WAYZATA CITY COUNCIL
MEETING MINUTES
June 2, 2015

AGENDA ITEM 1. Call to Order and Roll Call.

Mayor Willcox called the meeting to order at 7 p.m. Council Members present: Anderson, McCarthy, Mullin and Tyacke. Also present: City Manager Nelson and City Planner Gadow.

AGENDA ITEM 2. Approve Agenda.

Mrs. McCarthy made a motion, seconded by Mr. Tyacke, to approve the agenda, as presented. The motion carried 5/0.

The Council requested to meet with staff to address traffic issues and to meet with Public Works about maintenance of landscaping gardens.

Mr. Willcox reported that downtown parking and Bushaway Road were topics for discussion at the Workshop meeting prior to the Council meeting.

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

a. Trudy Richter – Bushaway Project

This item was postponed to the next Council meeting when Ms. Richter can attend.

AGENDA ITEM 4. Consent Agenda.

The Council inquired about Item d and whether SRF would be the default vendor for the implementation and design of the ramp. Ms. Nelson stated the Assignment Agreement does not endorse that SRF is the implementation partner and covers only the current work with the programming and pre-design phase.

Mr. Tyacke made a motion, seconded by Mrs. McCarthy, to approve the consent agenda:

a. Approval of Workshop Minutes of May 19, 2015, Minutes of May 19, 2015, and Workshop Minutes of May 21, 2015
b. Approval of Check Register
c. Approval of Residential Assessing Contract
d. Approval of Assignment Agreement from LSA Design, Inc. to SRF Consulting Group, Inc. for Downtown Parking Improvement Project

The motion carried 5/0.

AGENDA ITEM 5. New Business.

a. Consider Development Agreement Amendments for Wayzata Bay Redevelopment LLC

Ms. Nelson reported that the City Council and Housing and Redevelopment Association (HRA) Chair Tom Shaver met for a workshop meeting on May 21, 2015 to review the Wayzata Bay Center Redevelopment Agreement amendments. The HRA met on May 29, 2015 for approval of the term sheet. Ms. Nelson invited Mr. Jay Lindgren, Dorsey and Whitney, to outline the proposed amendments.

Mr. Lindgren reported the proposed amendments relate to the East Block of the Promenade project, and would allow 29-31 condominiums, an 80-90 room hotel, approximately 14,000 square feet of commercial retail space, parking, and additional plans. He reported on the timeline of the project, the modified tax-increment proposal, the TIF note, and the remnant parcel.

Mr. Lindgren reported the developer, Presbyterian Homes, agrees to participate in the downtown parking district, to provide a workforce parking and project access plan, to provide landscaping of the East Buffer area, to provide a lump sum payment of $25,000 for additional landscaping, and will allow public parking within the project after occupancy of the West Block.

The Council asked if there is a current fee schedule of fines for workers parked in non-designated area. Mr. Lindgren stated this would be developed and brought before Council at a later date.

The Council asked what the existing term expiration date is on the Remnant Parcel for the first right of consideration for development. Mr. John Mehrkens, Presbyterian Homes, reported it was originally a 5-year period that expires in 2016, which then moves to a 5-year notification period.

The Council asked for clarification on workforce parking and the future City ramp. Mr. Mehrkens stated his understanding is that if space is available, parking will be made available to the broader public not related to the development itself, and exclude workforce parking. There will be off-site parking for construction. Mr. Mullin suggested the signs be as specific as possible to remove all workforce parking off the site.

The Council asked for clarification on Item No. 7. Mr. Lindgren stated this means a special service district will be established and the developer agrees to be a part of that district.

The Council inquired about the meaning of a full-service hotel in Item No. 3 and the Available Tax Increment in Item No. 6. Ms. Nelson explained there is a $22.9 million note issued on the TIF. Over the term of the district, the developer receives the principle amount of that note on an annual basis plus the interest. The benefit to the developer is $57.4 million and the benefit to the City is $12.3 million.

The Council referred to the table in the packet and asked why around year 2 and 3, the amount the City receives drops by $3,000 and increases on the developer's share. Ms. Nelson stated the difference is the shift of taking between 50% of the East Block versus 5% of all the blocks. It will be looked at again to make sure the City is in the best position as to when that shift occurs.

The Council clarified that street parking is available to the public, the ramp parking is public for those going to retailers and Presbyterian Homes Development. The Council questioned how those differences were going to be communicated to the public if blue public parking signs are used. Mr. Mehrkens stated there will be additional signage in the ramp stating the ramp is for paying patrons of The Promenade, but challenges still remain as to how to enforce this.

The Council asked staff about the TIF money and if it can be spent on maintenance of the area. Ms. Nelson said it can only be used for capital improvement projects, not for upkeep and maintenance.

The Council stated in previous Workshops, there was discussion that some of this funding could be earmarked for areas around the Eastman Buffer and the storm water management issues. Ms. Nelson stated some amendments need to be made stating who gets what portion of the TIF and the agreements amended as to what type of projects are anticipated with this revenue stream.

Mrs. McCarthy made a motion, seconded by Mr. Tyacke, to approve the term sheet of Development Agreement Amendments for Wayzata Bay Redevelopment LLC. The motion carried 5/0.

b. Consider Resolution No. 24-2015 Wayzata Bay Center East Block Approvals

Mr. Gadow reported BohLand Development LLC has submitted an application for an amendment to the Planned Unit Development (PUD) and modification design of the East Block of the Promenade project. The Planning Commission recommends approval of the PUD Amendment and Project Design, if the developer agrees to remedy or pay an assessment acceptable to the City to address the significant tree damage that occurred on the east area of the subject property.

Mr. Gadow stated in response to the concerns of the residents in that area with the landscaping around the buffer, the City and developer should consider actions that are outlined in the staff report.

Mr. Steve Bohl, BohLand Development LLC, expressed gratitude to everyone involved in the project. He reported that the spa component of the project has decreased in size and moved from the ground level to the mezzanine level, and the condominiums have from increased from 22 units to 31 units.

Mr. David Stahl, Cunningham Group Architecture, reported on and displayed the floor plans and drawings for parking, landscaping, retail space, condominiums, and hotel included in this project.

The Council asked if there was a way to make a brick façade more interesting with a pattern on the south side of the project. Mr. Stahl stated there is minimal brick and there are plans to make it look interesting.

By request of the Council, Mr. Stahl explained the attempt to soften the east side of the building was done through architectural design to pull back the building from the east edge.

The Council asked about the holding pond. Ms. Tiffani Navratil, LHB, reported the pond is meant to function as a storm water capture site.

The Council asked about the colors that will be used on the buildings. Mr. Bohl responded the detail trim will be white, with a deeper gray and stone detail to tie in with the rest of the buildings and blue signage.

The Council expressed appreciation to the developer for listening to the suggestions that were made for the project. The Council also expressed concern for the west and east elevations from the Presidential Suites to the end of the building, that appears to be a long, flat façade and suggested a design with more movement. Mr. Stahl stated that space is about 80-90 feet long and includes landscaping and trees that help create detail on that wall. Mr. Bohl explained the image does not capture the detail on the roof that also helps break up the flatness.

The Council asked if adding these buildings will affect airflow and create a wind tunnel in that area. Mr. Stahl responded these building are not tall enough to have a great impact on the airflow.

By request of the Council, Mr. Mehrkens reported on the features of the park stating there will be an additional stairway into the park, benches, tables, an area for games, and the dog policy is being reconsidered.

The Council stated money has been set aside from the City, the developer, and TIF to create an eastern buffer vegetative screen. Ms. Navratil stated it is important to do an invasive removal plan and maintain the removal. Other plantings can then take place and will need to be maintained. These plantings would possibly include White Pines and Dogwoods to help with year-round screening.

The Council asked about traffic concerns addressed by the Planning Commission. Mr. Gadow reported they would work with the Hotel to direct traffic down Superior.

Mr. Dan Mahoney, Hay Creek Hotels, reported on the restaurant in this development. The plan for the restaurant includes median prices with higher quality food and service and sees it as a standalone restaurant that can be used by people in the community.

The Council asked for clarification on traffic flow and valet parking around the hotel entrance.

Mr. Dan Gustafson, 1040 E Circle Drive, Wayzata, thanked everyone for all the work that is being done. He stated three issues are traffic on East Circle Drive, the buffer, and the round-about. He suggested turning the entire circle into greenspace and creating a larger buffer between the residential and commercial spaces.

Ms. Nelson stated truck traffic is restricted through that area and needs to be enforced. Staff would be willing to look at design concerns in that area.

Mr. Gadow suggested a change in the conditions of approval on page 128, under 4.1A to read: "The Owner agree to the remedies as defined in the revised Development Agreement". He also referenced page 121 and suggested adding a condition that the applicant have a meeting to communicate with the residents of the east neighborhood about the landscaping and also the broader conversation about the pedestrian connection so all parties involved can be kept up to date about what is going on with the landscape buffer and the pedestrian connection. He also stated the number of condominium units should be changed from 29 to 29-31.

The Council suggested a condition that the applicant and City would work with the neighborhood to mitigate traffic concerns. This could be added to 4.1 4 on page 121 of the staff report.

Mrs. Anderson made a motion, seconded by Mrs. McCarthy, to Adopt Resolution No. 24-2015 Approving PUD Amendment and Revised Project Design for Wayzata Bay Center East Block as revised to add a condition on page 128, under 4.1 A to read: "The Owner agrees to the remedies as defined in the revised Development Agreement"; to add a condition stating "The applicant shall have meetings to communicate with the residents of the east neighborhood about the landscaping, about the pedestrian connection and also to discuss traffic concerns"; and, the number of condominium units shall be changed from 29 to read 29-31. The motion carried 5/0.

c. Consider RFP for Lake Effect Signature Project Design

Mr. Gadow reported the Council met with Ms. Mary deLaittre of Groundworks LLC, to review a draft of a RFP to solicit design team submissions for the Lake Effect: Signature Project. The idea is to build off the previous work already done and put it into a form that allows construction on this project. Staff is requesting approval of the RFP, so it can be sent out for responses starting on June 3. Applications would be accepted until July 10 and the winning team selected in September.

The Council asked Ms. deLaittre to summarize the changes made to the RFP. Ms. deLaittre stated there were vocabulary changes and clarifications around schematic design to the RFP. The Council stated the work already done is to be used as a springboard and wondered how to emphasize this to the design teams. Ms. deLaittre pointed out it is referenced in several areas.

The Council emphasized this is not an additional cost, but is part of the original Lake Effect plan costs. The Council suggested adding there was money earmarked for this project and is still under budget.

Mrs. Anderson made a motion, seconded by Mr. Mullin, to authorize the RFP for Lake Effect Signature Project Design. The motion carried 5/0.

Mr. Gadow stated at the next City Council meeting on June 16, the Council will be asked to select individuals that will serve on the Selection Committee.

d. Accept Strategic Planning Report and Adoption of Norms of Behavior and Parameters for Interaction with Developers, Media

Ms. Nelson presented the report from the Strategic Planning Sessions held on April 30 and May 1. Once accepted, staff anticipates having the Strategic Plan document updated for Council review in July. Staff is recommending the Council consider adoption of the two policy items: 1) Norms of Behavior for Wayzata City Council; and, 2) Parameters for Interaction with Public, Developers, and Media. Staff is also looking to discuss Item No. 4: More involvement by Council Members.

The Council thanked Ms. Nelson and staff for their work on the Strategic Planning Session.

Mrs. Anderson presented a Proposed Diversity and Inclusion Statement and requested it be included with the Norms of Behavior. Mr. Tyacke stated it is incongruous with the goal of governing the City. Those that serve on the Council are equals and he does see it as relevant.

Mrs. McCarthy stated it would be more appropriate at a City level, not just at the City Council. She noted it is separate and distinct from the Norms of Behavior that were discussed and if we chose to implement it, it could be reviewed at the City level and with City Attorney review.

Mr. Mullin thanked Mrs. Anderson for her work and stated this could be addressed at a broader level than just the City Council. He is open to further discussion on it, but feels it does not fit with the Norms of Behaviors for Wayzata City Council.

Mr. Willcox stated the Norms of Behavior address current issues that the Council had and needed to be addressed, and diversity and inclusion are not part of those issues.

Ms. Nelson stated there is a personnel policy that states how the City operates as an employer with provisions that apply to the elected officials. Staff requested to review this Statement with existing policy language.

Mr. Tyacke made a motion, seconded by Mr. Mullin, to approve Norms of Behavior for Wayzata City Council. The motion carried 5/0.

Ms. Nelson clarified Item No. 2, Parameters for Interaction with Public, Developers and Media, refers to bigger issues and anything that has to do with legal matters.

Mr. Mullin stated his is not comfortable with the way it is written. He suggested adding "Notify and inform the City Manager about media inquiries. In situations where legal matters are involved, direct media inquiries to the City Manager". Mr. Tyacke and Mrs. McCarthy agreed.

Mrs. McCarthy stated Item E should be shortened. Ms. Nelson suggested Council Members use some phrases of Item E at the end of their emails.

Mrs. McCarthy made a motion, seconded by Mr. Mullin, to approve Parameter for Interaction with Public, Developers, and Media with the following revision: "Notify and inform the City Manager about media inquiries. In situations where legal matters are involved, direct media inquiries to the City Manager. ~~Direct media inquiries to City Manager first, especially regarding legal matters.~~" The motion carried 5/0.

AGENDA ITEM 6. City Manager's Report and Discussion Items.

a. Update on Bushaway Project

Ms. Nelson reported the Council toured the Bushaway Road Project corridor and has a better understanding of the inconveniences to the residents. There is a 50/50 chance the railroad bridge will be done this year and staff is working with the County to put pressure on the railroad to get the project finished.

The Bushaway listening session will now be held at City Hall to get updates from the County and Landscape Committee on the progress being made.

b. Lakefront Docks

Ms. Nelson reported the docks are being installed and encouraged people from the south shore to come by boat to visit downtown Wayzata.

c. Upcoming Dates

Emergency Management Training on June 25 from 5:30 – 7:30 p.m. in Corcoran.

d. Announcements

Mrs. Anderson announced beginning on Sunday, June 7, the Trolley will run on Sundays and Thursdays between now and September 3 from 10:00 a.m. to 4:00 p.m. as well as Wednesday evenings in July from 5:00 p.m. to 9:00 p.m. for the concerts at the Depot.

e. Other

Mr. Mullin stated Council never discussed Item No. 4 on page 174. Mr. Willcox recommended staff send an email that lists major City projects so that Council Members can indicate which ones they would like to be more involved in.

Mr. Mullin asked staff to look at the timing of the pedestrian light near Walgreens on Wayzata Boulevard.

AGENDA ITEM 7. Public Forum Continued (if necessary).

There were no comments.

AGENDA ITEM 8. Adjournment.

Mrs. McCarthy made a motion, seconded by Mr. Mullin to adjourn. There being no further business, Mr. Willcox adjourned the meeting at 10:03 p.m.

Respectfully submitted,

Becky Malone 07-07-2015

Becky Malone
Deputy City Clerk

Drafted by Shannon Schmidt
TimeSaver Off Site Secretarial, Inc.