Minutes
Minnetonka City Council
Monday, October 23, 2017

1. Call to Order

Mayor Terry 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

Council Members Dick Allendorf, Patty Acomb, Brad Wiersum, Tim Bergstedt, Bob Ellingson, 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 10C. All voted “yes.” Motion carried.

5. Approval of Minutes: August 28 and September 11, 2017 regular council meetings

Wiersum moved, Bergstedt seconded a motion to approve the minutes of the August 28, 2017 regular council meeting and the September 11, 2017 regular council meeting, as presented. All voted “yes.” Motion carried.

6. Special Matters:

A. Proclamation for Extra Mile Day

Schneider read the proclamation.

B. Proclamation for World Polio Day

Acomb read the proclamation.

Jacob Millner, president of the Minnetonka Rotary Club, thanked the city for the proclamation. He provided statistics about polio past and present.

7. Reports from City Manager & Council Members

Assistant City Manager Perry Vetter reported on upcoming council meetings and city events.
Schneider said he received an invitation from the federal United States Department of State to participate in its Experience America program. The program involves ambassadors from around the world visiting different cities. He will attend a welcome reception at the Minnesota History Center.

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 adopting the 2018 meeting schedule for the Minnetonka City Council

Allendorf moved, Acomb seconded a motion to adopt resolution 2017-121 approving the 2018 meeting schedule for the Minnetonka city council. All voted “yes.” Motion carried.

B. Ordinance authorizing sale of property located at 4312 Shady Oak Road

Allendorf moved, Acomb seconded a motion to adopt ordinance 2017-16 authorizing the sale of property located at 4312 Shady Oak Road. All voted “yes.” Motion carried.

C. Resolution ordering the abatement of nuisance conditions existing at 1905 Linner Road

Allendorf moved, Acomb seconded a motion to adopt resolution 2017-122 ordering the abatement of the nuisance condition. All voted “yes.” Motion carried.

11. Consent Agenda – Items requiring Five Votes:

A. Resolution approving a conditional use permit, with a variance, for an outdoor eating area at 15200 State Highway 7

Allendorf moved, Acomb seconded a motion to adopt resolution 2017-123 approving a conditional use permit, with variance, for an outdoor eating area at 15200 State Highway 7. All voted “yes.” Motion carried.

12. Introduction of Ordinances:

A. Ordinance relating to deferred special assessments, amending section 220.010 of the Minnetonka city code
Finance Director Merrill King gave the staff report.

Wiersum said the only thing that gave him pause was that 50 percent AMI changes based on household size and currently the policy is written so that there is one dollar figure for all household sizes. He cited an example of a family of eight with children over the age of 18 living in the household. He asked if they would figure into the calculation. He suggested having one number such as 50 percent of the AMI for a family of four. He said this would be simpler and cleaner.

Schneider said it made sense to him to have one number per household. He asked if that would be simpler to handle administratively. King said it was the council’s prerogative to make that change. It was no different than any of the other housing programs where the range is used. The idea was to be consistent with the other programs. She said for a family of four it was $45,200 which was significantly different from the current ordinance’s threshold of $29,000.

City Attorney Corrine Heine said the provision was limited to homesteaded properties with persons 65 years old or older or those permanently disabled. In many cases these residents do not have large households. Typically the city has seen situations involving one or two person households.

Schneider said it was becoming more common to have households where a grandparent owns the home but there are many family members from different generations living there. He thought having one number was the right way to go.

Wiersum agreed. He thought basing it on a one person household probably made the most sense.

Acomb said she disagreed with taking that approach. She thought a household could be looked at differently depending on the size of the family living there. She didn’t think it would be administratively burdensome to analyze the number of people in a household earning an income. She said it felt a little bit limiting to have a family of four earning $45,200 and not qualifying for something that was not all that generous.

Heine noted the person who received the deferment must be the property owner and it must be homestead property. That person must be 65 years old or older or retired due to disability. The city has the discretion to determine what qualifies as a hardship, and the way the ordinance was written was hardship was determined by the household. King said the same thing was done with other housing programs. Every year the household has to submit tax records to prove incomes. She said if the
current threshold is maintained, one specific resident who currently qualifies for the hardship would miss the threshold by $1,400. She would have to pay her assessments next year if the changes are not made.

Acomb noted her father was disabled at the age of 50. There were instances where this involved someone other than a senior without a family.

Heine said she would re-draft the ordinance for the council to review at a future meeting.

Wiersum suggested still introducing the ordinance at this meeting because it could still be modified at a later date.

Allendorf moved, Bergstedt seconded a motion to introduce the ordinance. All voted “yes.” Motion carried.

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

Community Development Director Julie Wischnack gave the staff report.

Acomb said the staff report indicated temporary liquor licenses were for outdoor events. She asked if indoor events were included as well. Wiersum noted the report indicated a temporary license was $25 but a temporary license for an outdoor event was $150. Wischnack said that was correct.

Wiersum said that recently the council approved a temporary license for Unmapped Brewery for an outdoor event. He asked if an establishment were going to have multiple similar outdoor events if there was an opportunity to charge a lower fee. Wischnack said staff would consider that suggestion. Allendorf said he supported Wiersum’s idea. He asked for clarity on the hazardous analysis control plan, specifically if an applicant going through the process had to pay the state, the county and the city. Wischnack said no, it depended on who regulated the business.

Schneider asked what part of the ordinance nonprofits fell under for temporary liquor licenses. Wischnack said she would research that and provide information when the ordinance came back to the council. Bergstedt said he agreed with Schneider that many of the temporary licenses were for nonprofits.

Bergstedt moved, Wiersum seconded a motion to introduce the ordinance. All voted “yes.” Motion carried.
13. Public Hearings:

A. On-sale wine and on-sale 3.2% malt beverage liquor licenses for Kais Inc. (DBA Kai’s Sushi), at 17420 Minnetonka Blvd.

Wischnack gave the staff report.

Schneider closed the public hearing at 7:13 p.m.

Wiersum moved, Allendorf seconded a motion to grant the licenses. All voted “yes.” Motion carried.

14. Other Business:

A. Concept plan review for iFLY at 12415 Wayzata Boulevard

City Planner Loren Gordon gave the staff report.

Mark Lee, director of development for iFLY, said he was glad to talk about bringing the dream of flight to people visiting Ridgedale. This would be the first and only location of iFLY in Minnesota. He shared a video of what indoor skydiving was. He said it was great watching his brother experience the experience. He couldn’t be more glad to bring indoor skydiving to Minnetonka.

Schneider said the size of the building likely wasn’t an issue but signage could be. Allowing visibility from 394 was important but to have signage around the building might be problematic. He said iFLY could attract a whole different market of people to the mall that would not otherwise come. Over time it would expose the other retailers to a lot broader base given the uniqueness of iFLY. He asked if there was a possibility to link the experience with virtual reality goggles to let users feel like they were skydiving into something other than a glass bubble. Lee said the company was looking into that option although it hadn’t rolled it out in any of its other locations.

Allendorf said he appreciated the concept views of how the building related to its neighboring buildings. He agreed iFLY would open up an entertainment option that currently didn’t exist in the city. He said he too was concerned about the signage. His first inclination was to allow iFLY to have signs all over but then he questioned what that meant for other tenants of the mall. He said it would be a fine line between allowing the proper signage for this business, if the process proceeds, with what that would mean for the other businesses at the mall.
Bergstedt asked Lee to address potential noise issues with restaurants with outdoor seating on either side of the proposed site. Lee said because of the recycling air design, the noise never escapes the building. It was silent from the outside. Inside the chamber ear protection would be worn because of how loud it will be. Bergstedt asked if iFLY was successful in Minnetonka, if the company would look at other Minnesota locations. One of the appeals was it would bring a whole new clientele to Ridgedale. This would be lost if the plan was to saturate the metro area with similar stores. Lee said he saw it likely as a two store market with an east/west strategy. There was nothing currently in the works. Bergstedt noted there was an indoor skydiving facility in Scottsdale, Arizona. He asked if that was owned by iFLY. Lee confirmed it was owned by iFLY. He said some of the older facilities had a louvered system that allowed air in for cooling. Those systems were louder. The Minnetonka facility would have a chiller system that doesn’t need outside air. He noted there would be wall to wall steady air flow so a person couldn't fall off the stream of air unlike some of the competitors. Bergstedt said he was excited about the use but he too was concerned about balancing the signage.

Acomb said Lee had estimated there would be around 150,000 visitors a year. This would mean around 400 people a day would visit iFLY. She asked if this was based on data from other sites. Lee said the number was based on other sites but was on the high side. He said the Twin Cities was the second largest metro area that iFLY was not in. The only larger city was Boston.

Ellingson asked how many people could fly at a time. Lee said for new flyers there would be only one person in the chamber at a time. There always would be an instructor in the chamber as well.

Wiersum asked for information about the typical customer experience. Lee said most people call ahead or signup online. The experience lasts about an hour and a half. There is a course that teaches people the concepts. The person gears up. The flying experience lasts about a minute. This is longer than a free fall when a person jumps out of a plane. The cost is around $60. Wiersum asked who the target audience was. Lee said it varies a bit by area but usually it’s those 7 to 17 years old or 9 to 19 years old.

Schneider said one downside was if iFLY left, there wasn't much of a reuse of the building. Lee said because of the deal structure, iFLY was paying for the building so it was in their best interest to make sure the business succeeds. What would likely happen when the tunnel gets decommissioned, was the entire building would be taken down.
Acomb asked if because the building was a high energy user, solar energy was an option. Lee said he was on an energy call earlier in the week when solar energy was discussed. Nothing has been ruled out. The number one cost is electricity.

Annette Bertelsen, 13513 Larkin Drive, said she was speaking on behalf of a group of residents who live in the Essex Hills neighborhood. The group was thrilled about the use and was looking forward to having an attraction like this at Ridgedale. She said the neighborhood group had questions about the traffic and if an application was submitted, if there would be a traffic study. The group also had questions if the placement of the building was the best location to accommodate future growth. She suggested if there was a neighborhood meeting that representatives from General Growth attend to talk about their visions for future growth and structured parking on the mall property — or, alternatively, that they attend the first public engagement discussions coming up for the comprehensive guide plan for the Ridgedale Village area.

Wischnack noted that no one attended the first planning commission meeting on the project. Around five hundred people in the central area were notified of that meeting. Because the iFLY representative was flying in from Austin, Texas, and the General Growth representative was flying in from Chicago, it was challenging to setup a neighborhood meeting where they could attend. She said it could be done if that was what the council directed. Schneider said he was assuming that type of meeting might occur during a formal application process. Allendorf said he thought it made more sense to have the General Growth representative attend a meeting as part of the comprehensive guide plan process for the area rather than a neighborhood meeting for this project. Bergstedt said given the quiet, yet unique use of this project and its location, he didn’t think many people would attend a neighborhood meeting other than hearing from a General Growth representative. He didn’t want to make the applicant fly in for a meeting that no one attended. Schneider said he supported separating the overall visioning of the Ridgedale area and this project.

15. Appointments and Reappointments: None

16. Adjournment

Bergstedt moved, Wiersum seconded a motion to adjourn the meeting at 7:53 p.m. All voted “yes.” Motion carried.

Respectfully submitted,
David E. Maeda
City Clerk