

**WAYZATA CITY COUNCIL
MEETING MINUTES
September 19, 2017**

AGENDA ITEM 1. Call to Order.

Mayor Willcox called the meeting to order at 7:00 p.m.

AGENDA ITEM 2. Pledge of Allegiance.

AGENDA ITEM 3. Moment of Silence in Memory of Police Officer Bill Mathews.

Mayor Willcox requested a moment of silence in memory of Officer Bill Mathews. He noted that in an effort to help Officer Mathew's family, a memorial fund has been set up at Wells Fargo Bank. He expressed appreciation for the way the community came together during this tragic event and read some of the messages he received from other cities.

AGENDA ITEM 4. Roll Call.

Council Members present: Koch, McCarthy, Plechash and Tyacke. Also present: City Manager Dahl, City Engineer Kelly, Director of Planning and Building Thomson, and City Attorney Schelzel.

AGENDA ITEM 5. Approve Agenda.

Mrs. McCarthy made a motion, seconded by Mr. Tyacke, to approve the amended agenda. There was no further discussion. The motion carried 5/0.

AGENDA ITEM 6. Public Forum.

a. Wayzata High School Football Presentation

Mayor Willcox introduced Coach Lambert Brown with the Wayzata High School Football Team. Coach Brown introduced team captains: Matthew Otto, Cody Beaulieu, and Michael Dugan. They reported on their role in the community and how they prepared for the upcoming season.

Mayor Willcox thanked them for representing Wayzata well.

b. Comprehensive Plan Update

Juliana Panetta, with the City's consultant Future iQ, provided an update on their work related to the Comprehensive Plan process. She reported the project is progressing on track, they have received about 100 Think Tank nominations and 40 confirmed RSVPs, and have had 98 responses to the community survey.

David Beurle, CEO of Future iQ, announced that the Think Tank workshop, which provides an opportunity for the community to think deeply about the future, will take place on September 25 and 26 from 6:00 p.m. to 9:00 p.m. They anticipate having 50 to 70 people in attendance. He explained that it is a two-night commitment and highlighted what would be covered each night. They hope to have 300 to 400 responses to the community survey by November. They pulled two issues reported in the community survey for illustration purposes. They are seeing that traffic congestion is a key issue that has a negative impact on the community and one that the community perceives they are not prepared for. The second issue reported is that Wayzata has a reputation as a premier suburb of the Twin Cities, and this is seen as having a positive impact that the community feels they are well prepared for.

Ms. Panetta stated the survey can be found at www.Wayzata.org/wayzata2040.

Mayor Willcox explained this process is to get everyone thinking about the Comprehensive Plan that the City will be working on in 2018.

c. Presentation of Wayzata Chamber of Commerce Exceptional Service Award to Lunds and Byerlys

Becky Pierson, Greater Wayzata Area Chamber of Commerce, and Mayor Willcox presented Wayzata Chamber's Exceptional Service Award to Rick Repasky from Lunds and Byerlys. Ms. Pierson highlighted how Lunds and Byerlys supports the community, and Mayor Willcox thanked them for their work in the community.

Mr. Repasky commented they are flattered to be chosen for this award.

d. Public Comments

Mr. Willcox invited Jeff Shore to provide the comments he wished to make on Agenda Item No. 10(a).

Jeff Shore, 1030 Circle Drive E, commented the project looks wonderful and will fit the landscape of the East neighborhood.

AGENDA ITEM 7. New Agenda Items.

Mr. Plechash requested the Council consider adopting a resolution to present to the State to honor Officer Bill Mathews on a segment on Highway 12 going into the Twin Cities. The Council agreed and directed staff to work on the item.

AGENDA ITEM 8. Consent Agenda.

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

- a. Approval of City Council Workshop Meeting Minutes of September 5, 2017 and City Council Regular Meeting Minutes of September 5, 2017
- b. Approval of Check Register
- c. Approval of Municipal Licenses
- d. Approval of First Reading of Ordinance #774 Amending Chapter 301 of the Wayzata City Code (Traffic Regulations)

There was no further discussion. The motion carried 5/0.

AGENDA ITEM 9. Public Hearing.

a. Public Hearing and Consider Approval of First Reading of Ordinance #775 Vacating Certain City Right of Way and Resolution No. 41-2017 Vacating Utility and Sewer Easements at 259, 269, and 275 Lake Street East and 339 Barry Avenue South

Director of Planning and Building Thomson reported the applicant has submitted an application requesting the City vacate three existing easements on the properties at 259, 269, and 275 Lake Street East and 339 Barry Avenue South in connection with the Wayzata Blu project. He provided a rendering of the easements that would be vacated and the following information:

1) Sewer easement that bisects the 259 and 269 Lake Street East property. Mr. Thomson explained the existing sewer line would be removed and an easement would no longer be required. The applicant is proposing to provide new sanitary sewer service for the property at 253 Lake Street East from the existing sewer main.

2) Utility easement adjacent to Lake Street East on the south side of the properties. Mr. Thomson stated this was previously part of the dedicated right of way for Lake Street, but the City is not currently using it for public utilities. The applicant is requesting vacation of it and would dedicate approximately six feet of additional right of way for Lake Street to accommodate a 12-foot-wide sidewalk.

3) Street, utility and sidewalk easements along Barry Avenue. Mr. Thomson reported this easement was given to the City in 1990 by the current property owners at 339 Barry Avenue

1 to allow for nine parking stalls and a sidewalk along the west side of them. If the City
2 vacates this street, utility and sidewalk easement, the nine parking stalls would be removed.
3 In their place, four to five parallel parking stalls would be provided along Barry Avenue
4 with an additional four parking stalls along Lake Street, a new 12-foot public sidewalk
5 would be constructed along Barry Avenue, and the applicant would provide approximately
6 two feet of right of way for Barry Avenue.

7
8 Mr. Tyacke inquired if the nine parking stalls along Barry Avenue were required by the
9 businesses at that location.

10 Mr. Thomson responded they are not required and are considered public parking, but they
11 are not dedicated to the retail tenant at that location. If the Wayzata Blu development is approved,
12 there will be onsite parking and it would not rely on any of the public stalls. It would also provide
13 four or five stalls on Barry Avenue and eight or nine along Lake Street.

14 Mr. Koch inquired if the stalls in front of Judd Frost labeled "customer parking only" are
15 enforced, and if the fire hydrant would remain on Barry Avenue.

16 City Engineer Kelly responded he is not aware of proactive enforcement with the Judd
17 Frost customer parking, and the fire hydrant would be relocated if the Wayzata Blu project went
18 forward.

19 Mayor Willcox inquired if voting on this would be subject to approval of the Wayzata Blu
20 project.

21 City Attorney Schelzel responded the effective date of the street right-of-way vacation will
22 be in one year. If the project does not get approved, the Council will be able to rescind approval of
23 the street vacation before it takes effect.

24 Mayor Willcox opened the public hearing at 7:41 p.m.

25 Jane Cole, 181 East Ridgeview Drive, offered her condolences to Officer Mathew's family.
26 She expressed concern with the proposal for Wayzata Blu that it is not appropriate for Wayzata or
27 Lake Street. She said she represents the people of Wayzata that do not want residential development
28 on Lake Street. She requested a moratorium be placed on both sides of Lake Street from Barry
29 Avenue to Ferndale Road towards any new development until the Comprehensive Plan has been
30 completed and implemented.

31 Philip Asao, 307 Monarda Way, Watertown, commented he is a trustee for the property
32 being discussed. He recalled memories of the drug store, and spoke to the character of his Dad,
33 who owned the property. His Dad gave the City property for easements on Lake Street and Barry
34 Avenue. He noted they are working with David Carlson, the developer of the property, and he
35 believes his Dad would favor this project. The proposed project has a lot to offer to the community,
36 it will create additional safe public parking, and increase tax revenue. He noted progress cannot
37 come without change, and this is a good change.

38 Judy Starkey, 16201 Holdridge Road, commented she does not support the Wayzata Blu
39 project. If the City needs more residential, it should be for middle-class families and include lower
40 income housing. Wayzata has always been a center for commerce and not just a bedroom
41 community for the wealthy. She commented Wayzata's history is important, and the corner of Lake
42 Street and Barry Avenue was the center for business. The City should preserve this corner and
43 showcase it as a historic corner. She agreed that a moratorium should be placed on the Wayzata
44 Blu plan until people can discuss Wayzata's future through the Comprehensive Plan process.

45 There being no one further wishing to speak on the matter, Mayor Willcox closed the public
46 hearing at 7:56 p.m.

47 Mayor Willcox advised if this vacation request is approved, the proposed alternate parking
48 will be discussed as part of the Wayzata Blu plan.

49 Mr. Plechash inquired if there were any negative consequences for approving the vacation
50 of these easements.

1 Mr. Thomson responded they are not vacating and giving up anything unless the Wayzata
2 Blu project moves forward.

3 In response to Mayor Willcox, Mr. Schelzel explained the vacation of the street right of
4 way is an ordinance, and will require two readings. If the Wayzata Blu project is not approved
5 tonight, there would not be a second reading on the ordinance and the vacation would not happen.
6 If the second reading did happen, the ordinance would be effective one year from now, and the
7 Council could rescind it if the Wayzata Blu project does not go forward for some reason.

8 Mr. Koch made a motion, seconded by Mr. Plechash, to approve the First Reading of
9 Ordinance No. 775 Vacating Certain City Right of Way adjacent to 339 Barry Avenue South.

10 Mayor Willcox stated the motion and asked for any discussion.

11 Mr. Tyacke inquired when the proposed resolution vacating the utility and sewer easements
12 would be effective.

13 Mr. Schelzel responded the resolution would be effective immediately.

14 Mr. Kelly explained the sewer line is currently being used as a sewer service for the
15 building at 253 Lake Street. If the vacation is approved and the Wayzata Blu project is not, that
16 sewer line would either have to be relocated or the easement would have to be reinstated.

17 Mr. Thomson recommended they add a condition to the resolution that the vacation is
18 contingent on approval of the project.

19 Mayor Willcox inquired why the effective date for the ordinance is one year from now.

20 Mr. Thomson stated they want make sure the project gets completed.

21 Mr. Tyacke stated there is going to be a loss of one parking stall, but there are public safety
22 benefits, and it will make the neighborhood more walkable with a wider sidewalk.

23 Mr. Plechash commented the improved safety is a reason to approve the vacation.

24 There was no further discussion. Upon roll call vote, the motion carried 5/0.

25 Mr. Tyacke made a motion, seconded by Mr. Plechash, to adopt Resolution No. 41-2017
26 Vacating Utility and Sewer Easements at 259, 269, and 275 Lake Street East, with the added
27 condition that it is contingent on City Council approval of the Wayzata Blu project. Mayor Willcox
28 stated the motion and asked for any discussion. There was no further discussion. The motion carried
29 5/0.

30 31 **AGENDA ITEM 10. New Business.**

32 **a. Consider Approval of Resolution No. 37-2017 Denying Preliminary and Final Plat** 33 **Subdivision at 236 Central Avenue South and 1101 Lasalle Street**

34 Director of Planning and Building Thomson provided the Council with additional comments that
35 were received today by the City. He reported the applicant has submitted a development application
36 to subdivide the properties at 236 Central Avenue South and 1101 Lasalle Street from two existing
37 properties into four single-family residential lots.

38 Mr. Thomson provided a rendering of the site and the proposed subdivision. He reported
39 all four proposed lots would meet the R-3A zoning requirements, and there would be some impacts
40 to the trees on the site. The proposed plan indicates that five significant trees and one heritage tree
41 would be removed, with an additional heritage tree (tree #300) impacted due to grading. There
42 would not be any mitigation required based on removal of significant trees, but the removal of the
43 heritage trees would require 53 inches of replacement. The applicant has also submitted a revised
44 grading plan to include a retaining wall and show the grading limits as far away as possible from
45 tree #300.

46 Mr. Thomson reported the Planning Commission reviewed this application and requested
47 more information regarding grading, tree removal, and design of the homes. After reviewing the
48 additional information, the Commission voted three in favor and two opposed to recommend denial
49 of the development application. Reasons for the denial include increase in traffic, the density of the
50 project, inconsistency with the character of the neighborhood with the lot size and proximity to the
51 street, and the amount of grading and tree removal. Reasons against the denial recommendation

1 expressed by some commissioners included that there would not be an increase in number of
2 dwelling units, the proposed lots and homes would meet all R-3A zoning requirements, no
3 variances are requested, and tree removal complies with the City's tree preservation ordinance.

4 Mr. Tyacke inquired how the grading would be handled with the difference in elevation
5 between to two properties.

6 City Engineer Kelly responded both lots are elevated three feet from the street and the
7 grade from the front to the back of the house would not change much from what is currently there.
8 The third lot does have a transition down to a lower grade and most of the grading is to tuck the
9 properties into the hill and still provide drainage. Overall, they are proposing to remove 1,200
10 cubic yards of fill from the site, which is between 80 and 100 truckloads.

11 Mayor Willcox inquired about a look out home and the impact on trees if this were
12 subdivided into three lots instead of four.

13 Mr. Thomson explained a look out home is similar to a walk out home, but it cannot be
14 exited from the lower level. Staff has not seen housing plans for three lots, but it would include
15 larger, buildable areas. This could result in bigger house footprints and would probably have similar
16 grading requirements.

17 Mrs. McCarthy inquired about the current and proposed hard cover.

18 Mr. Thomson responded the hardcover on parcel one is 29.3 percent and is 32.4 percent on
19 parcel two. The proposed hardcover would be under 35 percent.

20 The Applicant's representative, K.C. Chermak, 330 Wise Avenue South, reported on other
21 developments he has done in the City, which include Manitoba and Rice Street Homes, Far Hill
22 Development, Grace Pointe Village Homes, and Sailor's Pointe. He pointed out his current
23 proposal requires no variances and meets the comprehensive zoning plan requirements. The
24 development on Manitoba and Rice Street is almost identical to what he is proposing. They both
25 have four new homes stepped with the grade of land, front load garages and private rear yards,
26 stepped grade for water management, and four right sized lots to create right sized homes. Lasalle
27 Street will sit 18 feet lower than the northerly lot. The hardcover is going to be comparable and it
28 can be controlled with the grade of the site and gutters. By removing the hardcover the site has, he
29 will be addressing water filtration and water management, and will do what is best for the site to
30 restore it back to its original state. He agrees with the Planning Commission that significant
31 alterations to the natural topography would be required and he plans to improve what was
32 improperly done years ago.

33 Mr. Chermak reported Wayzata has a very thorough tree ordinance. Tree #331 will be
34 spaded and replanted on site, tree #332 will be saved, and one heritage tree will be removed. Out
35 of 33 trees on the site, only four trees (three significant and one heritage) will need to be removed,
36 which reduces the amount being affected down to 12 percent. If there were less homes allowed on
37 the site, the number of trees impacted would remain the same. Tree #300 is on the lot line between
38 lots three and four, and it will be left alone. They have also adjusted their access to the site to lessen
39 impacts to existing trees. He provided an updated tree chart and summery, and a photo of tree #328
40 that shows the entire base of the tree is rotten.

41 Mr. Chermak reported the existing homes on the lots do not fit into the character of the
42 neighborhood. None of the roads in the neighborhood are straight, so none of the lots are normal.
43 There are at least 30 homes that have been rebuilt or remodeled significantly. He disagreed with
44 the Planning Commission that the character of this neighborhood is being put into shambles by this
45 proposal. He argued that the proposal enhances it and is in character with the way the neighborhood
46 is being modified and improved.

47 Mr. Chermak reported the proposed lots are over 200 feet long, 65 feet wide at the curb,
48 and 62 feet wide at the setback where the homes are placed. He argued that this unique factor will
49 encourage more creative architecture. He referred to the chart regarding lot sizes on page 47 of the
50 meeting packet. He explained the lot sizes that are bolded represent the lots that are proposed to be

1 split, and the lots with larger sizes represent multifamily lots. The proposed subdivision will bring
2 the lot sizes closer to the single-family lot sizes in the neighborhood.

3 Mr. Tyacke inquired if it was possible to build modernized double family homes on these
4 lots.

5 Mr. Chermak responded he has not considered double family homes. His proposal for
6 single family homes is representative of what has been taking place in the neighborhood, and he
7 feels that the site is better for them.

8 Mr. Koch inquired about the size of the homes.

9 Mr. Chermak responded they will be about 2,200 to 2,800 square feet above grade with the
10 lower level offering approximately an additional 1,000 square feet. A 9,000-square foot lot offers
11 a minimal yard, interaction with the neighborhood, small gardens, and contains the size of the
12 house.

13 Mayor Willcox expressed concern with higher density, a 20-foot setback, and how it will
14 visually look different than what is there now.

15 Mr. Chermak responded it is more neighborly to have the front doors facing the street, it
16 will look just like the homes on Manitoba and Rice, and there is no parking in the back.

17 Mr. Tyacke inquired if the existing homes have front doors facing the street.

18 Mr. Chermak responded most of the home have entrances on the back with front doors
19 facing the street.

20 Mr. Koch commented this proposal is less linear than what is currently there since the four
21 lots will fan out.

22 Mr. Chermak stated this will have a positive effect on noise and will fit more naturally into
23 the setting.

24 Mrs. McCarthy inquired about parking for guests since the streets are narrow.

25 Mr. Chermak stated each house has three parking stalls and they should be able to get four
26 cars at every house with the length of the driveway and the right of way. Also, it is on a public
27 street where people are allowed to park. Lots 3 and 4 already have a turnaround integrated into the
28 site plan that can accommodate two additional parked cars.

29 Mrs. McCarthy expressed concern with construction traffic in the area.

30 Mr. Thomson responded they will review where construction access is and parking. They
31 can also have no parking on one side of the street to ensure the streets will remain clear during
32 construction.

33 Mrs. McCarthy inquired where the existing speed humps were and if the driveway was in
34 the curve.

35 Mr. Kelly explained the speed hump is just north of where Lot 3 would be and the driveway
36 is at the end of the curve. There are two other driveways that come out on the curve which is a
37 similar layout to what is proposed. The speed limit is 25 miles per hour, there are stop signs, and
38 he does not have any concerns with the propose configuration.

39 Mr. Chermak noted the City owns extensive road frontage on Lasalle where he could park,
40 if the City allowed it. He would improve the site in exchange for off road construction parking.

41 Mayor Willcox allowed members of the public wishing to speak on the application to offer
42 comments.

43 Paul Buyssa, 247 Central Avenue South, commented he lives across the street from the
44 proposed site. He stated this will be good for the neighborhood and he enthusiastically supports the
45 proposed development.

46 Steve Niehaus, 310 Wise Avenue South, commented they chose to live in Wayzata because
47 of the charm of the neighborhood. He worked with Pillar Homes to build his home and was amazed
48 at the effort that went toward grading, landscaping, quality of construction, and making sure the
49 home fit in the neighborhood. He supports the proposed project.

50 Mr. Plechash inquired if voting against the denial resolution indicates approval.

1 Mr. Thomson responded in order for the Council to vote in favor of the project, they would
2 need to direct staff to come back at the next meeting with an alternative resolution of approval with
3 appropriate findings.

4 Mr. Plechash commented he does not understand why the Planning Commission did not
5 recommend to approve this. It met all zoning requirements, the density is not increasing, it is not
6 historic, and it improves the neighborhood and home values.

7 Mr. Plechash made a motion, seconded by Mr. Koch, to direct staff to prepare a draft
8 resolution, with appropriate findings, approving this project.

9 Mayor Willcox stated the motion and asked for any discussion.

10 Mr. Tyacke commented Pillar Homes constructs top notch homes. He expressed concern
11 with this development going into an existing neighborhood. It is different, they have to consider
12 what is already there, and the scale and scope of the neighborhood will be changed.

13 Mrs. McCarthy commented it is important to improve the lots. There will not be a
14 significant change in density, and she expressed concern with the front yard setback. Overall, the
15 project is reasonable, but she would like to see the homes moved as far back from the front property
16 line as possible.

17 Mr. Koch commented he finds this proposal to be consistent with the Comprehensive Plan
18 for the neighborhood, which calls for five to 12 units per acre for medium density. While they are
19 taking away affordable houses, it is an improvement to the neighborhood and the Comprehensive
20 Plan only provides guidelines for affordable housing. He supports this development because it is
21 consistent with the neighborhood lot sizes and homes in the neighborhood.

22 Mayor Willcox agreed that Pillar Homes constructs great homes. These properties are
23 ready for redevelopment, but they are going to lose four affordable housing units. He expressed
24 concern with the close proximity of the homes to the front property line and how it will look
25 different than what is currently in the neighborhood. He would like to have seen three lots instead
26 of four because it would have allowed the homes to be set back further from the front property line.

27 There was no further discussion. Upon roll call vote, the motion carried 3/2. (Tyacke and
28 Willcox)
29

30 **b. Consider Approval of Resolution No. 38-2017 Denying Preliminary and Final Plat**
31 **Subdivision at 190 Gleason Lake Road and 121 Gleahaven Road**

32 Director of Planning and Building Thomson reported the applicant has submitted a development
33 application to subdivide the properties at 190 Gleason Lake Road and 121 Gleahaven Road into
34 five single-family residential lots. He highlighted the surrounding zoning and Comprehensive Plan
35 land use designations for adjacent properties, and the surrounding neighborhood lot sizes. The
36 proposed lots would meet the minimum lot requirements for the R-3 zoning district.

37 Mr. Thomson reported the existing site has a moderate slope. There is a knoll on the west
38 side of the site, with the top of the knoll located near the existing house at 121 Gleahaven Road. A
39 significant amount of grading is needed to accommodate the proposed house pads and the top of
40 the knoll would be cut down by up to eight feet to flatten the lots.

41 Mr. Thomson reported of the 45 trees on the site, 29 significant trees and one heritage tree
42 would be removed. Based on the proposed removal, 50 inches of replacement trees would be
43 required for the heritage tree removal, and 260 inches of trees would need to be replaced for the
44 proposed significant tree removal, which results in 310 inches of tree replacement.

45 Mr. Thomson reported the Planning Commission voted unanimously to adopt a Report
46 recommending denial of the application. Reasons for denial include amount of tree removal,
47 significant alteration to the natural topography of the site, too much density for the area, and lots
48 would adversely impact the scale, pattern and character of the neighborhood since they are
49 significantly smaller than other lots on Gleahaven Road.

50 Mr. Tyacke inquired how some lots were dedicated to access on Gleahaven Road and not
51 Gleason Lake Road.

1 Mr. Thomson responded the properties with this proposed development are contiguous to
2 the lots on Gleahaven Road and they would share access. The nearby lots on the lake itself are
3 larger and zoned R-1. One driveway would come off of Gleason Lake Road to serve two of the
4 proposed lots in that location. The existing driveway has access to Gleason Lake Road.

5 Mayor Willcox inquired about the easement requested by the County.

6 Mr. Thomson responded Gleason Lake Road is a County Road. The City is required to
7 notify the County anytime there is a subdivision request that abuts a county road. The County
8 reviewed the application and requested the City require an additional seven-foot of right of way for
9 the county road. Although the possible easement grant would impact the lot area and lot depths, it
10 is not considered a reason for denial.

11 The applicant, Mr. David Heil, 190 Gleason Lake Road, reported a lot of the impacted trees
12 are green ash trees, and four of them should be removed (Tree Nos. 26, 30, 38, and 45) from the
13 property due to the spread of Emerald Ash Boar. He reported that there are four pines in good
14 condition (Tree Nos. 18, 19, 42, and 44), and they are confident they can save them if paired with
15 conservative landscaping methods. Tree No. 39 is a Boxelder tree located in the utility easement
16 that needs constant maintenance due to overhead power lines. Mr. Heil stated 16 trees are actually
17 impacted by the project to the sum of 201 inches, instead of 349 inches as stated in the meeting
18 packet. There are two trees over 30 inches that will be removed, no heritage trees will be removed,
19 and seven heritage trees will remain on the site.

20 Mr. Heil provided photos of some trees on the site. He stated the proposed site
21 improvements include reduction of brush to increase driver visibility, lower slope grade to allow
22 stabilization of vegetation on site, reduction in power line maintenance with a large tree growing
23 through supply lines, and enhancement to the area presentation with a new organized tree
24 replacement plan.

25 Mr. Heil reported on the lot and structure characteristics on Gleason Lake Road. They
26 proposed to have a 1.5 story home of 2,800 to 3,600 square feet with a shared driveway and a
27 complete package cost of \$700,000 to \$900,000.

28 Mr. Heil reported on the lot and structure characteristics on Gleahaven Road. The proposed
29 lot sizes are 10,132 square feet and 12,811 square feet. He said they did look at 200-foot depth lots
30 and dividing them into three. It allowed for a larger lot, but only had 60 to 75-foot lot widths. They
31 are proposing a 1.5 to 2 story home of 3,000 to 4,200 square feet, a two to three car garage, and a
32 complete package cost of \$750,000 to \$950,000.

33 Mr. Heil reported on additional site drainage calculations and a site elevation correction.
34 The existing hardcover on the site is 8,505 square feet for Gleason Lake Road and 5,865 square
35 feet for Gleahaven Road. They are proposing a maximum of 35 percent hard cover and can decrease
36 storm water runoff by 871 cubic feet. They propose to remove a four-foot crown of the knoll on
37 the top parcel to correct drainage issues that impact adjacent properties.

38 Mr. Heil reported if every site of the proposed subdivision had a look out basement, they
39 would need to remove 7,000 cubic yards of dirt (500 truckloads). That number would be cut in half
40 if they did a tuck under house design. Some dirt would be used to fill in the existing basement, and
41 all loading would take place on site.

42 Mr. Plechash inquired if they considered dividing one lot into two instead of four and
43 having access from Gleahaven.

44 Mr. Heil responded they did not want to price out lots that would have a higher market
45 price, and thus require a \$1,500,000 home to be built on it.

46 Mayor Willcox allowed members of the public wishing to speak on the application to offer
47 comments.

48 John Schleich, owner of 155 Gleahaven Road, commented it is important to maintain the
49 character of the neighborhood, and he would prefer to see two homes. He expressed concern with
50 the lot size because it would allow other property owners to subdivide their properties. He
51 understands that things will change, but wants to make sure they change in the right direction.

1 Bob Fisher, 140 Gleahaven Road, commented he is not against a subdivision of the
2 property, but does not support this proposal. It is too dense and there is no real plan. He agrees with
3 the eight negative impacts outlined by the Planning Commission. This proposal shows 20-foot
4 setbacks on Gleahaven Road and his house is set back 67 feet.

5 Mr. Tyacke made a motion, seconded by Mr. McCarthy, to adopt Resolution 38-2017
6 Denying Preliminary and Final Plat and Subdivision at 190 Gleason Lake Road and 121 Gleahaven
7 Road. Mayor Willcox stated the motion and asked for any discussion.

8 Mr. Tyacke commented he agrees with the review provided by the Planning Commission
9 and the comments from the neighbors. Five lots are too much for the area, it would change the
10 character of the neighborhood, and the setbacks would be significantly less than the existing homes.

11 Mr. Plechash agreed with Mr. Tyacke and stated this proposal is out of character of the
12 existing neighborhood. It may be property to be considered for development, but not with this plan.
13 The subdivision proposal should also consider including a driveway onto Gleahaven Road, not
14 Gleason Lake Road, to address safety issues.

15 Mr. Koch commented the lot sizes are significantly smaller than other lots in the
16 neighborhood, and he supports denial of this application.

17 Mrs. McCarthy agreed with the findings provided by the Planning Commission. She also
18 expressed concern with the amount of fill and trees that would be removed from the property.

19 Mayor Willcox agreed with the other members of the Council. He stated it is good to be
20 thinking about affordable housing, but the best way to get that is to preserve what they have rather
21 than carve up neighborhoods into smaller lots that do not match what is already there.

22 There was no further discussion. The motion carried 5/0.

23
24 The Council recessed at 9:43 p.m. and reconvened at 9:53 p.m.

25
26 **c. Consider Approval of Resolution No. 39-2017 Approving Wayzata Blu Project at 259,**
27 **269, and 275 Lake Street East and 339 Barry Avenue South**

28 Director of Planning and Building Thomson reported the applicant has submitted a development
29 application to redevelop the properties located at 259, 269, and 275 Lake Street East and 339 Barry
30 Avenue South. The application includes demolition of the existing commercial buildings and
31 construction of a new three story, mixed-use building consisting of office and retail uses and 18
32 residential condominiums. This stage of the proposal requires a PUD general plan of development
33 review, design review with one deviation, shoreland impact plan/conditional use permit that
34 includes an impervious surface greater than 75 percent in the Shoreland District, and preliminary
35 and final plat sub division that will combine four lots into on platted lot.

36 Mr. Thomson provided a rendering of the proposed building and an overview of what is
37 included on each floor. He noted one change from the previously approved plans is that the number
38 of dwelling units has increased from 17 units to 18 units, which was made by dividing one of the
39 larger units into two smaller units. The building does meet the 35-foot height requirement, but after
40 review by the Planning Commission, the applicant agreed to remove the mechanical equipment and
41 parapet screening walls from the roof of the building and locate them in the interior of the building.
42 The elevator overrun is the only thing that would extend above the height of the building by about
43 five feet.

44 Mr. Thomson reported the proposed building materials include limestone, Ipe wood, metal
45 or glass railings, stucco, and metal and laminate panels. The metal and laminate panels are not
46 allowed in the design standards, and a deviation is being requested for use of those materials.

47 Mr. Thomson pointed out the access to the proposed parking garage. The new 85 stall
48 parking lot would be dedicated to the condominium units and the commercial tenants would be
49 able to use them during the daytime hours.

50 Mr. Thomson stated the proposed plan includes two stormwater treatment facilities. The
51 runoff from the rear parking lot will be channeled by new curb and gutter to a stormwater

1 management basin that would be constructed in the back of the lot. The stormwater runoff from the
2 roof would be directed via roof drains to an underground stormwater management system located
3 under the north drive aisle. Both of these systems would treat the stormwater before it is discharged.

4 Mr. Thomson highlighted the landscaping plan and exterior lighting. The streetscape
5 includes 12-foot sidewalks, trees, and other plantings. It will also feature an open-air landscape
6 plaza that includes a water feature and seating wall.

7 Mr. Thomson reported the Planning Commission unanimously voted to recommend
8 approval of this application.

9 Mr. Tyacke referred to the tentative TIF district that was discussed for this area, and
10 inquired if it would be negatively affected if this project is approved.

11 City Manager Dahl responded the proposed development would be part of the TIF district.
12 If the taxes go up before the TIF district is established it could lower the total amount of increment
13 that is generated for the district. He noted however that the applicant has not shown a need for TIF,
14 and any increment generated from this project could go for other properties in the TIF district.

15 Mr. Tyacke inquired when the park dedication fee would be paid to the City.

16 Mr. Thomson responded it is required before the plat is released for filing at Hennepin
17 County, which would be about three to six months from when the project is approved.

18 Mrs. McCarthy inquired if there is a design standards requirement related to how the
19 building steps back that has not been met in the proposed design.

20 Mr. Thomson explained the second floor is required to be recessed from the first floor for
21 25 percent of the building, and noted that the building corner at Lake Street and Barry Avenue
22 complies with that requirement. The third story is required to be stepped back the entire length of
23 its frontage along any public frontage, and the entire third floor along Lake Street and Barry Avenue
24 is stepped back the required distance.

25 Mrs. McCarthy inquired if there is confirmation that this project will include retail space
26 on the main level.

27 Mr. Thomson responded the space is shown in the plans as office, retail, or service, but
28 there is not a commitment or requirement that retail will be in that space. He provided a handout to
29 the Council that included additional comments that were received by the City but not included in
30 the meeting packet.

31 Mr. Koch inquired about the metal and laminate materials proposed to be used and were a
32 deviation from the design standards.

33 Mr. Thomson responded the use of metal and laminate panels has increased since the
34 design standards were adopted by the City. He explained that these materials are extremely durable,
35 the substitute material of wood allowable under the design standards would require more
36 maintenance and upkeep, but there is not a huge material cost savings in using them.

37 Mr. Koch inquired if the third-floor awning conforms with the step back requirements, and
38 if the streetscape proposal is an improvement to the area.

39 Mr. Thomson stated the awning complies with the design standards and step back
40 requirements. The streetscape proposal meets all the design standard requirements.

41 Mr. Koch inquired about concerns raised regarding the parking and driveway easement.

42 Mr. Thomson explained the access drive on the north side of the building also provides
43 access to the underground parking garage to the Norway Building on the adjacent property. The
44 concerns with grading, drainage, and construction impacts would be handled between the two
45 property owners. As a recommended condition of approval, the City would require an easement
46 over the parking lot in the back of the property for public parking. After review of the application,
47 staff does not think this condition would conflict with the easement rights currently on the property.
48 However, the condition would require the applicant to give the City that access.

49 Mayor Willcox commented he is confused by the interest of the applicant in having a first
50 floor condo facing Lake Street. The design standards require 50 percent glass along Lake Street to

1 provide interest for pedestrians, and he questioned if this has been achieved if shades and curtains
2 are pulled for privacy in the first floor residential condominium.

3 Mr. Thomson responded they would prohibit certain type of glass, but blinds and shades
4 are not prohibited.

5 Mayor Willcox inquired if the corner niche qualifies as the common space required for a
6 PUD.

7 Mr. Thomson responded the PUD ordinance language states the applicant has to provide
8 common open space in conformance with the City's Comprehensive Plan. However, the parks and
9 trails plan has not articulated a need for any common open space on this property. The park
10 dedication fee is the way that the City obtains parkland requirements from the project in lieu of
11 providing park land. The plaza is not there to meet a PUD requirement.

12 Mayor Willcox inquired what is preventing the applicant from meeting the 75 percent
13 impervious surface requirement. He also stated he does not like that the new parallel parking stalls
14 are shorter than the standard stalls.

15 Mr. Thomson responded the proposed parking lot is making it hard to meet the impervious
16 surface requirement. Half of the stalls are already compact stalls, and they would have to
17 incorporate more compact stalls to get closer to the ordinance requirement. Regarding the parallel
18 stalls on the street, if the Council was comfortable with fewer stalls, they could eliminate some and
19 have the remaining stalls be of standard size.

20 The Applicant's representative, David Carlson, 2249 Portico Green, owner of Gatehouse
21 Properties, LTD., introduced the principal project architect, Aaron Roseth.

22 Aaron Roseth, President of ESG Architects, provided an overview of the projects they have
23 done in Wayzata. He went over the existing conditions on the site and provided renderings of the
24 proposed project. He stated the louvres on top of the building are in compliance and serve a
25 functional purpose. Regarding the materials on the building, the laminate panels are more expensive
26 than other materials allowed under the design standards. The composition of the building is simple
27 and pure, and they are trying to showcase the massing differences in a nice way.

28 Mr. Carlson responded to questions previously brought up by the Council. He stated the
29 average length of the six parking stalls in front of Mr. Zitzloff's building is just under 20 feet in
30 length. If they did five parallel parking spaces on Barry Avenue, they would be 22 feet in length
31 and the stalls on Lake Street East would be 21.5 feet in length. He noted they rearranged the garage
32 entrance in subsequent designs to come in to the property from the northwest corner. This provided
33 equal number of spaces in length, greater than the ones that are currently on Barry Avenue.
34 Regarding retail in this development, he tried to get the existing retail Judd Frost, Candlelight Floral
35 and the barber in this space. However, these businesses were able to take advantage of some newer
36 space and relocate elsewhere in the City, and are all doing very well. Mr. Carlson stated a one
37 bedroom 1,200 square foot condominium in the project is priced at \$599,900, and he provided an
38 example of how a person could live affordably in Wayzata.

39 Mr. Roseth stated the ground floor residential units work if there is enough patio space,
40 buffer, and transition between the public and private space. By having residences on the ground
41 floor, it creates a 24-hour presence, which is a positive thing for Lake Street.

42 Mayor Willcox inquired if the southeast corner would be a better commercial corner.

43 Mr. Carlson responded it would be, but the west side would be less desirable for residential.

44 Mr. Tyacke inquired about the timeline for this project if it passes.

45 Mr. Carlson responded he would like to be in the ground by the end of December, and they
46 would hope to be completed by end of 2018 at the earliest.

47 Mayor Willcox allowed members of the public wishing to speak on the application to offer
48 comments.

49 Jane Cole, 181 East Ridgeview Drive, commented she is very aware of the work that has
50 gone into the planning for this project. This project is not compatible with what goes east on Lake
51 Street and would be more fitting in another area. Getting retail in this development is going to be

1 difficult because there are already a lot of empty retail spaces on Lake Street. The purpose of this
 2 development is condominiums and is inappropriate for Lake Street. She stated this is a good area
 3 to have a lakeshore inn that would accommodate the public, is family oriented, provide immediate
 4 access to the bike trail and other amenities, and have a lighthouse for observation.

5 Mrs. McCarthy commented she did not previously vote in favor of this project because she
 6 wants to have memorable businesses along Lake Street. She thanked the developer for creating a
 7 building that is respectful of their City code and for incorporating retail on the bottom level. She is
 8 more in favor of this project today than she was when it was first presented.

9 Mr. Tyacke agreed with Mrs. McCarthy. The building looks beautiful and the materials are
 10 attractive. He noted that the Council is operating under the 2030 Comprehensive Plan and this
 11 proposal is consistent with that plan. With this mixed use, they could potentially see vibrant living
 12 on that end of town. The downtown retail shopping has moved to the east, and this will be an
 13 excellent project that would aid in future development.

14 Mr. Koch commented he has spent a lot of time walking around this area. Building this
 15 project would not impact anyone's lake view except for the third story of Mr. Zitzloff's property.
 16 He has also done some reading on the history of Wayzata, and Lake Street has always evolved.
 17 They are seeing this with retail moving to the east side of town. This is a good use, and he was
 18 encouraged to hear from property owners at a recent workshop that they would like to see this type
 19 of development, as well as commercial, office, and retail on this end of town.

20 Mr. Plechash commented he agreed with what other Councilmembers have said. They need
 21 to move forward, this project is reasonable for the location, they do not need more retail, and it
 22 seems to be the right place to make a transition.

23 Mayor Willcox commented the building is attractive. He inquired about the standard 23-
 24 foot parking stall versus the 21-foot parking stall. He would rather sacrifice a couple of stalls for
 25 safety concerns to get larger parking stalls.

26 Mr. Kelly responded the 22-foot stalls proposed are functional. He expressed concern with
 27 the location of parking stall Nos. 1 and 9 adjacent to the existing driveway at 253 Lake Street. If
 28 they removed parking stall No. 1, they could then get 23-foot parking stalls.

29 Mayor Willcox stated the Comprehensive Plan encourages retail in this area, but does not
 30 force it. He noted that the design deviations make sense, and Council will have to look at the City's
 31 design standards to accommodate these kinds of new materials. This is going to be a big building,
 32 he has some concern with the awning on the third floor, but he supports the shoreland impact CUP,
 33 and is in favor of the project.

34 Mr. Tyacke made a motion, seconded by Mr. Plechash, to adopt Resolution No. 39-2017
 35 Approving General Plan of Development, Design, Shoreland Impact/Conditional Use Permit, and
 36 Preliminary and Final Plat Subdivision at 259, 269, and 275 Lake Street East and 339 Barry Avenue
 37 South.

38 Mayor Willcox stated the motion and asked for any discussion.

39 Mayor Willcox asked staff if they should include anything in the motion regarding parking.

40 Mr. Plechash stated cars are getting smaller, and they may not need the larger space
 41 requirements.

42 Mr. Kelly stated with the approval resolution, staff has the ability to approve the final site
 43 plan via the City Engineer. They can look into the optimum size of the parking stalls as they move
 44 forward with this project.

45 There was no further discussion. The motion carried 5/0.

46
 47 **d. Consider Approval Resolution No. 40-2017 Approving a Conditional Use Permit**
 48 **Amendment at 294 Grove Lane East**

49 Director of Building and Planning Thomson reported the 259 Lake Street East property with the
 50 Wayzata Blu project is subject to an easement with Boatworks, at 294 Grove Lane East. It is a
 51 private easement between the two owners, but the City did approve a CUP for offsite parking

1 facilities for the Boatworks property to utilize the 259 Lake Street East property. The proposed
2 resolution shows that the City has approved redevelopment, and it amends the CUP to allow for
3 the Wayzata Blu project, by striking a condition regarding redevelopment on the 259 Lake Street
4 property and reflects the changes to the site plan.

5 Mr. Tyacke made a motion, seconded by Mrs. McCarthy, to adopt Resolution No. 40-2017
6 Approving Parking CUP Amendment for 294 Grove Lane East. Mayor Willcox stated the motion
7 and asked for any discussion. There was no further discussion. The motion carried 5/0.
8

9 **AGENDA ITEM 11. City Manager's Report and Discussion Items.**

10 **a. Upcoming Events/Announcements**

11 City Manager Dahl noted the following:

- 12 • A memorial fund has been set up for fallen Wayzata Police Officer Mathew's
13 family at Wells Fargo Bank, 900 Wayzata Boulevard East. There is a link on the
14 City's website where donations can be made, or at www.youcaring.com.
- 15 • Wayzata Gateway Landscape Project will take place on Saturday, September 30
16 from 9:00 a.m. to 1:00 p.m. at Gleason Lake Road and Highway 12. People can
17 contact Linda McCarthy at volunteers@wayzata.org for more information.
- 18 • The Lion's \$2,000,000 Celebration will take place at Brew Works from 4:00 to
19 5:00 p.m.
20

21 **b. Police Department Administrative Assistant**

22 City Manager Dahl commented that staff is planning on moving forward with the hiring of a full
23 time administrative assistant for the Police Department, given additional workload, now rather than
24 waiting until January 1.
25

26 **c. Councilmember Updates/Announcements**

27 Mr. Plechash requested an update regarding Bushaway Road and the issues brought up at the last
28 meeting by a resident.

29 Mr. Dahl responded they sent some direct communications to the County who then
30 guaranteed the work would begin this week. Work started today on the north side of the project and
31 will go down the Bushaway corridor throughout the next couple of weeks.
32

33 Mrs. McCarthy commented that the Committee that came together to recognize the Police
34 Department and update the J.W. Anderson Memorial will be reconvening to discuss next steps in
35 light of Officer Mathews passing.
36

37 Mayor Willcox recognized Wayzata City staff and other for all the work they did for Officer
38 Mathews' funeral.
39

40 **AGENDA ITEM 12. Public Forum Continued (if necessary).**

41 There were no comments.
42

43 **AGENDA ITEM 13. Adjournment.**

44 Mrs. McCarthy made a motion, seconded by Mr. Tyacke to adjourn. There being no further
45 business, Mr. Willcox adjourned the meeting at 11:11 p.m.
46
47
48
49
50
51

1 Respectfully submitted,

2

3 *Becky Malone 10-03-2017*

4

5 Becky Malone

6 City Clerk

7

8 Drafted by Shannon Schmidt

9 *TimeSaver Off Site Secretarial, Inc.*