

**WAYZATA CITY COUNCIL
WORKSHOP MEETING MINUTES
March 24, 2026**

Mayor Mullin called the meeting to order at 5:00 p.m. Council Members present, in-person, in the community room at City Hall offices: Koch, MacDonald, Plechash, and Sorensen. City Staff included City Manager Yager, Community Development Director Sharpe, and Parks and Environment Planner Kieser. City Attorney Schelzel was also present. Also present: Owners of Tonka Boat Rentals and Representatives of the Lake Minnetonka Historic Society.

5:00 p.m. Discussion of Tonka Boat Rental Proposal for Broadway Docks

Planner Kieser provided background on the successful one-year pilot agreement in which the City leased two underutilized transient slips at the depot docks to a commercial operator for boat rentals. The slips generated \$17,000 in revenue and saw no reported complaints or operational issues. Prior to the agreement, usage of these slips was minimal.

The operator is seeking a three-year extension, City support to reapply for overnight docking approval, and a reduced rate if that approval is denied. Council generally supported continuing the agreement and pursuing LMCD approval, citing strong financial performance and low demand for the slips otherwise.

Council agreed the pilot program was successful and generated strong revenue from underutilized slips, with no concerns reported. Members noted there is currently no shortage of transient dock space and generally did not support reducing the lease rate. There were comments to consider including annual increases in a multi-year agreement along with the operator covering any costs if property tax is required due to this commercial use.

Council supported moving forward with negotiating a three-year agreement and reapplying for overnight docking approval. Staff was directed to address tax liability, evaluate pricing and terms, and return with a finalized agreement for Council approval.

5:20 p.m. Discussion of Steamboat Minnehaha Request for Port of Call from Charter Boat Docks

City Manager Yager provided background on a conceptual request from the Historical Society to reestablish the Steamboat Minnehaha as a seasonal operation on the lake, with Wayzata serving as its port of call and overnight docking location. The broader plan includes winter storage in Minnetrista and launching the vessel for regular operations during the boating season.

The request is exploratory, with the primary goal of determining whether Council is open to the concept before further planning, fundraising, and coordination with the LMCD and other partners.

Council expressed strong support for the idea, citing the boat's historical significance, connection to Wayzata, and potential to enhance community character and tourism. Members acknowledged there are logistical considerations, particularly related to limited charter dock space and impacts on other operators.

5:45 p.m. Discussion of Subdivision Ordinance Amendment – Park Dedication

Community Development Director Sharpe reviewed proposed updates to the City's subdivision ordinance on park dedication fees, aiming to align with state statute and recent legal guidance. Discussion emphasized that fees must show a clear "nexus" and proportionality to the park demand generated by new development, noting that Wayzata's high land values result in higher fees than other communities. Council considered different fee structures, including per-unit versus percentage-based models and whether fees should vary by residential type. While higher fees could be justified, there was concern about rates limiting

54 development. Staff recommended a \$12,500 per-unit fee for residential properties and a \$7,000 per 1,000
55 sq. ft fee for commercial properties as a defensible, balanced approach consistent with regional practices
56 and legal requirements.

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58 Discussion also noted updates to park dedication fees and development incentives, highlighting ways to
59 balance development costs with community benefits. Staff proposed that larger projects, particularly
60 Planned Unit Developments (PUDs), could receive reductions in park dedication fees if they provide
61 resident-serving amenities such as dog areas, trails, sidewalks, and pools. Recognizing land cost as a major
62 development hurdle, staff noted that fee reductions could offset substantial expenses, sometimes hundreds
63 of thousands of dollars per project. Council Member MacDonald suggested tailoring fees by housing type—
64 single-family, townhome, and multi-family—with single-family units carrying slightly higher per-unit fees
65 due to higher usage and property values was recommended while maintaining a solid per-unit cap while
66 allowing adjustments based on density and unit type.

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68 Ms. Yager suggested placing fees in the City’s fee schedule rather than the ordinance, enabling adjustments
69 as market conditions and valuations change without full ordinance amendments. She emphasized that fees
70 should be rational and data-supported, considering park needs, property values, and proportionality, while
71 acknowledging challenges with multi-family developments. She noted that most future development
72 contributions will come from smaller multi-unit projects and that this approach allows flexibility to test,
73 tweak, and adjust fees while updating the ordinance and subdivision code.

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75 Council generally supported simplifying the structure as proposed by staff, ensuring compliance with state
76 law.

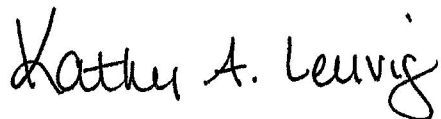
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78 **6:50 p.m. Discussion of Future Agenda Topics**

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80 The Council reviewed the proposed workshop schedule, acknowledging that it is iterative and subject to
81 change as priorities evolve. Ms. Yager noted that the list reflects known items in the backlog, including
82 budget workshops, public safety facilities, evaluation of public land sales, and development-related
83 topics. She emphasized that workshop timing is flexible and subject to change to ensure staff are able to
84 complete information before it is brought before Council for consideration.

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86 The Council also discussed recent draft legislation affecting land use and preemptive zoning, which could
87 limit local authority over housing approvals. While the House recently rejected the bill, it could still be
88 introduced in other forms. Ms. Yager outlined next steps, including identifying top concerns for Wayzata,
89 engaging state representatives, and leveraging coalitions like Lake Minnetonka and the League of
90 Minnesota Cities to advocate for local control. The Council acknowledged ongoing monitoring of
91 legislative developments and maintaining flexibility in workshop scheduling.

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93 The workshop adjourned at 6:55 p.m.

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95 Respectfully submitted,



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97 Kathy Leervig, City Clerk

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