HRA members present: T. Shaver, B. Ambrose, D. McGill, B. Petit, R. Wothe
HRA members absent: None
City Staff/HRA Executive Director present: Heidi Nelson
City Staff present: Deputy City Clerk Becky Malone, Director of Planning and Building Bryan Gadow, and Director of Administrative Services Don Uram

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

APPROVAL OF AGENDA

Uram stated the Financial Report would be presented once the audit was completed.

Nelson stated the Financial Report could be reviewed by the HRA when they meet to finalize the Redevelopment Agreement with Presbyterian Homes.

McGill motioned to approve the April 30, 2015, meeting agenda as presented, seconded by Wothe. The motion passed 5/0 by voice vote.

APPROVAL OF MINUTES – MINUTES OF JANUARY 29, 2015

McGill motioned to approve the January 29, 2015 minutes, seconded by Wothe. The motion passed 5/0 by voice vote.

OLD BUSINESS

a. Update on Presbyterian Homes Proposed Redevelopment Agreement Amendments

Nelson provided an overview of the Presbyterian Homes proposed redevelopment agreement amendments. The project has completed the Planning Commission process with a recommendation for approval of the PUD amendment and the design modifications subject to conditions. The changes the City is working through with Presbyterian Homes are how parking is indicated in the project, the lot at the corner of Lake and Superior, the long-term landscaping plan on the east buffer. The City is looking at potentially building a parking structure on Mill Street and the City would like to be able to direct parking to Presbyterian Homes during this construction. There is also continued discussion on financing and looking at the TIF Plan to potentially better the City's position in the out years. Staff is requesting that a member of the HRA be appointed to serve as the representative of the HRA as the City works to finalize negotiations. Once the project is finalized then it would be brought back to the HRA for approval.

Shaver clarified that Items 1-8 of Ehlers memo had been resolved.

Nelson stated there is a tentative agreement on these items including an understanding that the parking is to be better publically noted and Presbyterian Homes is working on this. These items would all be included in one package to be finalized and at this time the largest pieces are the financing and the parking but there are tentative agreements in place for Items 1-8 and Items 1-3 in the secondary financing to continue to work on.

Shaver asked what the construction time line would look like.

Mr. Mehrkens, Presbyterian Homes, stated the project would start this summer and take about 18-months to be completed. The interior portion of the project including the roads would be done first and about a third to half of the park (eastern part of the great lawn) would be used as a staging area for construction because there are three sides of the parcel they cannot access the site from. The other portion of this space would be finished and buffered with access to the pavilion.

Shaver asked for clarification on Item 5: Possible changes in timing to right of first refusal for the lot on the corner of Lake and Superior.

Mehrkens stated everything is preliminary at this time but the property has been squared off to make it more developable. Presbyterian Homes' interest in this would be for others and they do not plan to develop it for senior housing. The thought would be to develop it for retail on the first floor and office space on the second floor. This development would be reliant on off-site parking. The idea would be to put a building as large as the property would allow. A three (3) story building would not fit the scale but a two (2) story could work.

Ambrose asked if there would be an alley between this proposed building and the next building.

Mehrkens stated the parking lot to the east is partially owned by the City and partially by the owner further to the west. He does not assume this would change. Any development of this property would be need to be supported by off-site parking and the parking ramp if this is built.

Nelson explained the parking, plats, and easements for the parcels.

Shaver asked that the next meeting packet contain an updated plat that outlines the boundaries for these properties compared to the associated properties north and west and also information on the setbacks for the properties.

Petit asked if Presbyterian Homes had enough parking and if they have adequate space to cover the casual visitor variable. He asked Mr. Mehrkens if he had concerns with having their parking marked public parking.

Mehrkens stated he did have concerns with marking the Presbyterian Homes parking as public but there is adequate parking to accommodate all of uses in this area based on traditional parking models for mixed uses. They are part of the downtown area but he does not want to limit the space available for people that are there for Presbyterian Homes. The parking in the ramps is available to the residents and guests of Presbyterian Homes and he wants to be careful that the heated parking does not get to be the long-term public parking for downtown.

Shaver stated the City wants to promote Wayzata as a destination and it is difficult to calculate the additional traffic patterns and parking needs. This is something that may need to be measured annually in order to determine the future needs.

Gadow stated the studies that have been performed have taken snapshots to evaluate peak times and determine where the needs may be.

Shaver suggested the HRA appoint a member to represent the HRA through the Development Process, PUD approval, and the TIF financing.

Ambrose suggested Chair Shaver would be the best member for this opportunity.

Shaver stated he would represent the HRA.

Ambrose motioned to appoint Chair Shaver to represent the HRA through the development process, PUD approval, and TIF financing for Presbyterian, seconded by Wothe. The motion passed 5/0 by voice vote.

b. Update on Downtown Parking

Nelson provided a status update regarding the projects that LSA Design and the City are currently working on, including the pilot projects, Parking District and Parking Ordinance, the Carisch Ramp, and the plan of finance. The City Council would have a workshop on May 5 to look at what is currently being worked on and to look at proceeding with programming and wayfinding. The pilot projects include valet parking, employee parking, and enforcement of parking regulations. The City has considered a public valet parking option that would use the lot behind CoV and/or the third level of the Carisch Ramp. Lake Street is posted as 2-hour parking and this is not enforced. They are looking at increasing this to 3-hours and enforcing this limit. The Parking District is ready to move forward and the Planning Commission has discussed making changes to the Parking Ordinance. The public parking easement at the Carisch Ramp is set to expire in 2017 and the City is working to extend this. The City has requested special legislation with regard to TIF District #3 (Widsten). The amendment would allow for the 5-yearr rule to be met if the City proceeded with the parking ramp project as anticipated in the original TIF plan. Currently they are in the House Tax Bill but not the Senate Tax Bill.

Shaver requested an update on what the increment coming into the City with the approval of the Presbyterian Homes TIF request.

McGill asked if the justification for the increase was increased valuation that led to more money.

Nelson stated under the current arrangement it would be about $200,000 in 2015 or $2.5 million over the term of the District. The amendment could potentially be 100% to Presbyterian Homes for the existing TIF and the City takes 100% on the east block TIF but once there is an agreement then the HRA would have the specific details. She stated her concern was that the City would leave resources “on the table”. This is the biggest economic development project the City has had. To be able to utilize the resources from this project to help the City with the Downtown District is critical because if the City does not take this opportunity today the City will not have the opportunity to reinvest these resources.

McGill asked how much value there would be in the 5-year extension on the Widsten District.

Nelson stated this would be about $3.1 million.

Petit asked if the City knew where they would like to end up with this project because he does not like to see the City create a long-term problem that they are not able to get out of in terms of saturation and capacity.

Nelson stated the Council is currently grappling with the questions of what is the best answer for the future. The City needs to determine what they want the corner to look like and how this would impact parking. The City is going into a strategic planning meeting today and the top items on their list to discuss are: the parking, the Lake Effect, the MUNI, and cell towers. The City needs to make some decisions on what this area should be, what they are planning for the lakefront, and how it can be measured.

Petit stated his concern is that in the decision making process a decision needs to be made and this would be what affects all other decisions. He stated the number one thing the City should do in order to get a handle on the parking is to decide what to do with the property in front of the MUNI. Without this there is no solution.

Nelson stated the May 5 workshop would be focusing on the 700 block and talk about what the City wants. Whatever they do it affects parking. There are issues such s Zoning and Comprehensive Plan amendments that have to be made and old development agreements with Beltz. The City is aware that a decision needs to be made but they are trying to assess the appropriate size to make it economically feasible and what the impacts would be for the MUNI.

Petit stated the City also needs to consider the broader traffic issues this development would create.

Shaver stated there has to be decisions made on critical components with a cause and effect downstream analysis. The City cannot address the issues until the strategic decisions are made. The hope is the City has the talent pool to address this completely for a future event. The items that will be discussed in the strategic planning sessions prioritize the issues that are currently in front of the City. The next cascading component is the lot next to the MUNI coupled with addressing the need for a parking structure. Once these decisions are made then the City can look at other issues such as traffic congestion.

Ambrose stated another factor impacting congestion in the City is the construction on Hwy 494 and Bushaway Road.

Wothe expressed concerns regarding the financial aspect of selling this property and building a Municipal parking ramp to provide the needed parking. He asked if there would be a surplus.

Nelson stated they are trying to measure how much would get developed in this area. They are looking at the Parking Ordinance and what would be required for parking under a new Ordinance utilizing a shared model. The other component is what other redevelopment will occur in the 700 block that could drive parking demand. We cannot say how much excess parking there would be but unless there is no new development there could be 300 excess stalls. If a Parking District is created utilizing the Carisch Ramp and Presbyterian Homes and a new ramp there would be 1800-2000 stalls to service the District as a whole.

Shaver stated using high level math a 20,000 square-foot building on the corner would require 100 parking stalls at $15,000-$20,000 per stall. You would have to have a value of $1.5-$2 million for the property just to break even on the cost of the parking structure.

NEW BUSINESS

a. Policy for Communication between Boards, Commissions, Committees and the City Council

Nelson explained the background and purpose of the Policy for Communication between Boards, Commissions, Committees and the City Council. Regular communication would include a bi-annual report to the City Council in the form of a mid-year joint workshop and an end-of-year report at a regular City Council meeting.

Shaver stated the Policy has been adopted. He asked when it would be implemented.

Nelson stated the HRA needs to plan for this and expect that as things arise the Commission communicates their needs and projects to the Council. The Council would like to communicate with the Commission and share information to understand what they are working on.

NEXT MEETING DATE: July 30, 2015

Shaver stated the next meeting was scheduled for July 30, 2015.

ADJOURNMENT

There being no further business; McGill motioned to adjourn at 8:45 a.m., Wothe seconded the motion and the motion carried 5/0.

Respectfully submitted,

Becky Malone 05-29-2015

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