



**Wayzata City Council Workshop Meeting Agenda
Wayzata City Hall Community Room, 600 Rice Street
TUESDAY, FEBRUARY 18, 2025**

WORKSHOP TOPICS FOR DISCUSSION:

1. Discussion of Draft Neighborhood Engagement Initiative (4:45-5:00 p.m.)
2. Presentation of Board and Commission Annual Reports & Work Plans (5:00-6:00 p.m.)
3. Discussion of Proposed Local Sales Tax Use and Engagement Plan (6:00-6:45 p.m.)



City Council Workshop City Council Agenda Report

MEETING DATE: February 18, 2025	WORKSHOP AGENDA ITEM: 1
TITLE: Discussion of Draft Neighborhood Engagement Initiative (4:45-5:00 p.m.)	
PREPARED BY: Olivia Marrandino, Communication Coordinator	
REVIEWED BY: Jeffrey Dahl, City Manager	

DISCUSSION OBJECTIVE:

To inform the Council on a proposal from staff to increase community engagement.

2024-2026 STRATEGIC PLAN PRIORITIES RELEVANCE:

Sustain Community Character & Safety

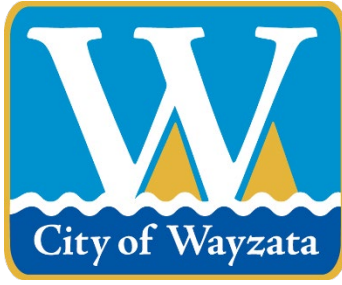
The City strives to keep lines of communication open to all residents and stakeholders so we can provide the best services possible.

BACKGROUND:

City staff and members of the Panoway District Committee (PDC) have discussed ways to evolve the main objective of the committee (inform, listen, and act) to a broader audience in the community. Staff proposes as a first step to conduct neighborhood meetings throughout the year in lieu of the normal cadence of the PDC meetings. These meetings would complement other new engagement initiatives like the Mayor's Muni Meet Ups as well as the Chamber's introduction of a Wayzata Business Council. Staff will go over the attached details at the workshop.

ATTACHMENTS:

1. Neighborhood Meetups Outline



Engagement with Residents & Stakeholders

An Overview of Where We've Been & Where We'd Like to Go

Where We've Been - PDC

In 2021, a resolution was adopted to create an Ad-Hoc Panoway District Committee to vet ideas, provide diverse perspectives on the management of Downtown Wayzata, and offer guidance to the City Council on safety, maintenance, operations, regulations, events and programming, communications, economic development, and volunteerism in order to ensure that the heart of the City is thoughtfully managed and consistent with the vision of the Community. Monthly meetings have been held since then.

Initially, the main focuses of this group were:

- Managing and organizing feedback
- Addressing maintenance concerns and requests
- Managing and addressing safety concerns

Now, the main focuses of the group have evolved into:

- Managing and addressing safety concerns
- "Landing Pad" and discussion forum about downtown Wayzata

Where We'd Like to Go – Neighborhood Meetups

The goal of these neighborhood meetups would be to engage residents and stakeholders in local government, build stronger connections and ultimately improve quality of life in Wayzata through thoughtful planning and a strong commitment to listening to learn, improve, and understand. With the approach of 80% listening and 20% sharing of information, City representatives will invite Wayzata Neighborhoods annually to informally gather, listen, learn, and discuss areas of focus within the City.

Who: *Led by the City Manager and Police Chief but will include City staff, elected officials, and residents/stakeholders of Wayzata.*

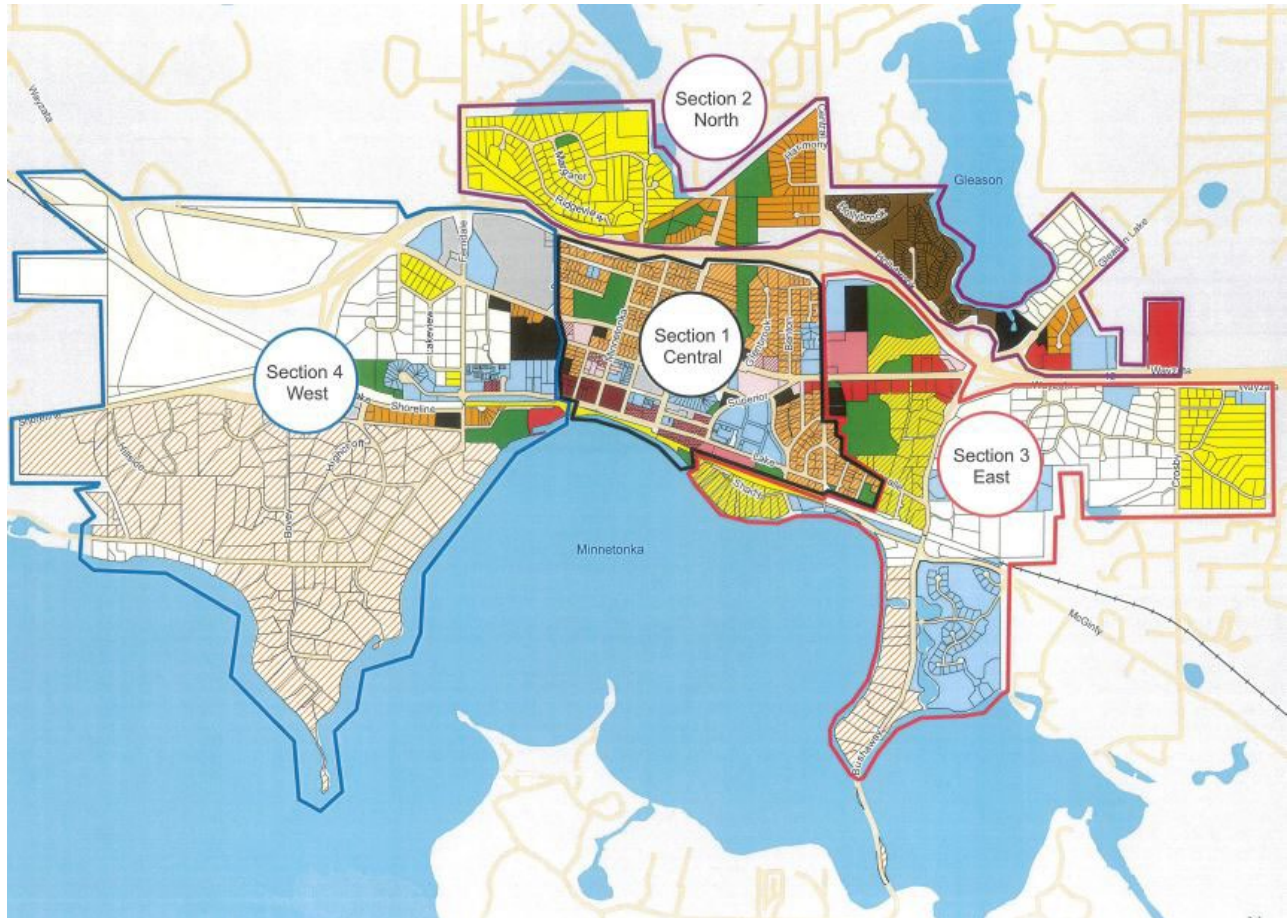
Where: *Somewhere within each section when possible OR City Hall*

When: *Either coffee/morning hour OR after work/before dinner time*

Frequency: *5 per year (One in each outlined section below and an additional one for Section 1, the area of Wayzata with the most traffic and activity)*

Duration: *60 Minutes*

Wayzata will be split up into 4 sections:



Section 1 - Central

- Lake St Business Corridor
- Widsten Townhomes
- Promenade/Folkstone
- “East End” Central/Lasalle
- Central Core

Section 2 - North

- Margaret Circle
- Harmony
- Hollybrook Townhomes
- Waycliffe Townhomes

Section 3 - East

- Locust Hills
- Enchanted Woods
- Shady
- Estate lots near Locust
- Locust Hills
- Holdridge

Section 4 - West

- Estate lots west of Barry
- Westwood
- Westlake
- Peavey
- Hillside

Potential Gathering Calendar:

Jan	Feb Section 1 In advance of busy summer.	Mar	Apr
May Section 2	June	July Section 3	Aug
Sep Section 1 Recap of the summer.	Oct	Nov	Dec Section 4

Utilizing Key Neighbors

The City has created a list of residents in each neighborhood that are engaged or have been engaged in the past. This list will be used ahead of each meeting to contact key neighbors about time and location of the meeting and extend personal invites. The City will ask key neighbors to promote the gatherings and inform their neighbors about the opportunity.

Internal Meeting Following Each Meet Up

Following each meet up, the City Manager and Police Chief will set a meeting with key staff to discuss feedback and solutions based on what we heard during the conversations. This meeting would be led by the City Manager and include:

- Public Works Director
- City Manager
- Police Chief
- Community Development Director
- Communications Coordinator

Key objectives would be:

- Proper documentation of feedback for future use
- To ensure transparency, reporting back to the community about feedback and solutions and action steps will be a top priority.
- Organized conversation about what issues there are, what can we solve and how and when.
- Follow up with a report online for transparency.
 - Prepare a written summary of all topics that come up
 - Post this written summary on an online webpage for all to access

More Details on How This Would Work

- Communication prior to each visit in the Portal, Weekly and Social Media
 - Targeted postcards are a great option if we have \$ for them.
- Provide diverse avenues for feedback:
 - Pre-meeting promo of our online feedback form for those who would prefer to engage that way or can't attend
 - In-Person Gathering
 - Couldn't make it? Feedback Form Online afterward that we send out.
- At each section visit we would have:
 - Sign in sheet with contact info recorded to opt in to the Wayzata Weekly and other notifications
 - Light refreshments?
 - Information to distribute on City channels
 - Each staff person will bring a notebook and actively write things down to show that we are listening and that thoughts and concerns go somewhere. These notes will all be filed in an internal spreadsheet so everyone has access to the data.

Potential session agenda

1. Kick it off with organized hello from the City Manager and/or Council Member (quick intros for staff and residents) and welcome (10 minutes)(City Update)
2. Public Forum (free flowing, implement a 30 second – one minute time limit if a large group or as needed)
3. Conversation

- a. *Small group plan:* Remain as one group and facilitate free flowing conversation with all staff, elected officials and residents.
- b. *Large group plan:* Breakout groups
 - Each staff member or elected official will be assigned to and sit with a group of residents

City Manager will conclude with a summary that would include:

- What was achieved, a summary of comments/concerns, and a preliminary plan of action.
- Explain the internal Community Engagement Group and the flow of information after the conversation.



City Council Workshop City Council Agenda Report

MEETING DATE: February 18, 2025	WORKSHOP AGENDA ITEM: 2
TITLE: Presentation of Board and Commission Annual Reports & Work Plans (5:00-6:00 p.m.)	
PREPARED BY: Nick Kieser, Parks and Environment Planner, Valerie Quarles, City Planner	
REVIEWED BY: Jeffrey Dahl, City Manager	

DISCUSSION OBJECTIVE:

To listen, discuss, and ask questions regarding the annual reports and work plans of the City's standing boards, commissions, committees, and authorities.

2024-2026 STRATEGIC PLAN PRIORITIES RELEVANCE:

Not Applicable.

BACKGROUND:

Each year, staff has invited all the City boards to the Council workshop at the beginning of the year to update the Council on the previous year's actions and inform the Council of their work plans for the upcoming year.

This meeting serves as a good touch point between the Council and the boards to ensure alignment with their duties and the Strategic Plan. Attached are summaries of the board updates. The liaisons and staff will be going over them at the workshop. The tentative schedule is listed below:

5:00-5:10	Charter Commission (verbal update)
5:10-5:20	Heritage Preservation Board
5:20-5:30	Energy & Environment Committee
5:30-5:40	Parks & Trails Board
5:40-5:50	Panoway District Committee
5:50-6:00	Housing & Redevelopment Authority

Given the nature and role of the Planning Commission, there will be no update.

ATTACHMENTS:

1. Energy and Environment 2024 Annual Report & 2025 Work Plan
2. Parks and Trails Board 2024 Annual Report and 2025 Work Plan
3. Panoway District Committee 2024 Annual Report and 2025 Work Plan
4. Heritage Preservation Board 2024 Annual Report and 2025 Work Plan
5. HRA 2024 Annual Report and 2025 Work Plan

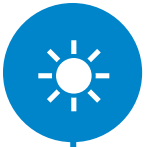


Energy & Environment Committee

**2024 ANNUAL REPORT &
2025 WORK PLAN**

Accomplishments in 2024

In 2024, the Energy & Environment Committee completed the following action items:



Completed Municipal Solar Initiative

- Finished installation of all the solar systems on the Muni/Liquor Store, Public Works, City Hall, Fire Station, and Library.



Championed LED Lighting Installations

- Completed LED retrofits at the Fire Station and warming house.



Supported Home Energy Squad Visits

- Provided 20 free Home Energy Squad Planner visits.
 - Saved residents a total of \$2,000 with the partnership with Center for Energy and Environment and Xcel Energy.



Hosted an Earth Day Event

- Provided educational speakers on pollinator/native gardens and eco-friendly lawns. Gave out a free rain barrel, compost bin, and native seed packets.



Received an MPCA Grant to Create a City Operations Resilience Plan

- The Committee and staff are currently working with LHB to complete the Plan.
- The grant totals \$49,496.00.



Additional Accomplishments

- Approved the purchase of battery-powered equipment for Public Works staff to transition from gas-powered equipment.
- Created various Portal articles and social media posts.
- Continued work on the Dark Sky initiative to hold an educational event in 2025.

Looking Ahead to 2025 – Workplan



- **Finalize and Approve the City Operations Resilience Plan.**



- **Provide a Recommendation on the Dark Sky Initiative.**
 - **Ordinance changes and potential changes to city lights.**



- **Hold a Dark Sky educational event**



- **Award the Sustainability Champion Award**



- **Continue to Provide Discounted Home Energy Squad Visits**



- **Create Educational Posts to Include in the Portal and Social Media**



- **Conduct Multi-Family Outreach for Free Building Audit Options**



- **Determine Water Conservation Efforts**



Parks & Trails Board

**2024 ANNUAL REPORT &
2025 WORK PLAN**

Accomplishments in 2024

In 2024, the Parks and Trails Board completed the following action items:



Led Tennis & Pickleball Court Improvements

- Reconstructed Bell Courts to include four pickleball courts and two tennis courts
- Held an opening day event



Made Significant Progress on Klapprich Park Improvements

- Created 50% construction documents with goal of construction in 2025



Hosted a Variety of Events and Programs

- Maple Tree Tapping
- Participated at Spring Splash
- Sunday Music in the Park



Collaborated with Wayzata Community Education

- Increased summer and winter activities were offered



Awarded Grants

- Received \$100,000 for the Bell Courts reconstruction project
- Received \$6,865 to purchase youth skate rentals and an ice skate sharpener
- Notified of award of \$25,000 for Bell Courts reconstruction project
- Notified of award of \$68,000 for restoration efforts of the Nature Center with Great River Greening



Additional Accomplishments

- Reviewed boat rental options
- Purchased additional Adirondack chairs
- Reviewed a sauna option at the Beach
- Reviewed reservation systems for park amenities

Looking Ahead to 2025 - Workplan



Complete construction documents for the Klapprich Park improvements and complete construction.



Determine options to construct a new sidewalk on the east side of the Library.



Continue conducting and participating in a variety of community events and programs.



Continue to partner with Wayzata Community Education to provide activities and programs to residents.



Implement a reservation system for park amenities.



Panoway District Committee

**2024 ANNUAL REPORT &
2025 WORK PLAN**

Accomplishments in 2024

In 2024, the Panoway District Committee completed the following action items:



Reviewed Panoway Phase II Construction



Provided Recommendations for Panoway Phase 2 Policy Updates

- Reviewed signage regarding Panoway policies.



Reviewed and Commented on Panoway Naming and Dedication Signage



Discussed Options to Improve Public Safety in Panoway



Received the Hennepin County Active Living Grant

- \$15,000 to conduct business and community engagement to create a template to close Lake Street to increase pedestrian and bicycle access.



Reviewed Plans for the Lakewalk Ribbon-Cutting Event



Provided Recommendations on Special Event Requests



Discussed a New Community-Wide Engagement Framework

Looking Ahead to 2025 - Workplan



Assess the community-wide engagement framework



Heritage Preservation Board

**2024 ANNUAL REPORT &
2025 WORK PLAN**

Accomplishments in 2024

In 2024, the Heritage Preservation Board completed the following action items:

5

Brought Board Back to Full Capacity

- Started 2024 with three new board members for a total of five
- Changed meeting schedule from quarterly to monthly
- Members led preparation of minutes and work plan items



Revived Annual Programs

- Awarded 29 Centennial Home Awards
- Awarded Mayor's Award to 110 Minnetonka Avenue South



Hosted Centennial Homes Event

- Invited 70+ owners of homes over 100 years old in Wayzata
- Hosted speaker from Rethos
- Increased enthusiasm in the historic homeownership community



Built Relationships with Local Organizations

- Hosted Lake Minnetonka Historical Society board members at November meeting
- Hosted Blue Water Theater board members at December meeting



Continued Multi-Year Efforts

- Hosted all-weekend booth at James J. Hill Days
- Supported Section Foreman House grant applications
- Reviewed City and Wayzata Historical Society (now LMHS) plaques
- Grew in understanding that the HPB's mission is not just architecture
- Kept proactive preservation at the forefront, not just reactive efforts

Looking Ahead to 2025 - Workplan



Complete inventory of City and WHS plaques to determine maintenance needs, graphic design updates, and potential innovations



Plan and execute 2025 Historic Homes Event, Centennial Awards, Mayor's Award, and James J. Hill booth



Seek event partnership opportunities with local organizations



Research and apply for grants for special projects



Housing and Redevelopment Authority

2024 ANNUAL REPORT & 2025 WORK PLAN

Accomplishments in 2024

In 2024, the Housing and Redevelopment Authority completed the following action items:



Adopted Affordable Housing Work Plan

- Preserving current affordable housing stock
- Exploring opportunities to support new affordable housing construction



Preserving Current Affordable Housing Stock

- Low Income Rental Classification (LIRC) Outreach



Exploring Opportunities to Support New Affordable Housing

- Metro Transit Park and Ride Pre-Development Study



Tax Increment Financing

- Reviewed TIF cash flow analysis
- Updated TIF pledge agreement for Panoway boardwalk and docks
- Modified TIF Districts #5 and #6 to allow for affordable housing expenditures

Looking Ahead to 2025 - Workplan



Preserving Existing Affordable Housing Stock

- Utilize existing rental licensing and inspection program
- Bring additional properties into the LIRC program
- Explore grant options for existing multifamily NOAH and serve as technical assistance for property owners as needed



Explore Opportunities to Support New Affordable Housing

- Establish Affordable Housing Policy for Density Bonuses
- Continue exploration of opportunities at the Metro Transit-owned Park and Ride site



Continue to Execute TIF Actions



City Council Workshop City Council Agenda Report

MEETING DATE: February 18, 2025	WORKSHOP AGENDA ITEM: 3
TITLE: Discussion of Proposed Local Sales Tax Use and Engagement Plan (6:00-6:45 p.m.)	
PREPARED BY: Aurora Yager, Deputy City Manager	
REVIEWED BY: Jeffrey Dahl, City Manager	

DISCUSSION OBJECTIVE:

To review the draft sales tax use and engagement plan and provide feedback on changes prior to implementation.

2024-2026 STRATEGIC PLAN PRIORITIES RELEVANCE:

Diversify Revenue

Pursuing a sales tax is identified as a Strategic Initiative and is one of the few tools the City has to bring in outside revenues into the City to fund public projects and/or services.

BACKGROUND:

In 2022, the City received the results of a [study from the U of M Extension](#) which showed that either a Local Option Sales Tax (LOST) or a Food and Beverage Sales Tax had the potential to bring in significant outside revenues with the majority being paid from visitors rather than residents.

Based on that data and growing budget pressures, the Council voted to pursue a request to the State Legislature for a 1% Food and Beverage Sales tax in 2023. The City was ultimately not successful and at the end of the 2023 session the Legislature implemented a two-year moratorium on local sales taxes. That moratorium is scheduled to expire on June 1, 2025. However, the Legislature could end the moratorium early or it could go into a special session where there would be additional time to bring forth a sales tax request.

Implementing a local sales tax in some form remains a City Legislative Priority and so no matter what happens with the Legislature this year, consensus regarding a local sales tax request and a plan to engage businesses and the community on the front end are important and should be decided on in advance.

Staff have prepared information in the below attachments which include potential uses of sales tax revenues for either a Food and Beverage Sales Tax or a Local Option Sales Tax along with a draft engagement plan. Staff are looking for specific feedback on the following questions as part of the discussion:

1. Do you agree with the projects or listed uses of sales tax funds or would you like to see any changes?
2. Options for a 0.5% tax and a 1.0% tax are listed. Do you have a preference for one or the other?
3. What changes or feedback do you have on the engagement plan?

Please note that the list of potential capital projects that could be funded by a LOST includes a significant dollar amount for a new public safety facility. Staff will be updating the Council on the Public Safety Needs Assessment study in March. For the purposes of future capital projects, the estimation in the attachment is a very rough estimate and will need to be vetted much more thoroughly over the next several years.

ATTACHMENTS:

1. Sales Tax Projections and Project Plan
2. Sales Tax Engagement Plan

	1% LOST		1% Food/Bev	
	Tax Proceeds	Percent of tax	Tax Proceeds	Percent of tax
City residents	\$375,000	22.70%	\$72,000	10%
Non-residents	\$1,275,000	77.30%	\$648,000	90%
Total	\$1,650,000	100%	\$720,000	100%

	0.5% LOST		0.5% Food/Bev	
	Tax Proceeds	Percent of tax	Tax Proceeds	Percent of tax
City residents	\$187,000	22.70%	\$36,000	10%
Non-residents	\$638,000	77.30%	\$324,000	90%
Total	\$825,000	100%	\$360,000	100%

*Data from Dept. of Revenue with 2022 sales data (only updated Food and Bev projections.
LOST was estimated based on Food and Bev update)*

DRAFT

Local Option Sales Tax Potential Use Plan

Year	Capital Projects	Cost	Notes
2026-2027	Beach+Shaver Park Improvements	\$672,000	Design, CDS, and Construction
2026	Panoway Phase 3	\$7,160,000	Includes Section Foreman's House, Eco Park and Boardwalk loop, Depot Park
2030?	New Public Safety Facility	\$66,070,000	BKV number, Inflated 5% per year. Does not yet include site acquisition costs.
Capital Project Total		\$73,902,000	

Years to fund	
.5% LOST	1% LOST
89.58	44.79

Requirements

1. Can only used for up to five capital projects - operational expenses cannot be included
2. Each project must have documentation on how it will provide economic benefit to residents, businesses, and visitors
 - a. Typically used for things like community centers, arenas, and parks.

Future Steps in Legislative Approval Process

Resolution and supporting documentation due to tax chairs by January 31 2026 (or earlier after moratorium expires). Resolution must include:

- a. Proposed tax rate
 - b. Detailed description of up to five capital projects to be funded
 - c. Documentation of how each project is an economic benefit to residents, businesses, and visitors
 - d. Amount of revenue to be raised
 - e. Anticipated expiration date
1. Legislature must approve the tax
 2. Council reaffirms resolution 90 days before a general election
 3. Wayzata residents pass a referendum - note they must vote on each project individually
 4. Council passes an ordinance to adopt the tax

Food and Beverage Tax Potential Use Plan

Year	Capital Projects	Cost
2026-2027	Beach+Shaver Park Improvements (Design, CDS, and Construction)	\$672,000
2029	Eastman Ln (trail, boardwalk, and signage)	\$218,000
2029	Klapprich Park – Tennis Court Expansion for Pickleball	\$53,000
2029	Wayfinding Park Signage	\$57,000
2026-2032	Tree Maintenance (EAB Management)	\$560,000
Capital Project Total		\$1,560,000

Year	Ongoing Projects	Annual Cost	Notes
2026+	Park Maintenance Operations	\$230,000	O&M report for all Panoway (Huge regional park/destination) is FTE 2.75 employees.
2026+	Police Department Operations	\$390,000	Three new police officers added since 2023 based on increased demand on PD due to being such a regional destination
2026+	Community Events/Business Retention and Attraction	\$50,000	Events that draw regional crowds: Light up the Lake (\$15K), J. J. Hill Days Fireworks (\$25K), Summer music in the Park (\$10K)
Ongoing Total (annual)		\$670,000	
Total from 2026-2040		\$12,835,000	
Capital + Ongoing Total for 2026-2040		\$14,395,000	

Years to fund	
.5% Food/Bev	1% Food/Bev
40.29	20.14

Requirements

Currently no requirements in Statute on what it can be used for, so it could be used for capital projects or operational costs. Typically it is used for things like community centers, facilities, parks, and trails.

Potential Future Steps in Legislative Approval Process

1. Resolution and supporting documentation due to tax chairs by January 31 2026 (or earlier after moratorium expires). Resolution must include:
 - a. Proposed tax rate
 - b. Intended use of revenue (project plan)
 - c. Amount of revenue to be raised
 - d. Anticipated expiration date
2. Legislature must approve the tax
3. Wayzata residents pass a referendum (only if required by Legislature - its up to their discretion to require or not)
4. Council revises and reaffirms resolution and passes ordinance to adopt the tax

Sales Tax Engagement Plan

Date	Step
2/12/2025	Aurora and Jeff to update Sales Tax Projections and Project Plans to reflect a 1% and 0.5% option
2/13/2025	Chamber holds restaurant-based luncheon discussion and officials will be available to provide high level status update of sales tax exploration
2/18/2025	Aurora and Jeff lead Council Workshop to present local option sales tax Engagement and Use Plan Council Meeting to approve updated Legislative Priorities
2/25/2025	Mayor unveils City plans to pursue both sales taxes with the State Legislature at the State of the City Event
2/26/2025	Aurora and Jeff send out letter to Chamber for distribution providing a high-level update/engagement plan on exploration of sales taxes
Late Feb/Early March 2025	Aurora, Jeff, and CM Parkhill/Mayor give status update at Chamber Board Meeting
Early March 2025	Aurora, Jeff, and CM Parkhill/Mayor lead Chamber Business Council presentation and discussion of sales tax
3/13/2025	Mayor mentions sales tax initiative at Chamber's Mayoral Luncheon
March to May 2025	Aurora, Jeff, CM Parkhill/Mayor hold individual meetings with key business-related stakeholders
March to May 2025	Aurora, Jeff, CM Parkhill/Mayor send out city-wide survey and hold three one-hour open houses targeting the following groups: • Restaurants • Residents • General Business
March to June 2025	Aurora and Jeff use all city communication methods to inform community members about sales tax requests
May 2025	City Council holds public hearing to consider resolution of support for Legislative Approval of Local Option Sales Tax and Food and Beverage Sales Tax
June 2025	Sales Tax Moratorium Expires; State Legislature considers legislation to allow Sales Tax
June 2025	City updates engagement plan based on legislative action
8/21/2025	Aurora, Jeff, and CM Parkhill/Mayor lead Chamber Business Council presentation provide status update on sales tax
December 2025	Council reaffirms sales tax as legislative priority
January 2026	Staff and Lobbyist work to draft sales tax legislation
January 2026	Council adopts resolution supporting sales tax request in 2026 session
February/March 2026	Additional engagement efforts TBD