Minutes
Minnetonka City Council
Monday, November 14, 2016

1. Call to Order

Schneider called the meeting to order at 6:30 p.m.

2. Pledge of Allegiance

All joined in the Pledge of Allegiance.

3. Roll Call

Councilmembers Dick Allendorf, Patty Acomb, Brad Wiersum, Tony Wagner, Bob Ellingson, and Terry Schneider were present. Tim Bergstedt was excused.

4. Approval of Agenda

Wiersum moved, Acomb seconded a motion to accept the agenda as presented with modifications to items 14A and 14B as provided in the addendum dated November 14, 2016. All voted "yes." Motion carried.

5. Approval of Minutes: None

6. Special Matters:


Schneider recognized the 2016 Police Citizens Academy graduates.

B. Recognition of Kevan Hanson.

Schneider recognized Kevan Hanson for his service on the planning commission.

C. Proclamation for Restorative Justice Week.

Schneider approved the proclamation for Restorative Justice Week.

7. Reports from City Manager & Councilmembers

City Manager Geralyn Barone reported that there will be a budget discussion at the study session Monday at 6:30 p.m. The next regular city council meeting will be December 5, 2016 at 6:30 p.m. Public feedback may be submitted at the
meeting or before the meeting to Finance Director Merrill King. City hall will be closed November 24, 2016 and November 25, 2016 for the holiday weekend.

Schneider thanked City Clerk David Maeda and staff for operating a robust election. Things went smoothly. Maeda stated that Minnetonka had 89 percent registered-voter turnout. Thirty-two percent of registered voters voted at city hall before election day. Even though the wait time reached two hours the days before the election, residents expressed appreciation for being able to cast their vote before election day.

8. Citizens Wishing to Discuss Matters not on the Agenda

9. Bids and Purchases: None

10. Consent Agenda – Items Requiring a Majority Vote:

   A. Resolution approving a joint powers agreement with the State of Minnesota for criminal justice network access.

      Allendorf moved, Wagner seconded a motion to adopt resolution 2016-127. All voted “yes.” Motion carried.

   B. Resolution approving the final plat for Binger Crossing Third Addition at 2407 Meeting Street and 14465 Binger Court.

      Allendorf moved, Wagner seconded a motion to adopt resolution 2016-128 approving the final plat approval of Binger Crossing Third Addition. All voted “yes.” Motion carried.

   C. Ordinance amending Section 710 of the city code regarding increases/changes in fees.

      Allendorf moved, Wagner seconded a motion to adopt ordinance 2016-15 amending Section 710 of the city code regarding increases/changes in fees. All voted “yes.” Motion carried.

   D. Announcement of a closed meeting to discuss labor negotiation strategies on November 21, 2016 at 5:30 p.m. in the Lone Lake Conference Room.

      Allendorf moved, Wagner seconded a motion to schedule a closed meeting on November 21, 2016 at 5:30 p.m. in the Lone Lake conference room for the purpose of considering labor negotiation strategies with respect to 2017 wages and benefits for all employees, including all
collective bargaining unit members, pursuant to MN Statutes section 13D.03. All voted “yes.” Motion carried.

11. Consent Agenda – Items requiring Five Votes: None

12. Introduction of Ordinances: None

13. Public Hearings:
   A. On-Sale & Sunday On-Sale Intoxicating liquor license for Fun Eats and Drinks, LLC. (dba Champps) 1641 Plymouth Road.

   Barone provided the staff report.

   The public hearing was opened. No testimony was submitted.

   Wiersum moved, Wagner seconded a motion to open the public hearing and continue the hearing to December 19, 2016. All voted “yes.” Motion carried.

14. Other Business:
   A. Concept plan review for Mesaba Capital Development.

   Gordon gave the staff report.

   Della Kolpin, of Mesaba Capital Development, applicant, stated that:

   • She represents the project team. Welsh Construction would be the design builder.
   • The proposal would include 110 units of rental housing with independent living, assisted living, and memory care. There would be studio, one-bedroom, and two-bedroom units and common residential areas. There would be a dining area, coffee shop, lounge, fitness center, and library.
   • The applicant is looking for a $24 million capital investment for the project.
   • A market-assessment study has been done. The numbers fully support the proposal.
   • The site has many attributes including being located near a major intersection with commercial uses, medical clinic, and library. Residents could volunteer and attend activities at the high school.
   • The main entrance would access Old Excelsior Boulevard.
   • There would be 40 stalls of surface parking.
• The building would be four stories in the front and the back would be done to fit the topography. The main entrance would be visible from the main intersection and take into consideration the direction of the wind and angle of the sun.
• A flat roof, natural colors, balconies, and masonry would be looked at.
• Certain trees would be a priority for preservation.
• Making the site walkable is a goal.

Allendorf said that the use would fit with the council's view for the property. He would like to see a model that would show how the building would fit with the surrounding buildings. It would be a good use for the area.

Acomb agreed. Rezoning the site to residential makes sense. The surrounding businesses, shopping, and library would complement a senior-living facility. She liked the idea of balconies and utilizing the outdoor space. She would appreciate seeing a rendering of the building in context with the surroundings. She confirmed with staff that a bus services the site.

Wiersum thought that the use makes a lot of sense for the proposed location. The size and mass may be a challenge with the low-density residential housing across the street, but the need for the use and appropriateness of the proposal with the village study makes the proposal make a lot of sense.

Wagner stated that the proposal is aligned with the visioning plan. He had no concerns with the use. The area is underserved for senior, high-density living. Height, setbacks, and parking would be challenges to address.

Ellingson liked the applicant making walkability a priority and encouraged making the site as walkable as possible. He appreciated the location of the entrance taking the wind direction and sun location into consideration.

Schneider thought that the use would be appropriate for the site. There are some current traffic concerns and senior housing would cause the least increase in traffic. The height of the building and setbacks need to be looked at and possibly the height scaled back. He did not have a problem with the proposal being out of context with the surrounding buildings because the goal is to change the area.

Schneider noted that having an owner and operator in place makes a big difference. Kolpin said that the final decision for an operator would be made in December before a final application would be submitted.
Kolpin asked if councilmembers felt that the proposed density of 47 units per acre would work for the site and within the quadrant. Schneider noted the relationship between height, mass, and units per acre. He thought the feel of the building would work well. A six-story building on a smaller footprint would provide larger setbacks, but would probably not be the better fit for senior housing. The top story might be problematic.

Gordon asked councilmembers to provide feedback on the importance of an affordability component to the project and the extent of the notification area for the project. Wagner expected the affordability policy to be followed and requested 10 percent to 20 percent of the units meet affordability guidelines. Wischnack provided that 10 percent of the units in Cherrywood and 20 percent of the units in Applewood meet affordability guidelines. Schneider would be a little more flexible with the affordability requirement because it would be a tough site to develop. He would prefer a high-quality, appropriately-scaled building if providing affordability would prevent that from happening.

Schneider suggested extending the standard notification area a little into Clear Springs.

Allendorf agreed with Schneider in regard to scale. His first priority would be getting the scale of the building right. The notification area used for the village-center study would be adequate.

B. Items concerning RiZe at Opus, a proposed redevelopment of the property at 10101 Bren Road East:

1) Rezoning;
2) Master development plan; and
3) Final site and building plans, with parking variance.

Gordon provided the staff report.

Acomb asked if the infiltration area would be a pond with standing water. Gordon explained that rain water would travel underground into chambers and then through pipes to reach the infiltration area. Ninety-five percent of the time the infiltration area would be dry, but there would be times after a heavy rain where it would be wet.

Tom Hayden, with LeCesse Development, applicant, stated that Gordon did a great job. He stated that the plan is a culmination of efforts with staff to save trees and create a great plan. The proposal represents a $66 million investment. The applicant is excited to get started.
Schneider invited the public to comment.

Bill Marzolf, 6024 Blue Circle Drive, stated that he represents the Opus II CondoBusiness Association. He has been working with city staff and LeCesse representatives who have all been a pleasure to work with and cooperative. His group was concerned with the common entrance and exit. He met with the applicant's designers and created the design that Gordon presented. Vegetation would be added to direct foot traffic. His group has come to some verbal understandings with the applicant, but is not absolutely there yet. He thanked LeCesse staff for being so cooperative. He was available for questions.

Gordon was confident that there would be a workable solution.

Wagner stated that the proposal would meet a lot of the expectations for a regional center with housing. It would have a lot of stormwater features. He had no concerns and supports the proposal.

Wiersum acknowledged that 322 units and $66 million of investment is a big commitment to the city. It is an exciting project. It is a world apart from what was first proposed. It would add a lot of appeal to the Opus business park. The SWLRT will be a driver of economic development. He thanked the developers for taking concerns to heart. He supports the proposal and is excited to see its completion.

Schneider said that the proposal would fit in Opus well, add a nice tax base for the community, and provide diversity in housing. It would be a homerun for the city, developer, and residents.

Allendorf applauded the developer for being willing to go further than the ordinance requires.

Allendorf moved, Wagner seconded a motion to adopt ordinance 2016-16 rezoning the property from 1-1, industrial, to PUD, planned unit development, and adopting a master development plan with modifications provided in the addendum dated November 14, 2016; and to adopt resolution 2016-129 approving final site and building plans with a parking variance. All voted "yes." Motion carried.

C. Resolution endorsing the Glen Lake Neighborhood Study.

Gordon reported.

Schneider invited audience members to comment. No one responded.
Barone stated that Hennepin County and the Three Rivers Park District have been contacted to look into the possibility of creating a trust for public land to preserve some of the site.

Joe Herzog, 5538 Mayview Road, stated that he supports improving the water quality of the lake. The water level keeps dropping. The bulrushes are being encroached upon by cattails. He questioned what could be done to raise the water level. He requested a copy of the report. He was informed that it is available on the city’s website or a printed copy could be provided to him upon request. Schneider explained that the city is paying attention to the water quality of each lake in Minnetonka and looking at possible ways to minimize impact to water quality. Even with unlimited funding, there is no guarantee that a lake would be able to be returned to its previous condition. Schneider encouraged Herzog to review the data collected by the city regarding the lake and to be involved in future discussions.

Jan Christensen, 5709 Glen Avenue, stated that she enjoys the changes and new businesses in Glen Lake. She suggested an industrial use or combination business park like Opus with trails be considered instead of townhouses. That would provide trail access. She uses Purgatory Creek a lot. The park behind Mayview should be connected by a trail. That would complement what is being done on the other side of Excelsior Boulevard. Schneider stated that the county would influence what happens in regard to trail connection, preservation, and wetland protection.

Wischnack added that the county is looking at restoring and banking wetland areas in Glen Lake. The watershed for Glen Lake is 1,100 acres in size. There is a report available for the public to read that details the water quality of Glen Lake.

Schneider explained that “wetland banking” is a process conducted by Hennepin County where a property is restored to a natural wetland and is put into a permanent conservation easement. A developer may be able to pay for banking of a wetland area in exchange for a concession given for development of a property.

Ellingson said that the report was well done. He was glad that the home school and surrounding area were included in the report. He is pleased that alternative uses are being considered.

Acomb moved, Wiersum seconded a motion to adopt resolution 2016-130 endorsing the Glen Lake Neighborhood Study. All voted “yes.” Motion carried.
15. Appointments and Reappointments: None

16. Adjournment

Wagner moved, Wiersum seconded a motion to adjourn the meeting at 8:02 p.m. All voted "yes." Motion carried.

Respectfully submitted,

[Signature]

Lois T. Mason
Deputy City Clerk