Minutes  
Minnetonka City Council  
Monday, April 24, 2017

1. **Call to Order**

   Mayor Terry Schneider called the meeting to order at 6:47 p.m.

2. **Pledge of Allegiance**

   All joined in the Pledge of Allegiance.

3. **Roll Call**

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

4. **Approval of Agenda**

   Wagner moved, Wiersum seconded a motion to accept the agenda with an addendum to item 14C and moving item 14E before item 14A. All voted “yes.” Motion carried.

5. **Approval of Minutes: March 6, March 27, and April 10, 2017 regular meetings**

   Bergstedt moved, Wiersum seconded a motion to approve the March 6, 2017 council minutes, as presented. All voted “yes.” Motion carried.

   Bergstedt moved, Wiersum seconded a motion to approve the March 27, 2017 and April 10, 2017 council minutes, as presented. Ellingson, Wiersum, Bergstedt and Schneider voted “yes.” Wagner and Acomb abstained. Motion carried.

6. **Special Matters: None**

7. **Reports from City Manager & Council Members**

   City Manager Geralyn Barone reported on upcoming city events and council meetings.

8. **Citizens Wishing to Discuss Matters not on the Agenda**

   Bob Ashmun, 3529 Orchard Lane, noted he appeared before the council at its last meeting. He bought his dream house in 2006 and has regularly received his water and sewer bill and city newsletter. In 2013 he got a letter that he owed a $40,000 fee. When he purchased the property, he had a professional title search company do a title search and he purchased title insurance. Because the statute of limitations, he has no recourse at this point and asked the council to waive the
$25,000 worth of interest that has accumulated. If he had been notified in a timely fashion, he would have had some recourse with the previous property owner, the title search company, or the title insurance company. He spoke with city staff and was told the same thing he was told three and a half years ago that the city had no obligation to notify Ashmun of the fee and interest. He said the city attorney had said the city would be willing to spread the cost over the three properties and this was a step in the right direction.

Barone said Ashmun met with staff. Staff provided the option of spreading the cost over the three properties in order to make things less painful for Ashmun. The city has been consistent about not forgiving the interest for any of the properties that fell into the same situation. She said this was the first staff had seen or heard from Ashmun since providing the option and suggested he continue to work with staff. Schneider agreed Ashmun’s best recourse was to continue to work with staff.

Inna Glusker, 920 Delaware Street, Minneapolis, said she was an undergraduate at the University of Minnesota. One of her policy classes is looking to reduce runoff pollution into Lake Minnetonka. She proposed for future road construction projects that vegetative filter strips be used. Water quality would be increased by decreasing maintenance costs while increasing traffic safety. Schneider suggested Glusker speak with the city engineer.

9. Bids and Purchases: None

10. Consent Agenda – Items Requiring a Majority Vote:

   A. Request to approve a five-year extension for Minnetonka Farmer’s Market temporary signs on the Civic Center Campus at 14600 Minnetonka Boulevard

      Acomb moved, Bergstedt seconded a motion to approve five temporary signs associated with the Minnetonka Farmer’s Market to be displayed on the Minnetonka Civic Center Campus. Signs may be displayed every Tuesday during the Minnetonka Farmer’s Market season through 2021. All voted “yes.” Motion carried.

   B. Ordinance amending park regulations

      Wagner asked that the item be pulled from the consent agenda. He said he wasn’t at the meeting when the ordinance was introduced. He was concerned about a provision in the new regulations that would prohibit the use of a sled in city parks. He understood the liability concern about allowing sledding on hills but prohibiting them in parks went against being a Minnesotan in the wintertime. He supported all the other changes but
suggested striking the word “sled” or refer the provision back to the park board for further review.

City Attorney Corrine Heine said she didn’t believe the park board discussed the provision. Staff had recommended the change to make the ordinance consistent with what the city’s actual practice was. For a number of years staff had thought people were not allowed to sled in city parks unless there was a designated area but this wasn’t the way the ordinance was written. There was a concern about potential injury if free sledding down a slope was allowed without restriction. Wagner said he understood this but didn’t think it made logical sense. He didn’t want people restricting from pulling their children on a sled in a city park. He understood risk and insurance but he didn’t think the proposed wording made sense.

Wagner moved, Acomb seconded a motion to adopt ordinance 2017-04 striking the changes in the former number 15, now the new number 16, under the “Specific Activities” section of the ordinance. All voted “yes.” Motion carried.

C. Ordinance amending miscellaneous criminal offenses

Acomb moved, Bergstedt seconded a motion to adopt ordinance 2017-05. All voted “yes.” Motion carried.

11. Consent Agenda – Items requiring Five Votes: None

12. Introduction of Ordinances:

A. Ordinance amending City Code Section 525, concerning property maintenance

Community Development Director Julie Wischnack gave the staff report.

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

B. Items concerning Minnetonka Hills Apartments at 2800 and 2828 Jordan Avenue

1) Major amendment to an existing master development plan;
2) Site and building plan review, with a parking variance;
3) Preliminary and final plats; and
4) Vacation of easements.

City Planner Loren Gordon gave the staff report.
Wagner said there was a safety concern from nearby neighborhoods about the driveway sightlines. He said a resident raised a second concern about the massive gully and what the foundation would look like.

Acomb asked if consideration would be given to a conservation easement because of the woodland preservation area. She also asked if there would be consideration given to a percentage of the units being affordable. Gordon said it was common practice to evaluate using a conservation easement to protect the area that is not developed and what would be preserved long term. He said the affordability component had not been discussed with the developer but could be asked prior to the planning commission hearing.

Wagner said the staff report indicated the woodland preservation area was at 25 percent. He asked if this was always calculated as the percentage of the total woodland preservation area as opposed to just what was on the property. Gordon said the ordinance stated 25 percent of the woodland preservation area could be impacted.

Schneider said the development may trigger a tree replacement of some kind. Replacing trees on a fully wooded site was not too realistic. He asked what the city’s practice was on requiring the replacement be done offsite where there would be public benefit. Gordon said he couldn’t point to examples of where replacement was required that could not be done onsite. There were times the full landscaping package wasn’t required because it would make the site too dense. He said staff would look into Schneider’s idea.

Wiersum said he thought Schneider’s idea was an interesting one. There were a lot of trees being removed. If the trees couldn’t be replaced he would be OK with a trade for affordable housing.

Wagner moved, Bergstedt seconded a motion to introduce the ordinance and refer it to the planning commission. All voted “yes.” Motion carried.

C. Ordinance amending fire code

Heine gave the staff report.

Schneider said for recreational fires, he thought the city needed to take a closer look at balancing recreational activity and the impact that had on health or allergy issues for people on adjacent properties. He said currently this was out of balance. A long time ago, people could burn anything. Then burning was not allowed at all. In the past 10-15 years
recreational fires and fire pits were allowed because there was nothing preventing them with a permit. He suggested adding limitations when a person applies for a permit to address health related objections from people living on the surrounding properties. He said he knew several instances in his neighborhood where a resident could not go outside in their backyard for several days because of the recreational burning occurring on a neighboring property. This was not fair to those residents. There was no reason that a person who was creating a problem could not convert to a gas fire instead of a log fire.

Fire Chief John Vance said there was a requirement in the current permit process that provides that if a neighbor complains due to a health issue like asthma, the permit holder is required to extinguish the fire. The police can be contacted to speak to a permit holder if this occurs. He said often times what was found was the person burning inappropriate materials.

Schneider said he was aware of the provision but was encouraging that the city be more proactive to have something more like the streetlight ordinance that requires a certain percentage of the neighbors to sign off before a light can be put in. He thought some upfront notification would be beneficial. This might have to be developed over time, but he thought it was bigger issue than most people were aware of.

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

13. Public Hearings:

A. Items concerning The Cheesecake Factory at Ridgedale Center:

1) Conditional use permit for a restaurant with outdoor seating area; Site and building plan review; and Sign plan amendment.
2) On-sale liquor licenses for The Cheesecake Factory Restaurants, Inc. (The Cheesecake Factory) at 12735 Wayzata Blvd (Ridgedale Mall)

Gordon gave the staff report.

Brian MacKellar, senior vice president of the Cheesecake Factory, said the company was trying to bring some excitement to the eastside of Ridgedale Mall. The outdoor patio would bring in lots of activity to the entrance. In developing the signage and the elevation, it was felt things were being approached from a relatively normal standpoint. The company uses an unusually large “C” and “F.” The rest of the letters are rather small. They agreed to go with the 42 inch size but this would cause all the letters other than the “C” and “F” to be extremely small. Traditionally the
The company uses the tagline “Restaurant, Bakery, Bar” below because there still are plenty of people who do not know what the Cheesecake Factory really is. The company likes to have its name above the entrance. The proposed design was what the company felt was best for the project. The sign over the doors would have a two foot seven inch “C.”

Schneider opened the public hearing at 7:42 p.m. No one spoke. He closed the public hearing at 7:42 p.m.

Schneider agreed the eastside was the most boring corner of the mall. It could definitely use the life the Cheesecake Factory would generate. There was a balance between allowing the signage to be enough to pop out without it becoming so cluttered to make it look offensive. He thought the council should discuss the three elements: the main sign, the tagline, and the secondary sign. He agreed forcing all the letters to be really small because of the 42 inch standard was overkill. Would it be a reasonable exchange to allow the “C” and the “F” to be 52 inches as requested in order to eliminate the second sign? Other options included leaving the signs as is and removing the tagline or leaving the signs as is and allowing the tagline.

Wagner noted there was also a large “Ridgedale” sign that would be located in front of the restaurant and this was not shown in the picture. He agreed the restaurant was setback a distance from the road and no one thinks about coming to the eastside of the mall. People would not think about coming to the restaurant because there had never been a restaurant located there before. His preference was to eliminate the sign over the door because it could be put directly on the glass. The main focus would be on the big sign.

Wiersum said going back to some of the council’s past discussions about signs, the issue was about proportionality. In the past the council had long discussions about the Fidelity sign on 394 and the Macy’s sign. The council decided to walk a little away from the standards to reflect the branding that was relevant to the businesses. He thought the sign ordinance was important and he didn't like to change it cavalierly. However he also thought it was important to look at the opportunity that this represents and the branding for a very nice restaurant that would enliven this part of the mall and hopefully be a catalyst to further development in the future. The residents were very fortunate to have a vital mall in the city. “Vital mall” was almost an oxymoron these days. He was very comfortable with the Cheesecake Factory façade sign along with the tagline but thought the second sign had to go.

Acomb said she tends to take the road around mall to get from 394 to Plymouth Road. She agreed the restaurant would be difficult to see from
the road. She would support allowing a larger main sign without the one over the door. She wouldn’t go for allowing a larger main sign and the tagline.

Bergstedt said he agreed with the other council members and couldn’t go along with the sign above the door. The site was setback a ways so he wouldn’t be opposed to larger letters. Since the Cheesecake Factory wasn’t everywhere like McDonalds, he would be OK with the tagline.

Schneider said he agreed. He liked the design of the top of the tower shown in the council packet over the later version. It looked more contemporary and inviting.

Wagner moved; Acomb seconded a motion to adopt resolution 2017-036 approving the conditional use permit and final site and building plans for a restaurant with outdoor seating; and resolution 2017-037 with the signage shown on page 19 of the staff report excluding the sign over the door with 54.5 inch “C” and “F” letters in the Cheesecake Factory sign. All voted “yes.” Motion carried.

Schneider opened the public hearing for the liquor licenses at 7:56 p.m.

Howard Roston, Fredrikson & Byron, said he was present to represent the applicant.

Schneider closed the public hearing at 7:57 p.m.

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

B. Off-sale liquor license for Target Corporation, 4848 Co Rd 101

Wischnack gave the staff report.

Schneider opened the public hearing at 7:59 p.m.

Joe Contrucci, senior vice president at Target Stores, said recently Target had committed $7 billion to redoing its stores and ensuring brick and mortar continues to be an important part of the business. He said the Minnetonka Super Target was the first to be remodeled to see exactly how it would go over with its guests. It has been a tremendous success but a big piece the guests have asked for is alcohol. Sixty six percent of the guests are looking to purchase alcohol from Target. The Ridgedale store has been selling 3.2 beer since 2002 and there has never been a violation. There have been no liquor violations statewide since 2008.
Acomb asked how much 3.2 beer is sold at the Ridgedale store. Contrucci said not much is sold since 3.2 beer is only available in a few states.

Bergstedt asked Contrucci to talk more about how nationally and in Minnesota Target has been adding liquor sales to its stores. Contrucci said because of Minnesota law it was different in this state than the rest of the country. There are seven liquor stores within its stores in Minnesota. Over 1,400 of the total 1,850 stores across the country sell alcohol within the store itself.

Wiersum asked what was different now from Target’s previous application for a liquor license. An unidentified Target representative said the biggest difference was the store was remodeled in 2015. A lot was learned from the changes particularly related to the food offerings. Guests have indicated consistently adult beverages were important for their trips to the stores. Contrucci added that guests expect to be able to buy liquor at the store since it is available in other Super Target locations.

Wiersum moved, Bergstedt seconded a motion to continue the public hearing to May 22, 2017. All voted “yes.” Motion carried.

14. Other Business:

E. Resolution establishing four “20-Minute Parking Only” signs along the north side of Minnetonka Boulevard in Minnetonka Mills

Wischnack gave the staff report.

Acomb asked if there would be 20 minute parking in front of Peoples Organic as well. Wischnack said that was not the current request. Acomb said she was concerned about the consistency. All the businesses have a stop and go component to them. She was concerned there would be compliance issues.

Wiersum said currently there are three branded signs outside of Station Pizzeria that will be replaced with three 20-minute signs that are non-branded. There will be a new 20-minute sign outside of Dairy Queen and the yellow dot loading zone and the green dot 20 minute parking sign will remain. Adding in the proposed parking restrictions it would bring all the parking restrictions in the area fully up to date. Wischnack confirmed that was correct.

Bergstedt asked how the 20-minute signs would be enforced. Wischnack said they would be enforced on a complaint basis. Bergstedt said it was likely people would eat lunch at Peoples Organic and park in the 20-
minute spots. It would be the business owners who would help the city by communicating violations.

Schneider said in a way it was a good problem to have because people were visiting the businesses. The area was much more vibrant. In time, if the parking lot to the east were expanded, it would provide more options. Wischnack said the city was looking at Bridge Street for the more formal spaces.

Acomb noted more and more people are biking to the area.

Wagner moved, Acomb seconded a motion to adopt resolution 2017-038 replacing Station Pizzeria’s three branded signs with three “20 Minute Parking Only” signs and add one additional “20 Minute Parking Only” sign in front of the Dairy Queen. All voted “yes.” Motion carried.

A. Resolution approving an amendment to an existing conditional use permit for new recreational fields, scoreboards, and lighting at the Hopkins High School Campus at 2400 Lindbergh Drive

Gordon gave the staff report.

Wagner noted at the planning commission hearing, neighbors raised concerns about Hopkins School District not having a master development plan. Given the challenges that occurred with the Minnetonka High School, he asked staff to comment about the concerns. Wischnack said she participated in the 2012 Hopkins facilities planning committee process when the school district had a deep evaluation of all its facilities and future planning for each of the sites. The city has details on each site and building in the city. She said the city requires master development plans mostly for commercial projects.

Schneider asked representatives from the Hopkins School District to comment about neighbors’ concerns about what was next. He said having a better communication technique showing the things that are not yet done but are being planned when financing becomes available would be helpful.

Dan Johnson, the district’s director of student activities, said the 92-acre site has the high school, a middle school, and one of the district’s larger elementary schools. The footprint was not being changed but rather changes were being made to how the space is used. Currently there are thousands of field users, not all at the same time and same day, during the outdoor season that runs from March through November. He said the biggest issue was the ability to maintain and take care of the fields.
Wagner said in talking with one of the neighbors, he explained the pros and cons of a master development plan. If a plan exists, the expectation was it would happen. In reality, it likely wouldn’t happen that way. Changes would be made. He said the Minnetonka School District’s master development plan helped mitigate concerns.

Acomb said at the planning commission hearing there were a lot of concerns from neighbors and the planning commissioners about not understanding this particular proposal and what might be coming next.

Wiersum asked what fencing the district was intending to use. Neil Tessier, SAFEngineering, said the plan was for seasonal fences that would come down when the baseball and softball seasons end and the soccer season begins. Wiersum said people who live next to schools generally know what to expect. If one lives next to an athletic field they know athletic activity will occur. In general the neighbors view it as open space so he encouraged the district, where feasible, to use the open chain link fencing.

Schneider said he appreciated 15 trees were being added given natural grass was being replaced by artificial turf. Adding more trees would help even more.

Wagner asked what materials were being used for the dugouts. Tessier said they were block dugouts with blue-shingled roofs. They would be identical to the existing baseball dugouts.

Bergstedt said it was a really good plan and he liked the landscaping. It was fabulous that athletic participation was going through the roof. The lighting technology had evolved and there was little spillover. He thought the school district had been very sensitive to neighbors’ concerns.

Acomb said the complex had changed dramatically from the days she went to Hopkins High School. She thought it was great participation was so high.

Sam Black, 2265 Cape Cod Place, asked the city to keep reminding the school district to make the area around the outside of the development look nice. Any extent nature can be added would be helpful given the conversion from grass to turf. He asked the council to remember the next time the school district comes before them wanting to add lights above the tennis courts and the other softball diamond, or adding a parking garage or an ice rink, that there is some continuity. The council just can’t keep approving the next iteration because it would always be consistent with the existing uses. He asked that the next time the school district asks for something on the site, the council gets information about what the plans
are for the whole site and how active it was going to become. At some point the city and residents deserved to know when the development would stop. He asked for permanent bathrooms to replace the porta potties. While the school district had its CIP process, the city was responsible for the planning and enforcement for the site.

Bergstedt moved, Wagner seconded a motion to adopt resolution 2017-039 with conditions, approving an amendment to the existing conditional use permit for new recreational fields, scoreboards, and lighting at the Hopkins High School Campus at 2400 Lindbergh Drive. All voted “yes.” Motion carried.

Schneider called a recess at 8:40 p.m. He called the meeting back to order at 8:51 p.m.

B. Items concerning recreational facility improvements on the Minnetonka Civic Center Campus at 14600 Minnetonka Boulevard:

1) Conditional use permit, with wetland setback variance, for trails/boardwalks within required wetland buffers; and
2) Conditional use permit for installation of lighting on an existing recreational field.

Gordon gave the staff report.

Acomb said she would like more information about the materials used for the boardwalks. In some places the recommendation was to use wood. She has seen recycled materials used in other boardwalk locations. Streets and Parks Operation Manager Darin Ellingson said recycled materials could be used instead if that was the preference. Acomb noted there were other boardwalks in the city that used recycled material. D. Ellingson said there was a variation throughout the city. Both had their pros and cons. It was felt that a more natural look was better for this area even though there would be more maintenance needed long term.

Schneider said he liked the natural look of the wood but in today’s environment it deteriorates rapidly. It looks good for a year or two. He suggested looking at something that was more stable that looks good long term.

Wiersum said the boardwalk between Crosby Cove and Grays Bay dam was particularly well done and was extremely durable given the amount of traffic. He suggested using that same material for this boardwalk. He asked if there was a place in the city that used the same lighting as was being proposed for this project. D. Ellingson said this would be the first LED lighting used in Minnetonka.
Bergstedt said he preferred the synthetic material for the boardwalk. He questioned the durability of wood and had even bigger questions about how slippery wood can become when it’s wet.

Wagner moved, Bergstedt seconded a motion to adopt resolution 2017-040 approving the conditional use permit, with wetland setback variances, for trails and boardwalks within required wetland buffers; and resolution 2017-041 approving the conditional use permit for installation lighting on an existing athletic field until 9:45 p.m. All voted “yes.” Motion carried.

C. Continued concept plan review for the Shady Oak Redevelopment located at 4312 Shady Oak Road

Gordon, and City Engineer Will Manchester gave the staff report.

Tony Heppelmann, WSB & Associates, said he was directly involved with the Shady Oak Road reconstruction project. As soon as the city contacted his company to do the study, they went and put out video cameras to count the traffic. Simulation models are used to model the traffic. The modeled data is used to compare with the visual data. What the data showed was the 54-unit apartment building would increase the delay for drivers on Oak Drive Lane turning on to Shady Oak Road by three seconds. The traffic study also looked at what the traffic would be if the current building were fully occupied. He said in the p.m. peak hour it would generate almost three times the traffic amount compared with the apartment building. Other types of redevelopment like a Walgreens were also looked at and it was determined something like that would generate almost twice the amount of traffic compared with the apartment building. He said the apartment building would probably be the lowest traffic generator of anything that could be put on the site.

Heppelmann said currently the Oak Drive Lane is about 28 feet wide, only wide enough for a single vehicle approach so vehicles making a left turn have the potential to block vehicles making a right turn. The study showed that at most there would be a couple vehicle queue. The information was provided at the open house and there was a question about when the counts were taken and if spring breaks might have impacted the count. He said WSB went out a second time and the counts on Oak Drive Lane were pretty much identical. The numbers on Shady Oak Road were up for unknown reasons. He noted the counts on Shady Oak Road were up about 70 percent from 2012 likely due to the diversion off Highway 169.

Wagner asked what could be expected in terms of stacking on Oak Drive Lane. Heppelmann said the model indicated the longest expected queue was two vehicles but there was enough room for four vehicles.
Schneider noted Heppelmann had said there was a potential for a vehicle making a left turn to block the ability of another vehicle to make a right turn. He asked if the recommendation was to put in a right turn lane. Heppelmann said currently the road isn’t wide enough to add a right turn lane so in order to accomplish this, the curb would have to be moved. Given that most of the time there weren’t vehicles on Oak Drive Lane at the intersection, he didn’t think the cost of moving the curb was justified. The study showed the average overall delay was about 16 seconds.

Wischnack continued the staff report. She said there were three questions staff was presenting to the council to help guide the council discussion.

1) Is the council comfortable with the proposed multi-family apartment building with the monthly rents falling in the range of $800-$1,200?
2) Is the council comfortable with this density (30-32 units per acre)?
3) Comments about the design of the building.

Tim Whitten, Whitten Associates, presented the revised concept plan.

Mike Waldo, Ron Clark Construction and Design, showed examples of the company’s buildings in other communities. He went over some of the changes to the plan meant to address concerns that had been raised at the neighborhood meetings.

Wagner noted a lot had changed through the process. The current plan was for affordable and tax credit housing. He asked if anything had change in terms of the viability of the project given the potential changes at the federal level. Waldo said there had been changes since they started working on the RFI at the beginning of the process. The election and the expectation of tax reform had reduced the value of the credits. The difference is probably round 10 or 11 cents less than a year ago. He said he thinks the credits will go back up two or three cents.

Wiersum asked if the amount of habitable square footage had changed from earlier concepts. He also asked if there had been a change to the mix of one, two, and three bedroom units. Waldo said 98 percent of the mixture was the same. He said the overall square footage was substantially the same.

Fartun Ahmed, 14528 Moonlight Hill Road, said she is a business owner in the city and her parents run a daycare near this site. She supports the project and asked the council to support it as well. Affordable housing is very important for the city and discussions about affordable housing need to happen. She said young people like herself think very differently than the older generation that lives in the city. A lot of her generation is not
looking to settle down and buy homes right away. A lot of her peers have school loans that they are trying to pay off so affordable housing was important to them. She said she read a lot of the rhetoric that was on the Minnetonka Matters portion of the city website. Comments like “this is going to be another Blake Road” were very inappropriate. She grew up in Westside Village on Blake Road and she doesn’t use drugs or trash neighborhoods and the same could be said with a lot of people in that neighborhood. She said the racial inequality that exists in Minnetonka is something that needs to be discussed. Comments like “those people” refer to members of her community. It was important to have affordable housing for the law-abiding citizens who are very innovative and who want to contribute to the community. She said a lot of the parents who use her childcare center have had to move out of the city because they can’t find affordable housing. A lot of the young people who grew up in the city are looking for diversity, innovation and community building.

Paul Burgett, a Hopkins resident, said he was opposed the project. He agreed with Ahmed that affordable housing was a good thing. He thought it should have been part of the discussion for the 75-unit development off Highway 169 where it wouldn’t impact the neighborhood as much. He was opposed to the size of the building, which would be two-thirds the size of the Titanic. The huge building would be dropped into a neighborhood that wasn’t made for it. He supported affordable housing in the city but thought jamming this building into this neighborhood would hurt affordable housing going forward. He suggested townhomes would be a better fit for the site or that the city wait five to ten years to see what happens to the market.

Elizabeth Miller submitted a petition signed by people opposed to the plan. She asked the architect at the open house what the tangible size difference in height was between this plan and the previous plan. She said the architect had no idea. If the city was investing taxpayer money to the developer, she thought the developer should at least know the height of the building. If the developer could not live without 54 units and the neighbors couldn’t live with 54 units there was a disconnect and maybe this wasn’t the right developer. She said she appreciated Acomb’s inquiry during the Minnetonka Hills Apartments’ discussion about if affordable housing had been considered for that development because that’s where Miller thought affordable housing should go. She noted a map was emailed to staff showing where affordable housing was located in the city. She noted there was a very high amount within a one-mile radius of this neighborhood and little in the rest of the city. There were affordable homes in the neighborhood through the Homes Within Reach program. She would like to see more of that type of housing. She said the traffic engineer didn’t take into consideration the increased traffic that would occur with the park and ride if the LRT is built. She lives on Bradford Road and turning onto Shady Oak Road is very dangerous. She asked for a
traffic study in that area too. She noted there was no easy access to Junction Park. The trees shown in the drawing were 50 feet high and in reality it would take years for the trees to grow that high.

Jen Westmoreland Bouchard, 4640 Caribou Drive, said she seconded everything Ahmed said. She had noticed a dangerous and very harmful thread of rhetoric in the comments on the online petition and the Minnetonka Matters site as well. She asked those opposed to the plan that had valid concerns to talk with their neighbors who are conflating crime with affordable housing and disparaging members of the community who live on Blake Road. She said she was impressed with the clear communication coming from the city but she was noticing there were voices being left out of the conversation. Westmoreland Bouchard said another resident, Angelique Ellis, asked her to share her comments with the council. Ellis looked for months to find affordable housing in the city. She needed a space that would accommodate her as someone in a wheelchair. Ellis indicated there was a lack of affordable housing for people with disabilities.

Chris Aanestad, 4255 Oak Drive Lane, asked what the buildable area was for the property. He said staff indicated it was 30-32 units per acre. According to his calculations using 54 units, the buildable area was 1.2 acres. This equates to 45 units per acre. He noted 15 business owners had been knocked off the property. He questioned if the city wanted tax credits for developers or jobs and taxes collected from business owners.

Farhia Mohamed said she was a resident in Ward 3. She was supportive of the project. It was deeply disturbing that some of the neighbors leapt to unwarranted conclusions such as thinking an individual was unfit and undesirable due to their financial bracket. Everyone wanted to live in a safe and secure neighborhood. If the sole concern about the project had to do with the landscape then the discussion should focus on what could be done to create conscientiousness behind the design. However if the opposition perpetuated racial segregation within the city, a city that was mostly white, then the city has failed. Race matters. She quoted a Somali proverb that translated meant a person doesn't enter a home simply because the door was open but rather a person enters a home because there was a welcoming face at the door. She said this was the community people want in Minnetonka.

Joyce Fiedler said she was a huge proponent of affordable housing. With her disappointment in the presidential election, her goal for the year was to find common ground in all she did. This plan was a good example. The people raising concerns about the building size, the number of people in it, and the traffic, had reasonable concerns. The people concerned about affordable housing also had reasonable concerns. She said the racial
component should not be ignored. Everyone should recognize and listen to each other’s concerns.

Jim Reinitz, 4252 Oak Drive Lane, said he was a member of the Ford site task force in St. Paul. He had not heard any discussion about the pollution on the Shady Oak Road site. He supported affordable housing in areas where people could walk or bike to their jobs. This would reduce pollution and help the ozone layer. He said affordable housing should be put all around the city not just in certain sections.

Steve Philbrook, 4222 Oak Drive Lane, said most of the neighbors did not have an issue with affordable housing. He didn’t know anyone in the neighborhood who was a racist. His mother participated in the walk for peace march on Washington. He grew up as a hippie and was very liberal. His problem was the big monstrosity being shoved down the neighbors’ throats. One can put pearls on a pig and it still will be a pig. He said the traffic in the area already was horrible and dangerous. Research had to be done to determine if the site was polluted. Further research was needed to study the traffic.

Ellen Cousins, 4531 Greenwood Drive, said she wanted the council to remember the times when they were surprised by how big other buildings were once they were built. Buildings on drawings look a lot smaller than when they actually are built. She also wanted the council to keep in mind this would not just impact people on Oak Drive Lane but also people on Bradford Lane, Crawford Road and the whole neighborhood behind. She said the traffic engineer reported traffic was 75 percent higher than it was in 2012. She wondered what the projection had been in 2012. She asked the council to take a step back and determine if the project should be built now or if it was better to wait to build the right project.

Abbey Holm, 4234 Oak Drive Lane, said she thought affordable housing was terrific. She had lived in affordable housing. She thought this specific site was not conducive to the size of the building being discussed. She noted she had a discussion with Wiersum and she appreciated his comments about compromise being about meeting in the middle. If the developer could not lower the number of units from 54 then there was no ability to make a compromise.

Tim Gustafson, 12340 James Road, said the renderings looked beautiful from the Hopkins side but not the Minnetonka side. He said it appeared the decision had already been made that the only solution was a multi-unit building. The options for other types of community projects like a public garden or expanding the park were not being considered. The taxpayers of the city had already paid for the property. Why not consider what the people would like to see on the property?
Wagner said the council had been discussing the Shady Oak Road corridor for over a decade and the corridor’s proximity to the potential light rail station. The council had been told that residential development generates less traffic than commercial development. With the desire to have a more walkable community, this area was probably at the edge of where housing could occur. He said he always thought this corridor could blend commercial services and housing. He thought multi-family housing for this property was appropriate. The site was close to transit, both current and future. He’s always been an avid believer that affordable housing should be near transit.

Wiersum agreed multi-family housing was appropriate for this site. In discussing the village centers the council had often discussed the notion of combining affordable housing with transit.

Acomb agreed multi-family housing was appropriate for the site for the reasons Wagner and Wiersum had mentioned. The city wanted a diversity of housing stock and affordable housing was something the city wanted to make sure was provided for. She thought affordable housing needs to be looked at throughout the city.

Ellingson noted there was a townhouse development just kitty korner from this site on Main Street so there already was housing close to the location. The road reconstruction took away parking in front of the buildings so it made it more difficult for commercial businesses. He thought housing was appropriate for the site. He thought one of the best things about the plan was it was 100 percent affordable housing.

Bergstedt said the city desperately needed affordable housing throughout the city so anytime it can be added, it was a good thing. This location being close to downtown Hopkins, good transit and possibly the LRT, made it very appropriate for some type of multi-family affordable housing.

Wagner said everyone would like R1 housing or a park on the site but for him that would be a massive underutilization of the property. There weren’t locations in the city that have characteristics of this property, being near transit. The city was falling behind on its affordable housing targets and affordable housing was appropriate for this site.

Schneider noted there was a comment that the property should be used for Home Within Reach homes. He was part of the steering group that created that program and serves on its board. While doable, it takes a lot of extra effort and resources. Nothing of any substance can be done quickly. There have been 40-50 homes built through the program in the city, but it has taken 12-15 years to do so. This plan would provide over 50
units immediately. He thought the walkability to transit and tying it in with LRT was critical but the proximity to downtown Hopkins was just as important. He said the concept and scope of the project was very appropriate. It was important to keep in mind the challenging tax credit financing and its connection with the feasibility of the project happening. There was a difficult process the developer has to go through so the profit earned was well deserved. People who thought the number of units could be cut in half didn’t understand the dynamics of affordable housing and how difficult it was, particularly in the tax credit market.

Wiersum thanked Ron Clark and his team for their work. He said he gets offended when people talk about developer greed because everyone wants to get paid. People have a right to make a living. Developers play a valuable role in the community. He noted he was paraphrased but paraphrased badly. He didn’t say compromise was having people get to the middle. What he said was the best compromises occur when nobody was happy. That’s where he saw the challenge with the plan. If somebody wins somebody was going to lose. The developer was saying to get a quality building, 54 units were needed. This would allow for fulltime management. This made sense. He said he was the one that said looking at other developments, none looked smaller than he expected. He was concerned about that for this site. It was a small site. It was ideally located for housing and well located for affordable housing. Getting this right was important because he didn’t want to build the wrong project in the wrong place where people got mad enough that general support for affordable housing diminished. He was hoping for a compromise that would make everybody unhappy and that the end result was a multi-unit building with significant number affordable units that was scaled appropriately for this site. He thought the concept plan was a little on the high side.

Bergstedt commended everyone who attended the meeting and for people being respectful with those that didn’t share the same point of view. He said he found himself feeling strongly both ways. The city needs affordable housing and this was a fabulous location for affordable housing. The part that makes it difficult was what the neighbors were saying. When he looked at the size of the parcel, the mass of the building and the lack of green space, a lot of things that were done with other developments could not be done here. This would be a huge building on a very small parcel. He thought townhouses would be a nice transition into the single family neighborhood on each side. The problem was to do affordable housing required more mass to make it work economically. If the council decided it wanted less units, he believed the developer would not submit an application. They had put in a lot of effort to try and make the building look smaller.
Acomb said one comment that resonated with her was the need to look for common ground. She supported the importance of using affordability in this location. She also was concerned with the size of the building and the impact on the neighbors. Her desire was to do something that made the building smaller. She preferred a two-story building even if this meant it couldn’t be 100 percent affordable units. This might be a compromise that needed to be made even if it meant the development couldn’t be with this developer. She thought that would be unfortunate and didn’t want to see that happen.

Ellingson said most of the other commercial buildings along Shady Oak Road were one story. The townhouses were two stories. To have a three-story building would be out of scale with the other buildings. He said his other concern was there already were traffic issues and access to Shady Oak Road. He didn’t want to create another access issue for those living in the building. The original proposal was a building that was over 300 feet long, equal to a football field. This seemed like a big footprint. He wondered why the roof couldn’t be flat. This would be one way to make it look smaller.

Wagner said this was a classic dilemma for the council. There were neighborhood concerns about size and density. There were council and community goals for affordable housing. There were constraints with the site no matter what went there because of the easement. He was thinking about this site and the Shady Oak LRT station in the context of a 100-year transformation. What is seen today won’t be what will be seen tomorrow. The question for the council was if this building was the start of the inevitable transition in this corridor. Would the transition start in 2020 when this building might go up or would it start in 2030, or 2040 when the light rail station goes in. Eventually the area would become more dense. He would like to have 54 units on a bigger site but that wasn’t the hand the city was dealt here. He saw the corridor intensifying in use and that it would become more walkable. He said the size of other recent developments do not bother him as much as some of the other council members. He thought the new building on Plymouth Road looks nice and was a great addition to the Ridgedale area. He thought Cherrywood Pointe and Applewood Pointe would be good additions to the city. The city could wait to see if something else gets proposed, but the math probably would not change. He didn’t disagree with anything the neighbors said but in reality, it wasn’t going to become a garden.

Schneider said before Council Member Allendorf left the country, he shared his thoughts about this plan with him. Allendorf was very supportive of affordable housing and felt this was the right site but he felt the building was too big. He would be willing to add additional incentives from the city contribution, whether it be reduced price or a combination of
things to allow the number of units to be reduced while still making it feasible to reduce the size. This still would not mean a story could be eliminated from the building but it could be made smaller.

Schneider said he was reluctant for the city to put more money into the project but with the shared pain that was discussed maybe that was something that should be on the table. The city did not want to get so prescriptive that the development just did not work because nobody would benefit from that. The question was trying to find the right balance in getting the building to be as palatable as possible without jeopardizing the feasibility. This was the direction he would give the developer. He suggested fleshing out the design perhaps taking into account Allendorf’s suggestion to see if something more palatable could be considered. He thought there was a solution in that mix. The reason he didn’t think going from a three story to a two story building was feasible was because it would eliminate the underground parking. The challenge was making the three stories compact and designed enough to become more attractive. He thought being more creative with the edges of the building while potentially losing a few units might work. While the neighbors might not like to look at the building it would be an asset to the neighborhood with all the noise, traffic, light and activity on Shady Oak Road. The challenge would be finding the right mix and this would require the developer working with staff, and perhaps an open-minded neighborhood representative who could contribute a perspective that would contribute to the process.

D. Resolution supporting an application for a grant from the Metropolitan Council’s Local Housing Incentive Account Program under the Tax Base Revitalization Account (TBRA)

Wischnack gave the staff report.

Wiersum moved, Wagner seconded a motion to adopt resolution 2017-042 supporting the application for grant funds. All voted “yes.” Motion carried.

15. Appointments and Reappointments: None

16. Adjournment

Wagner moved, Bergstedt seconded a motion to adjourn the meeting at 11:10 p.m. All voted “yes.” Motion carried.

Respectfully submitted,
David E. Maeda
City Clerk