurrently: plan of financing, parking district opportunities; ordinance and management tools, pilot projects to address current parking issues, renovation of Carisch Ramp, new Mill Street Parking Ramp, and wayfinding and real time signage. LSA would go back to the Council after the first 4 items have been completed to determine if there is a need to move forward with a new parking structure and/or permanent wayfinding and real time signage. The anticipated completion date for all 6 projects is early May to get the City to a point where they can make a decision and move forward.

Shaver asked when projects 1-4 would be reviewed.

Lasher stated these would be reviewed at the end of March to the first week of April. He reviewed the full time schedule. The City had completed a parking study in 2014 and LSA broke this down into a smaller area and suggested considering a parking district for the core area. The City would own parking for a large core area and allow for flexibility for the City when the land uses change and to have a consolidated maintenance plan. He stated the City's Parking Ordinance requirements might be excessive so there could be some movement in the ratio of parking. They are also looking at peak and off-peak parking and using these together for a shared parking concept. The City should also look at revenue opportunities, what this change could cost, and what changes it could create in the community. LSA is also looking at integrating the development process through the parking district and setting parking standards and having all development agreements in one place. LSA would be looking at the Carisch Ramp and providing ideas to the City for utilizing this ramp. Other ideas that LSA would be considering is valet parking including location and a valet policy and parking meters. He believes parking is a problem in Wayzata because it is perceived to be a problem and people are not sure what areas are available for parking including the Carisch Ramp.

Shaver asked how the parking would be allocated in a district based on proximity to the City owned property.

Lasher stated at this time they would consider structuring the district with the assumption that the district can function as a whole, meaning that you could walk from the furthest point of the district to the furthest point at the other end of the district and still be within a comfortable retail walking distance. Any further than this would be ineffective. They are looking at consolidating parking into a core and also making shared uses function better. They would allocate parking according to the current use. As the use changes the City would have the flexibility to manage parking in the entire district to accommodate the changes. Businesses need to see a benefit for added parking.

Shaver asked if the property owned by the City across form the MUNI would be included in the study or if this was being taken into account.

Lasher stated they were taking this property into account. LSA had done an analysis on development pressure by looking at two projects that are currently being reviewed by the City. One project would require an additional 109 parking spaces and the other one would require 119 parking stalls based on needs and the parking they would be taking away. A formula would be used based on the development scenarios to determine what the demand curve would look like. There will be land use changes over the next 10-years in the City. This model would recognize this change allowing the City to more effectively manage the development curve.

d. Information of ULI Workshop – February 17, 2015 4:30 – 6:30 p.m.

Nelson stated ULI has been conducting workshops with communities around the metro titled Navigating Your Competitive Future. This is a 2-hour workshop for communities that are experiencing development and redevelopment. The workshop is a panel discussion and will be held on Tuesday, February 17 from 4:30-6:30 p.m. and the City Council, Planning Commission, Housing and Redevelopment Authority and the Heritage Preservation Board have been invited to attend.

NEXT MEETING DATE: APRIL 30, 2015

Shaver stated the next meeting would be at 7:30 am on April 30, 2015.

ADJOURNMENT

There being no further business; McGill motioned to adjourn at 8:23 a.m., Wothe seconded the motion and the motion passed 4/0 by voice vote.

Respectfully submitted,

Becky Malone 04-30-2015

Becky Malone
Deputy City Clerk
City of Wayzata

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