HRA members present: T. Shaver, B. Ambrose, D. McGill, R. Wothe, B. Petit
City Staff/HRA Executive Director present: Heidi Nelson
City Staff present: Becky Malone, Bryan Gadow, Don Uram, Jason Peters
Others present: Jason Aarsvold with Ehlers and Associates, John Mehrkens with Presbyterian Homes

Chairman Shaver called the meeting of the HRA to order at 7:34 am.

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES – MINUTES OF JUNE 30, 2015

Ambrose requested on page 2, line 1, the word "requests" be replaced with "actions" and line 5, after "The City would not decertify the District and…" he suggested adding the word "would".

McGill motioned to approve the June 30, 2015 minutes as amended, seconded by Wothe. The motion passed 5/0 by voice vote.

OLD BUSINESS

a. Downtown Parking Update

Nelson stated the Council continues to work through the issues of programming and pre-design for the Mill Street Ramp. Downtown parking will be on the August 5th regular City Council meeting agenda to solicit direction from the Council regarding the programming and sizing of the ramp, potential redevelopment in and around the ramp, the design options for the roof, bike center services, centralized trash, bathrooms, and the treatment of Mill Street. The Council will also be discussing policy issues and addressing cost concerns. The next step would be to define the procurement process for the ramp. The City is working toward an October 2016 construction start date with parking available by April 2017. The pilot projects will continue through Labor Day and the City will be posting a survey on the City's website to get feedback on these programs. The survey would be available until mid-September and the results would be used to help make future parking management decisions.

Wothe stated the purpose for building a ramp is to provide parking that is not currently available. He asked why the City would want to hide the parking ramp behind a commercial structure and make it difficult to find.

Nelson explained the Council and Staff are exploring opportunities to make the structure blend in with the downtown area and engage the corner of Broadway and Mill Street.

The City Council has debated if they would want to pursue a commercial corner. They are considering a small commercial structure that would corner the ramp rather than wrap the structure in commercial. She suggested Mr. Wothe let the Council know his view on including a commercial piece with the parking structure.

Shaver clarified there were no actions for the HRA to take regarding the parking ramp at this time but they could attend the August 5 Council meeting to provide input. He stated there had been some parking demand changes and he asked why the number of parking stalls proposed and the required number of stalls for new facilities/uses had been reduced in number.

Gadow stated as part of the Downtown Parking Study they are analyzing the City's current Parking Ordinance to see if there are modifications that need to be made. Wayzata requires more parking than neighboring communities. The proposed changes reflect what is actually occurring in the City and surrounding communities.

Nelson clarified Agenda Item 1 on slide 1 of the Wayzata City Council – Work Session Downtown Parking Project Update should read "Completed Since June 16, 2015". The City has done survey work on the site, title work on all of the parcels associated with the site and soil borings.

Petit expressed concerns that the City was still not sure that a parking ramp is the way they want to proceed.

Nelson stated some people have been focused on the parking equation and what the numbers are while others are focused on what outcome the City is trying to achieve in addressing downtown parking. On July 21, Staff provided a summary of the data to show where the City was with current parking and what the demand is. The City would like to see flexibility built into the plans to allow for changes in use over time. The City's goal for August is to come to a decision on the pre-design issues so they can move forward with a tight design so it is clear what the City wants and what the size and function of the ramp would be.

Petit asked if the proposed surplus parking of 116 stalls was accurate based on low development estimates.

Nelson stated this was an accurate estimate based on the shared calculation under the new Parking Ordinance. The one thing that has not been quantified is the Lake Effect and what the demand would be for these public spaces. The Council is focused on flexibility so when these improvements occur there is flexibility to accommodate parking.

Ambrose asked if the Council was considering the development occurring on the west end of Lake Street, the Lake Effect, and what would be needed for parking in this area.

Nelson stated the City has been aware of the potential for redevelopment on the west end of Lake Street, that additional public parking was contemplated in the Lake Effect Design Framework, and they are looking at augmenting parking with this redevelopment.

NEW BUSINESS

a. Potential Redevelopment Proposal at 239-235-253 & 259 Lake Street E (TIF & public easement for shared parking)

Gadow reviewed the Staff memo and stated the property owners were requesting City public financing assistance on the project in the form of Tax Increment Financing (TIF) for the purpose of building structured parking in the rear portion of the properties. This parking would be utilized for the business tenants during the work day, but have a public easement over it to allow public usage of the parking in the evening and on weekends. Given the proximity of these parcels to the Dakota Rail Trail and the City Beach and Marina, potential public parking in this area could provide a benefit as the City continues the implementation of its Lake Effect Design Framework, which includes additional parking on the west end of Lake Street. The City is also engaging the Three Rivers Park District to examine potential for capital partnership on a parking ramp component of the project, given the proximity of the site to the Dakota Rail trailhead. He reviewed the site concept and noted that discussions between the three property owners are still on-going and at this time, there is not a joint application for development.

Wothe asked if there had been a change in ownership at 259 Lake Street E.

Gadow explained there are two financial institutions involved in this property and there may be a change in ownership in the next few weeks. The City Council would have a workshop meeting with the property owners August 18.

Shaver asked if all three property owners would be redeveloping their properties and how a potential redevelopment would be staged with three separate property owners.

Gadow stated he does not have each individual timeline. The proposed site design concept is designed with the first phase would be 253 and 259, then stage part of the parking ramp and Phase 3 could be done at a later time. The current proposed site plan has all three building set up for office use but this could change based on the individual property owners. The parking needs at this time are based on office use and if there are any changes in use then the parking requirements would need to be reviewed.

Mr. Jason Aarsvold, Ehlers and Associates, reviewed the TIF runs. He clarified the Staff Report does reflect an updated TIF run based on the current proposed site plan.

Shaver asked what the additional increment would be with the proposed concept plans.

Aarsvold explained the assumptions they had used including what the potential build out would be for these parcels. He stated if they assumed a redevelopment district could be created and they used the maximum number of years at 26-years, then they could expect a present value of approximately $3,281,136.

Shaver asked if the estimated costs for a parking garage would be approximately $10 million.

Aarsvold stated the valuations they had used were a result of conversation with the assessor and the structures taxation value versus estimated construction costs.

Ambrose stated the sketch showing the Lake Effect shows parking extending behind the real estate building. He asked if there had been discussions with this property owner.

Gadow stated there have not been discussions with this property owner related to the proposed site plan.

Mr. Neil Weber, Weber Architects and Planners, stated the concept plan provides for all the parking spaces required by the proposed new Parking Ordinance plus 85 stalls for the Marina. He stated there should be further analysis because the parking from the Marina was intended to allow for a restaurant. He reviewed potential parking scenarios and ramp options. He clarified that this was a concept that would allow the property owners to develop independently, provide parking and not force partnerships. Mr. Hoyt and Mr. Hughes are proposing office uses.

Petit stated this concept was good because each parcel can develop independently and it also addresses the parking needs in this area. The scale of the project makes sense for the area. The public would need to know where the parking is located if it is behind the building. The number of spaces required for the Lake Effect would also need to be looked at to determine if the legal commitment can be changed.

b. Oversettlement of Tax Increment from TIF District 2 (CARD)

Uram stated on July 2, the City received a $76,754.40 invoice from the Hennepin County Property Tax Division for the over settlement in TIF District 2 (CARD). This was due to a tax court settlement on the Boatworks building. Since tax increment was received from the County initially, it is appropriate that tax increment be used to pay the invoice. TIF District 2 was officially decertified at the end of 2012.

NEXT MEETING DATE: October 29, 2015

Shaver stated the next meeting would be October 29.

Nelson provided staff updates to the HRA. Mr. Gadow would be leaving the City of Wayzata at the end of August and Mr. Peters was brought in as an intern to assist the City on an interim basis, as well as a consultant Planner until the position is filled. Mr. Uram is moving to a position in Prior Lake. The City would be transitioning back to Steve McDonald with Abdo, Eick & Meyers for the City's financial management.

Shaver thanked Mr. Gadow and Mr. Uram for their service to the City of Wayzata.

ADJOURNMENT

There being no further business; Wothe motioned to adjourn at 8:32 a.m., McGill seconded the motion and the motion passed 5/0 by voice vote.

Respectfully submitted,

Becky Malone 10-29-2015

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