Minutes
Minnetonka City Council
Monday, February 29, 2016

1. Call to Order

Schneider called the meeting to order at 6:33 p.m.

2. Pledge of Allegiance

All joined in the Pledge of Allegiance.

3. Roll Call

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

4. Approval of Agenda

Bergstedt moved, Wiersum seconded a motion to accept the agenda, with an addendum to item 14C. All voted “yes.” Motion carried.

5. Approval of Minutes: February 8, 2016 council regular meeting

Acomb moved, Wiersum seconded a motion to accept the February 8, 2016 regular meeting minutes, as presented. All voted “yes.” Motion carried.

6. Special Matters: None

7. Reports from City Manager & Council Members

City Manager Geralyn Barone reported on upcoming meetings and events.

Acomb reported she attended the governor’s water summit over the weekend. The summit was well attended. She said she participated in many interesting discussions including one about cities encouraging less water use for irrigation and practices that could be implemented to encourage that. There was discussion that tiered water rate structures were not reducing use and the odd/even day restrictions also did not decrease use but evened it out. She said there was also discussion about government leading by example by irrigating less, planting natives or re-using stormwater.

Schneider asked how much discussion there was about agricultural use. Acomb said there was a very respectful dialogue with the focus on what could be done to make things better.
Wiersum said it’s easy for people to say the agricultural use was the big problem but it was important to keep in mind how important water was to everyone. He said it was key for the city to do a good job educating residents on what they could do individually to use water intelligently.

Wiersum recognized a group of boy scouts in attendance who were working on their citizenship merit badge.

Schneider noted the Claremont Apartments lawsuit was dismissed. This was one less hurdle for the LRT project. He also noted that the Business Journal reported that the Umaga property was sold. This also spoke well for the LRT project.

8. Citizens Wishing to Discuss Matters not on the Agenda

Barb Westmoreland, a volunteer coordinator for the Hopkins School District and Steve Adams, the Empty Bowls community co-chair, gave a presentation on the upcoming Empty Bowls event.

9. Bids and Purchases:

A. Bids for the Public Works Building Expansion Project

Barone gave the staff report.

Wiersum moved, Bergstedt seconded a motion to award contract to Marge Magnuson Construction Co., Inc. and amend the Capital Improvements Program. All voted “yes.” Motion carried.

10. Consent Agenda – Items Requiring a Majority Vote:

A. Ordinance amending City Code Section 300.02, regarding zoning ordinance definitions

Allendorf moved, Acomb seconded a motion to adopt ordinance 2016-05 amending city code section 300.02. All voted “yes.” Motion carried.

B. Ordinance amending City Code 300.37, regarding lot width in the R-1A zoning district

Allendorf moved, Acomb seconded a motion to adopt ordinance 2016-06 amending city code 300.37. All voted “yes.” Motion carried.

11. Consent Agenda – Items requiring Five Votes: None
12. Introduction of Ordinances: None

13. Public Hearings:

A. Resolution consenting to and approving the issuance of a revenue note by the city of Deephaven for the benefit of Minnetonka Youth Hockey Association

Community Development Director Julie Wischnack gave the staff report.

Schneider opened the public hearing at 6:59 p.m. No one spoke. He closed the public hearing at 6:59 p.m.

Allendorf moved, Bergstedt seconded a motion to adopt resolution 2016-016 approving the issuance of a revenue note by the City of Deephaven for the benefit of Minnetonka Youth Hockey Association. All voted “yes.” Motion carried.

14. Other Business:

A. Resolution approving city support for Shelter Corporation’s application to Hennepin County for Transit Oriented Development Funds

Wischnack gave the staff report.

Wiersum moved, Allendorf seconded a motion to adopt resolution 2016-017 approving city support for Shelter Corporation’s application to Hennepin County for Transit Oriented Development Funds. All voted

B. Concept plan review for a 350-unit apartment building at 10101 Bren Road East

Gordon gave the staff report.

Tom Hayden from LeCesse Development Group, said his company had developed 1,600 to 1,700 luxury residential units in the metro area. He said the comments from the previous design were taken into account in developing this plan. The amount of parking was increased. There were two spaces per unit but more importantly there were 100 surface spaces. A buffer was created between this community and the community to the east. Density was added to match the long term plan for the Opus park. Green space was added particularly at the entrance.
Wiersum said it was an intriguing design that was much more attractive than the previous plan. He liked the layout and the new urbanism look was attractive. He said the size of the building fits the location. He generally viewed the plan positively. The green space was a nice addition.

Ellingson asked for information about why Hayden had described the design as urban. Hayden said the term related to the look of the building. The roof was flat as opposed to being pitched. This was more typical in an urban environment. The density was also a factor. The units on average were smaller than a typical suburban design. Care would be taken to use the space better with rooftop amenities being considered. Every square inch of the building would be used to live in, occupy, visit or use as an amenity.

Allendorf asked what the long term plan was for the green space on the west side. Hayden said there was not a long term plan yet. The initial thought was to place a hotel on the space but at this point he was not comfortable that would be successful. Allendorf said part of the appeal of the plan was the open space to the west. If the apartment building was built and then a hotel was immediately built afterward, he wouldn’t feel as positive about this plan. Hayden said there was a transformation taking place in the area. With the transformation he wasn’t sure if the end result would be more public parks or if more density was desired.

Acomb agreed she liked this concept better than the previous design. She liked the attention given to the connection with the trails. This was an important aspect for all the development in the Opus area. She appreciated all the amenities particularly using the roof space. She agreed with Allendorf’s comments about maintaining the green space.

Bergstedt said the city’s concept plan review process had not always worked perfectly but in this case it worked well. A different developer had presented the previous plan and it was kind of boring and very suburban. The council was looking for something more urban looking with more density to preserve more green space. The council was hoping for something that wouldn’t necessarily fit in with the current area but rather would fit in with what was being envisioned with the LRT coming in. He said this plan was headed in the right direction.

Schneider said he liked the feel of the design. He noted the staff report indicated two levels of underground parking. He asked if it was truly underground parking or if there would be structured parking above ground or a combination of both. Hayden said due to the topography on one end of the property both levels would be above grade. Going to the east there would be one level below grade and one level above grade. Schneider
asked how Hayden thought the grade level area would be used. Hayden said it would be used for parking. It would be masked to make it feel like it wasn’t a parking area. Schneider said depending on how the area developed there could be some of the apartment amenities that could be used by the general public such as a coffee shop. He said he had mixed feelings about the two parking spaces per unit given the proximity to light rail. Hayden said the biggest complaint he hears from the residents in other buildings was the lack of parking. If there was not the proper amount of parking available the residents would not remain long term.

Allendorf said he still was a little hung up on the green space. For some residential properties where there was a forest or trees that the city wanted to save, a conservation easement was put on the property. He wasn’t aware this had ever been done on commercial or industrial properties in the city. He saw this as a project getting approved and then something else being developed on the green space. He didn’t know how this could be addressed. He was concerned about approving this because the council liked what it saw only to have something else developed in the near future that was totally different.

Schneider said he too considered what Allendorf was concerned about but for him another five story building would not kill this concept because the council was trying to get more density in the area. He was more concerned that there be some integration between the buildings. Hayden said with 350 apartments and a $70 million investment, he didn’t want to risk doing something that would impact the larger community. It was very important that would ever happened to the green space area was in concert with the main building.

Allendorf asked what controls the city had over what developed on the green space property. Gordon said there were number of options. The area was currently guided for mixed use with the site zoned for industrial. There were a number of tools that could be used to get the type of project the city wanted. It was a matter of articulating what the council wanted so the tools could be put in place to keep the space as is or allow for something else to happen in the future. Allendorf said he appreciated Hayden’s comments about not wanting to risk the investment but on the other hand he would hate to see something come forward that staff told the council there was no way to stop. Wischnack said one of the tools that could be used was the master development plan itself. The city could ask the developer to mock up a potential redevelopment of the area to give the council some understanding on how the two sites could connect.

Schneider said one option would be to guide and zone and do the PUD for the area of the building and leave the zoning as is for the outlot.
Wiersum said the discussion about what constituted an urban building was instructive. The staff report indicated there would be smaller units, studios and one bedroom apartments and not as many two bedroom apartments. He said it was interesting because this would be an urban building in a non-urban environment that would become more urban over time. Amenities like the open space could give the developer a leg up on a similar building in Minneapolis. He would like to retain the green space in a creative way that was a win/win for everybody.

Acomb asked for more information about how the park dedication fees might be intended for use as the process proceeds.

C. Resolution amending the Glen Lake contract

Bergstedt moved, Acomb seconded a motion to adopt resolution 2016-018 approving a fifth amendment to second amended and restated contract for private redevelopment between the Economic Development Authority in and for the City of Minnetonka, the City of Minnetonka, and Glen Lake Redevelopment LLC. All voted “yes.” Motion carried.

15. Appointments and Reappointments:

A. Appointment of Advisors for the 2016 Local Board of Appeals and Equalization

Wiersum moved, Bergstedt seconded a motion to appoint Mr. Powers, Mr. Johnson, Mr. Kriedberg and Ms. Miller as advisors for the 2016 Local Board of Appeal and Equalization. All voted “yes.” Motion carried.

16. Adjournment

Wiersum moved, Bergstedt seconded a motion to go into a closed session at 7:36 p.m. to discuss offers or counteroffers related to two different properties. The first concerned the possible sale of part of the city-owned property at 14900 State Highway 7. The second was the possible purchase of property at 12117 Pioneer Road and 4622 Nelson Drive. All voted “yes.” Motion carried.

Present at the closed session were Schneider, Allendorf, Acomb, Ellingson, Wiersum, Bergstedt, Barone, Wischnack, Assistant City Manager Perry Vetter, City Attorney Corrine Heine, City Engineer Will Manchester, Recreation Services Director Dave Johnson, and City Clerk David Maeda. Schneider called the closed session to order at 7:41 p.m. He adjourned the closed session at 8:15 p.m.

Bergstedt moved, Wiersum seconded a motion to adjourn the regular meeting at 8:17 p.m. All voted “yes.” Motion carried.
Respectfully submitted,

David E. Maeda
City Clerk