Agenda

Minnetonka City Council

Special Meeting, Monday, November 14, 2016

4:00 p.m.
Minnehaha Room

1. Call to Order

2. Roll Call: Allendorf, Acomb, Wiersum, Bergstedt, Wagner, Ellingson, and Schneider

3. Shady Oak Road Redevelopment Developer Interviews

4. Adjourn
City Council Special Meeting  
Meeting of November 14, 2016

**Brief Description**  
Shady Oak Road Redevelopment Developer Interviews

**Recommendation**  
Recommend a developer for the redevelopment of the Shady Oak Road Redevelopment properties

**Background**

In 2014, the city council approved the purchase of 4312-4342B Shady Oak Road and 4292 Oak Drive Lane. The purchase of the properties was part of the Shady Oak Road reconstruction project. The parcel, located at 4312 Shady Oak Road, went through the condemnation process for acquisition along its frontage and areas on 4292 Oak Lane for stormwater easements. Rather than acquiring only the frontage, the city engaged with the property owner to acquire the entire site. The acquisition also included the residential property under the same ownership located at 4292 Oak Drive.

Prior to the purchase of the property, staff prepared a work plan for the redevelopment of the site. It was determined that the city would retain the commercial building for a period of time, with the long term intention of removing the building and selling the property for redevelopment. The single family home at 4292 Oak Drive Lane could potentially be removed or may be maintained as a single family home depending on the development proposal that is ultimately approved. The goal of the project is to prepare and form a feasible redevelopment plan that is acceptable to the city, neighborhood and local stakeholders.

Following the purchase of the property staff hired the consultant group Kimley Horn to assist with community engagement and preparation of the Request for Developer Information "RFI". As part of the outreach, residents and business owners surrounding the project site in both Minnetonka and Hopkins were invited to three neighborhood meetings to introduce the project and gather issues/concerns/expectations from the surrounding neighborhood. The city also hosted a developer’s roundtable to gauge interest and ideas on the redevelopment options. The meeting notes from the January 13, 2016, February 11, 2016 and April 7, 2016 meetings summarize the community feedback that was received. In general, the community preferred small businesses, mixed-use, and new housing options as uses for the sites. Based on the site alternatives that were considered, the feedback received was that people liked green space, lower density housing, and less or hidden parking. The community disliked the options that were generally higher density, development that would increase traffic, and too much surface parking. (See attachments).
At the March 21, 2016 study session, city council reviewed the general process for redevelopment of the property. The direction provided at the study session was to solicit developer interest and conduct an interview process for potential developers.

In August 2016, staff published the request for developer information “RFI”. An RFI, rather than a request for proposal (RFP), allowed potential developers to submit their background, past projects and thoughts about the site without major project expenditures or investment in project preparations. The solicitation resulted in four development groups submitting concepts for the redevelopment of the property. Staff reviewed the proposals and interviewed each of the development groups that submitted concepts. In addition, two members of the EDAC reviewed the concepts and provided feedback to staff. Staff is now requesting that the city council review the initial concepts and interview the developers at a special study session on November 14, beginning at 4 p.m.

The following developers submitted concepts and will present independently during the timeframes specified below:

- Ascend Development Group: 4:10 p.m. to 4:30 p.m.
- Beard Group: 4:30 p.m. to 4:50 p.m.
- Ron Clark Construction and Design: 4:50 p.m. to 5:10 p.m.
- Klodt: 5:10 p.m. to 5:30 p.m.
- Scoring results and discussion: 5:30 p.m. to 6:00 p.m.

Staff is requesting that the city council make a recommendation on the selection of a developer for the Shady Oak Road Redevelopment project. The negotiation of the sale of the property will not be part of the meeting on November 14. Following a recommendation from the city council, staff will negotiate the terms of the purchase with the selected development partner and bring forward a term sheet for the EDAC and city council to consider at a later date.
Project Description/Current Conditions

The combined project area is 2.28 acres. The images below include the project location, existing parcels, and current property photos.
Next Steps

Following a recommendation from the city council staff will negotiate the terms of the purchase with the selected development partner. It is anticipated that rezoning or comprehensive plan amendments for the site would be completed prior to the sale of the property. Upon sale of the property, the developer would begin the city approval processes that are required of all development projects, including: a neighborhood meeting, concept plan review, plan submittals, Planning Commission and City Council approvals. A summary of recent and upcoming actions is listed in the chart below:

<table>
<thead>
<tr>
<th>Summary of work plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2016 - October 2016</td>
</tr>
<tr>
<td>RFI made available to developers</td>
</tr>
<tr>
<td>October 10 – November 7</td>
</tr>
<tr>
<td>Staff review of RFI responses</td>
</tr>
<tr>
<td>November 14, 2016</td>
</tr>
<tr>
<td>Developers present concept to city council</td>
</tr>
<tr>
<td>December 2016</td>
</tr>
<tr>
<td>Developer will be notified of selection</td>
</tr>
<tr>
<td>TBD, 2017</td>
</tr>
<tr>
<td>Negotiation of terms of purchase</td>
</tr>
<tr>
<td>TBD, 2017</td>
</tr>
<tr>
<td>Concept plan review</td>
</tr>
<tr>
<td>TBD, 2017</td>
</tr>
<tr>
<td>Zoning process and site preparation</td>
</tr>
</tbody>
</table>

Recommendation

Staff recommends that the city council make a recommendation on the selection of a developer for the Shady Oak Road Redevelopment project.

Submitted through:  
Geralyn Barone, City Manager

Originated by:  
Julie Wischnack, AICP, Community Development Director  
Alisha Gray, Economic Development and Housing Manager
MEETING #1 SUMMARY
January 13, 2016
6:00 PM – 7:30 PM
Minnetonka Community Center

Meeting Purpose
The goal of the meeting was to introduce the project and the two sites, share information on the existing conditions, solicit questions and input on site design alternatives, and provide a schedule and next steps for the project.

Meeting Summary
Julie Wischnack from the City of Minnetonka introduced the redevelopment project and the existing conditions at the two sites at 4292 Oak Drive Lane and 4312 Shady Oak Road. Julie then went over the frequently asked questions handout and solicited any additional questions from the attendees. Kimley-Horn, the consultant hired to assist the City on this project, presented an overview of the sites (land use, zoning, nearby projects) and ended with the project timeline and next steps. The attendees were then asked to form small groups and provide feedback and brainstorm ideas for future uses of the two sites.

Small Group Discussion
The discussion was facilitated in three small groups and the following themes came out of the group discussions:

Desired uses:
- Nice family restaurant
- Recreational businesses (i.e. bike rental like NiceRide)
- Parking underneath (lower level)
- Walking overpass over Shady Oak Rd.
- Ice cream shop
- Offices
- Small business (including current tenants)
- Business that closes at night
- Mixed use facility with businesses below and housing above to maximize space (all groups supported this)
- Uses conducive to walking
- Daycare
- Senior housing
- Something under 3 stories (all groups supported this)
- Same businesses or type of businesses that are currently there (all groups supported this)
- Brewery/local bar
- Incubator space or space to rent an office
- New housing/condos (2 groups listed this)
- Improvements to existing building
- Gift shop
- Coffee shop

Unwanted/undesirable uses:
- Bars/brewery (2 groups listed this)
- Not tall or imposing

---

1 Discussion topics are paraphrased
• Too much small retail
• Townhomes and apartments
• Large medical clinic
• Banks (2 groups listed this)
• CVS/Walgreens
• Franchise
• Fast food
• Industrial

Land/site suggestions:
• Annex the empty lot south of the property
• Preference to keep parcels separate (2 groups listed this)
• Keep the residential parcel residential (2 groups listed this)
• Don’t want to see development so close to the road
• Design that slows down traffic (2 groups listed this)
• North end entrance would be easier to access site
• Put parking lot in front
• No fence – use something natural

General Concerns:
• Contamination from prior uses of property (soil and building) not affecting nearby properties (2 groups listed this)
• Ease of access by car – can there be access off of Main Street?
• Wetland impacts
• Little room for new construction
• Speeding traffic

Comment Cards Received:
1. Because of the construction a lot of our businesses were hurt. Is it possible for the city to reimburse any of that? We had many customers complain and phone calls saying they could not find any entrance and had to leave. If it is possible for some reimbursement, what are the step and processes for us to take?
MEETING #2 SUMMARY  
February 11, 2016  
6:00 PM – 7:30 PM  
Minnetonka Community Center

Meeting Purpose  
The goal of the meeting was to review the project and the two sites, review progress to date from the first community meeting and meeting with developers, solicit questions and input on the development options, and provide a schedule and next steps for the project.

Meeting Summary  
Julie Wischnack from the City of Minnetonka introduced the redevelopment project and summarized the existing conditions at the two sites at 4292 Oak Drive Lane and 4312 Shady Oak Road. Kimley-Horn, the consultant hired to assist the City on this project, reviewed the progress to date and the approach that was used to propose possible development options. The attendees organized into three small groups to provide feedback (likes and dislikes) on the four development options.

Small Group Discussion  
The discussion was facilitated in three small groups and the following comments came out of the group discussions1:

1. Multi-Family Building (3 Stories)

<table>
<thead>
<tr>
<th>Likes</th>
<th>Dislikes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Prefer 3 stories or less (x3)</td>
<td>• Too big (tall and width) (x2)</td>
</tr>
<tr>
<td>• Residential use (x2)</td>
<td>• Too much parking and surface parking</td>
</tr>
<tr>
<td>• 3 stories might be ok; maybe 4 – some</td>
<td>• Concerns about increased traffic/cars</td>
</tr>
<tr>
<td>commercial</td>
<td>• Don’t like retail</td>
</tr>
<tr>
<td>• Some commercial</td>
<td>• Move the entrance (not on Oak Drive Lane)</td>
</tr>
<tr>
<td>• Underground parking</td>
<td>• Too close to street</td>
</tr>
<tr>
<td>• Commercial uses</td>
<td>• Concerns about increased headlights from cars exiting</td>
</tr>
<tr>
<td>• Visibility on the street rather than</td>
<td>on Oak Drive Lane</td>
</tr>
<tr>
<td>parking</td>
<td>• Doesn’t fit with the rest of the neighborhood</td>
</tr>
<tr>
<td>• Keep retail on the first floor</td>
<td></td>
</tr>
<tr>
<td>• Keep existing house on Oak Drive Lane</td>
<td></td>
</tr>
<tr>
<td>• Uses existing location</td>
<td></td>
</tr>
<tr>
<td>• Keep parcels separate</td>
<td></td>
</tr>
<tr>
<td>• Rental housing</td>
<td></td>
</tr>
</tbody>
</table>

2. Multi-Family Building (5 Stories)

<table>
<thead>
<tr>
<th>Likes</th>
<th>Dislikes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Retail</td>
<td>• Too tall (x3)</td>
</tr>
<tr>
<td>• Keep existing house on Oak Drive Lane</td>
<td>• Concerns about increased traffic/cars</td>
</tr>
<tr>
<td>• Keep parcels separate</td>
<td>• Retail</td>
</tr>
<tr>
<td></td>
<td>• Move the entrance (not on Oak Drive Lane)</td>
</tr>
</tbody>
</table>

1 Discussion topics are paraphrased
### Shady Oak Road Redevelopment Project

<table>
<thead>
<tr>
<th>Likes</th>
<th>Dislikes</th>
</tr>
</thead>
</table>
| - Too close to street  
- Concerns about increased headlights from cars exiting on Oak Drive Lane  
- Doesn’t fit with the rest of the neighborhood |  |

#### 3. Tuck-under Townhouse

<table>
<thead>
<tr>
<th>Likes</th>
<th>Dislikes</th>
</tr>
</thead>
</table>
| - Green space (x3)  
- Least amount of units/density (x3)  
- Tuck-under/hidden parking (x3)  
- Seems to fit with neighborhood  
- Favorite out of all options  
- Less parking (in the middle of the lot)  
- Better fit  
- Height is ok  
- Less parking  
- Townhomes preferred  
- No retail  
- Detached townhomes | - Takes away existing house (x2)  
- Prefer first floor commercial  
- Multiple levels  
- Access from Shady Oak Road  
- Multi-family in a single family neighborhood  
- Commercial can be an amenity  
- Encroachment on neighborhood  
- Busy street for potential buyer (too close to street) |

#### 4. Small Apartment Building

<table>
<thead>
<tr>
<th>Likes</th>
<th>Dislikes</th>
</tr>
</thead>
</table>
| - Entrance on Shady Oak Road (x3)  
- Parking in the middle (x2)  
- Not too big (x2)  
- Bigger footprint/lower scale (x2)  
- Uses both accesses  
- Multiple buildings  
- Good design for parking  
- 2 apartments/2 floors | - All surface parking – looks out of character (x2)  
- Takes away existing house (x2)  
- Don’t need more rental  
- Too many units  
- No green space  
- Would be OK with 20 units  
- Prefer underground parking  
- Too much traffic/congestion  
- Turning movements are difficult  
- Prefer to have underground parking  
- Dislike steps to get into unit |
MEETING #3 SUMMARY
April 7, 2016
6:00 PM – 7:30 PM
Minnetonka Community Center

Meeting Purpose
The goal of the meeting was to review progress to date from the two community meetings and meeting with developers, solicit questions and input on preferred landscape/architectural design elements, and provide a schedule and next steps for the project.

Meeting Summary
Julie Wischnack from the City of Minnetonka introduced the project and staff that were present. Mike Lamb (Kimley-Horn) reviewed the progress to date, the proposed development options, and a summary of the past meetings with the neighborhood, developers, and City Council. The presentation also included a question and answer segment and a slide survey to get a sense of what type of landscape and architectural design elements the neighborhood preferred.

Slide Survey
The attendees were provided a scoring sheet and were shown 27 slides to rate their preference from 1 through 5. 5 being the highest or best rating and 1 being the lowest or worst rating. If they felt inclined, attendees could include a description on the rating sheet about why they liked or disliked the images shown.

Some of the general comments people had on the slides included:

* **Likes:**
  - Green space
  - Water features
  - Craftsmen style
  - Natural stone
  - Boulevards

* **Dislikes:**
  - Multiple materials on the façade
  - Tall buildings
  - Too close to the street
  - Large amounts of parking

The top three liked and disliked slides are shown on pages 2 and 3. The full results of the survey are shown on pages 4-8.
The three highest rated images were:

1. Average Rating: 4
   - Comments:
     - Like the water feature (2x)

24. Average Rating: 4.2
   - Comments:
     - Nice water feature
     - Waterfall
     - Rocks!

18. Average Rating: 4
   - Comments:
     - Rocks!
     - Green
     - Nice boulder wall
The three lowest rated images were:

4  Average Rating: 0.9
   Comments:
   • Little too commercial
   • Not right for this site

20  Average Rating: 1.3
   Comments:
   • Too much concrete (x2)

10  Average Rating: 1.8
   Comments:
   • Needs more landscaping
   • Too tall, too Spartan
   • Too much parking in front of bldg.
Slide Survey Results

1. Average Rating: 4
   - Comments: Like the water feature (2x)

2. Average Rating: 3.2
   - Comments: Too many cars, Like the paved sidewalk, Screened parking

3. Average Rating: 2.8
   - Comments: Building bad, parking good, Nice benches, Park-like setting

4. Average Rating: 0.9
   - Comments: Little too commercial, Not right for this site

5. Average Rating: 2.8
   - Comments: Not right for this site, Busy
6 Average Rating: 2.5

Comments:
• Too bare
• Tower good
• Design tower

6A Average Rating: 2.8

Comments:
• Gardens are nice
• Like the gardens, colorful

7 Average Rating: 3

Comments:
• Too much lawn, boring
• Like grass
• Too bare
• Like mature trees, too much lawn

8 Average Rating: 2.7

Comments:
• Steps!
• Like the combo of residential & business

9 Average Rating: 2.7

Comments:
• More trees is good
• Bike path

10 Average Rating: 1.8

Comments:
• Needs more landscaping
• Too tall, too Spartan
• Too much parking in front of bldg
11  Average Rating: 3.7

Comments:
- Too many trees
- Trees

12  Average Rating: 2.9

Comments:
- Dense but not obtrusive

13  Average Rating: 3.5

Comments:
- Design open space
- Craftsman style

14  Average Rating: 2.8

Comments:
- Rocks!
- Boulders are too big
- Water

15  Average Rating: 2

Comments:
- Too large, looming building
- Maple trees
- Too tall
- Retail good, appearance bad

16  Average Rating: 2.3

Comments:
- Needs more landscaping
- Trees and green
- Rain garden?
17  Average Rating: 2.1
Comments:
• Too tall, too spartan
• Design
• Ugly
• Too big!
• Still too tall

18  Average Rating: 4
Comments:
• Rocks!
• Green
• Nice boulder wall

19  Average Rating: 3.4
Comments:
• Design and yard
• Dense, nice landscaping
• Brown

20  Average Rating: 1.3
Comments:
• Too much concrete (x2)

21  Average Rating: 2.4
Comments:
• Too tall (x2)
• Way too big! (x2)
• Materials are too busy

22  Average Rating: 3.8
Comments:
• Nice trees/flowers combo
• Nice paver walkway
23  Average Rating: 2.8

Comments:
- Too tall (x3)

24  Average Rating: 4.2

Comments:
- Nice water feature
- Waterfall
- Rocks!

25  Average Rating: 3

Comments:
- Too manicured
- Yard

26  Average Rating: 2.5

Comments:
- Nice common area
- Gazebos
- Like common gazebo
REQUEST FOR DEVELOPER INTEREST
Shady Oak Road
Redevelopment Project
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Request For Developer Interest  Shady Oak Redevelopment Project

Project Background

History of Site

In March 2015, the city purchased the properties at 4312 Shady Oak Road and 4292 Oak Drive Lane as a result of Hennepin County’s Road Reconstruction project on Shady Oak Road. The city of Minnetonka currently owns and manages a commercial building at 4312 Shady Oak Road and a residential building at 4292 Oak Drive Lane; a total of approximately 2.3 acres (see Attachment A for site location aerial). The site is also located approximately a half mile from the planned Shady Oak Station for the Green Line LRT Extension.

Shady Oak Road Reconstruction

The project area is located adjacent to the Shady Oak Road Reconstruction project. The project added a travel lane in each direction, constructed a sidewalk and a trail, realigned the intersection with Highway 7, installed a permanent traffic signal at Mainstreet and addressed flooding issues along the corridor.

The city of Minnetonka bought the properties, in part, because of the Shady Oak Road Reconstruction Project. The original county plans for reconstruction of Shady Oak Road indicated that the commercial building would be removed because the property was very close to the edge of the street and sidewalk of Shady Oak Road. The county later decided not to acquire the property. The city and the property owner then entered a mutually agreeable contract where the city would purchase the properties (house and commercial property); the county would reimburse the city for “road” related costs and the city would recoup the remaining cost from the resale of the properties.

The city of Minnetonka continues to manage the rental properties on both parcels. The city will be responsible for the relocation of the existing tenants for the redevelopment of the parcels.

Project Description

The city is examining potential options for redeveloping the properties. The assumption is that the existing in-line commercial building and possibly the existing single family building would be removed in order to accommodate new development that could include commercial, retail and/or residential uses. The goal of the project is to prepare and form a feasible redevelopment plan that is acceptable to the city, neighborhood, and local stakeholders.
Summary of Existing Conditions

Existing Conditions
The table below lists the existing conditions of the parcels including size, buildable area, zoning, and future land use.

<table>
<thead>
<tr>
<th></th>
<th>4312 Shady Oak Road</th>
<th>4292 Oak Drive Lane</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td>1.60 acres</td>
<td>0.68 acres</td>
<td>2.28 acres</td>
</tr>
<tr>
<td>Buildable Area</td>
<td>1.12 acres</td>
<td>0.31 acres</td>
<td>1.43 acres*</td>
</tr>
<tr>
<td>Building Footprint</td>
<td>25,680 sq. ft.</td>
<td>1,625 sq. ft.</td>
<td>N/A</td>
</tr>
<tr>
<td>Zoning</td>
<td>B-2, Limited Business</td>
<td>R-1, Low Density Residential</td>
<td>N/A</td>
</tr>
<tr>
<td>Future Land Use*</td>
<td>Commercial</td>
<td>Low Density Residential</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*Guidance from City of Minnetonka 2030 Comprehensive Plan
*If parcels were combined, area would be 2.21 acres

Stormwater
- Stormwater requirements may be covered by the Shady Oak Road reconstruction project; however, the developer will be responsible for ensuring these requirements are met.

Groundwater
- Based on a Phase II ESA that was produced for the parcels, groundwater was encountered at approximately 10 feet below ground surface located on the west side of the building.
- Groundwater was also encountered at approximately 20 feet below grade on the south side of the building starting at a higher elevation.
- The general direction of regional groundwater flow in the area of the subject property is presumed to be to the east-southeast.

Phase I
A Phase I was conducted for the site in November 2014 and was recently updated. The Phase I revealed the following Recognized Environmental Conditions (RECs) relative to the property.
- The presence of historical machine shop and dry cleaner tenants at the property that handled various oils and solvents and operated at the same time as the former septic and cesspool system is considered an REC.
- Heavy oil staining from a leaking compressor located in the northwest corner of the building in a vacant tenant space is considered an REC.

Although not considered RECs, Conditions RECS (CRECs), or Historical RECs (HRECs); the ESA also revealed the following items that constitute environmental business risks:

Site Survey
A survey of the site was completed by the City and is shown in Attachment B. The two parcels are separated by multiple temporary and existing easements for drainage, utilities, and sanitary sewer. An approximately 0.25 acre wetland is also located on the southwest corner of the site.

Environmental
The City conducted environmental studies for the site. The following is an overview of the stormwater requirements, groundwater conditions, key findings from the Phase I and II reports, and soil borings. See the project website for complete reports, [http://eminnetonka.com/current-projects/planning-projects/1490-shady-oak-rd-redevelopment](http://eminnetonka.com/current-projects/planning-projects/1490-shady-oak-rd-redevelopment).
There is a domestic well located on the property that is currently not in use on the 4292 Parcel and two wells not in use on the 4312 parcel. According to the Minnesota Department of Health, a well must be in use, be under a maintenance permit, or be sealed by a licensed contractor.

A former septic system may still be present on the property at the 4312 Parcel on the west of the building. Septic systems no longer in use should be abandoned/decommissioned in accordance with local regulations. A septic system was not observed on the 4292 Parcel; however, a septic system may also be present on the 4292 Parcel, based on the similar time of construction.

Phase II

A Phase II was conducted for the site in conjunction with the Phase I in November 2014 and 2016. The Phase II ESA provided recommendations based on field observations and laboratory analysis of PCB wipe samples, soil, soil vapor, and groundwater samples collected and analyzed from the site. The recommendations from the Phase II ESA include the following:

- Enroll the Subject Property in the MPCA Voluntary Investigation and Cleanup (VIC) Program and Petroleum Brownfields (PB) Program.
- Apply for a No Association Determination related to the elevated detection of PCBs in soil, PCE and acetone in groundwater, and PCE and TCE in soil vapor from the VIC Program. The submittal will include a proposed actions letter for the proposed use of the property.
- Apply for a Non-tank Closure Letter from the Petroleum Brownfields Program for the low-level detections of DRO in soil and groundwater at the property.
- When development plans are known, submit a Response Action Plan to the MCPA Voluntary Brownfield Programs (VIC and the Petroleum Brownfield Program) for review and approval.
- The City remove and dispose of the former septic system as part of future redevelopment as an environmental development response action.
- Cleaning the concrete contaminated with PCB containing oil using approved methods and either fixing the leak in the compressor or replacing the compressor as long as current leases and business operations continue at the property.
- Collecting bulk samples of the concrete stained with the PCB containing oil prior to demolition to determine if the concrete will require special handling.

Soil Borings

Additional soil borings were conducted for the site. The 2016 Geotechnical Exploration and Engineering Review report is available on the project website.
Financial Information

Terms of Purchase

The city will negotiate the terms of purchase with the selected developer after the selection process is completed.

Incentives

The city will consider all financing options in the development of the site. Although incentive tools are not an entitlement to the proposed project, the city has previously provided financial assistance through tax increment financing and similar financial tools. The city is also able to assist with re-zoning the parcel(s) and administering a Comprehensive Plan amendment if required by the proposed project.

Assistance/Grants

The project may qualify for types of non-city public financial assistance such as grants for environmental remediation. City staff, managing the RFI process, can help to identify city programs and other financing tools for specific types of redevelopment. The city has been successful in the past in obtaining environmental clean up grants.

Note: the use of public financial assistance may trigger other requirements on the project.

In addition, while the selected project is not required to have an affordable component, the city does offer a number of assistance programs for the development of affordable ownership and rental housing.
Community Engagement Process

Background

The residents and business owners surrounding the project site in both Minnetonka and Hopkins were invited to three neighborhood meetings to introduce the project and gather issues/concerns/expectations from the surrounding neighborhood. In addition to meeting with the neighborhood, the city hosted a developer’s roundtable for an invited group of developers to gauge interest and ideas on redevelopment options. Lastly, a project update was given at a City Council work session for consultation on the development options and next steps. The complete meeting notes are posted on the city’s website here: http://eminnetonka.com/current-projects/planning-projects/1490-shady-oak-rd-redevelopment.

Development Alternatives

Site alternatives considered a consolidated parcel (2.21 acres) and two separate parcels (0.67 acres and 1.54 acres). Development options included townhomes, small apartment building (surface parking) and a multi-family building (3 or 5 stories). Plan views of these development options are shown to the right.

Community Feedback

In general, the community preferred small businesses, mixed-use, and new housing options as uses for the sites. Based on the site alternatives that were considered, the feedback received was that people liked seeing green space, lower density housing, and less or hidden parking. The community disliked the options that were generally higher density, development that would increase traffic, and too much surface parking. For the complete meeting summaries, see the project website: http://eminnetonka.com/current-projects/planning-projects/1490-shady-oak-rd-redevelopment.
Requested Information

Developers interested in participating in the RFI should provide the City of Minnetonka with the following information and fill out and return the form in Attachment C for Consent for Release of Response Data.

1. Company name
2. Company full address
3. Company phone number
4. Company website
5. Contact name
6. Contact phone number
7. Contact email
8. Company Information: Brief description of the company, size of the company, years in business, and type of entity.
9. Explain why you are interested in the site
10. General approach and program: Include a description of how you would approach developing the property using one or both of the parcels. Explain your general ideas of what type of use(s) you would develop. Explain how you would meet the functional and technical requirements described in this RFI and describe how you plan to meet the financial goals of the city.
11. Recent projects: Include a brief description of recent projects that your company has completed. Provide at least three previous projects and a description of the project scope, date completed, client and cost.
12. Additional information: Include any additional information if desired.
**Submission of Responses**

**Contact Info**

Developers interested in participating in the RFI process need to submit the requested information to the city of Minnetonka by **Friday, October 7, 2016**. All developers should email their information in one PDF document to the attention of:

**Email:**

Julie Wischnack, AICP  
[jwischnack@eminnetonka.com](mailto:jwischnack@eminnetonka.com)  
(952) 939-8282

Developers must ensure that the requested information is sent before the closing date of **October 7, 2016**. Responses not received by the due date will not be considered.

**RFI Related Questions**

All questions related to this RFI must be submitted by noon on **September 16, 2016** by email or phone and should be directed to Julie Wischnack. All questions received will be collected, answered and distributed to the group of interested parties.

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**RFI Schedule**

RFI key dates are the following:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 19, 2016</td>
<td>RFI made available to developers</td>
</tr>
<tr>
<td>September 16, 2016 at 12:00 p.m.</td>
<td>Deadline for submitting questions</td>
</tr>
<tr>
<td>September 23, 2016</td>
<td>Date that the city will respond to all questions</td>
</tr>
<tr>
<td>October 7, 2016</td>
<td>Deadline for receiving RFI responses</td>
</tr>
<tr>
<td>October 10, 2016 to November 7, 2016</td>
<td>Staff review of RFI responses. Staff will select developer’s that will proceed to city council interviews.</td>
</tr>
<tr>
<td>November 14, 2016 at 12:00 p.m.</td>
<td>Selected developers will be invited to present to the city council of Minnetonka (presentation meetings, not negotiation meetings)</td>
</tr>
<tr>
<td>December 2016</td>
<td>Developer will be notified of selection</td>
</tr>
<tr>
<td>TBD, 2017</td>
<td>Negotiation of terms of purchase. If the city and the selected developer are unable to reach an agreement, other developers will be considered.</td>
</tr>
</tbody>
</table>

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09/26/16 Update: Interviews will be conducted sometime after 4 p.m.
Evaluation and Selection Process

The city of Minnetonka may seek to engage in follow-up discussions with any or all of the respondents. The city will arrange with the respondents for the time, date and location of the discussions. The submission of a response does not guarantee the opportunity to participate in the discussions.

The city of Minnetonka will evaluate the responses to the RFI based on the respondent’s ability to:

- Meet the functional and technical requirements described in this RFI.
- Provide an appropriate approach and general program for redeveloping the site.
- Provide a financial solution that meets the financial goals of the city.
- Demonstrate expertise as evidenced by the RFI responses.

After the due date for developer submissions, the city will send a notice to the selected respondent(s).

RFI Terms and Conditions

Liabilities of City of Minnetonka

This RFI is only a request for information about potential developer services and no contractual obligation on behalf of the city of Minnetonka whatsoever shall arise from the RFI process. The selection team will evaluate all submittals and select the developer determined to be the most qualified for further consideration and interviews. The selection team will then select a preferred developer or developers to negotiate a developer-initiated proposal for the redevelopment of the land.

This RFI does not commit the city of Minnetonka to pay any cost incurred in the preparation or submission of any response to the RFI.

To the best of the city’s knowledge, the information provided herein is accurate. However, the city makes no representations or warranties whatsoever with respect to this RFI or the Properties, including representations and warranties as to the accuracy of any information or assumptions contained in this RFI or otherwise furnished to respondents, site and environmental conditions on the Properties or the suitability of the Properties, or any portion thereof, for any specific uses or development. Respondents should undertake appropriate investigation in preparation of submitting a response. A site inspection will be coordinated to give all respondents the opportunity to examine existing conditions.

Confidentiality and RFI Ownership

This RFI is both confidential and proprietary to the city of Minnetonka, and the City reserves the right to recall the RFI in its entirety or in part. Developers agree that they will not duplicate, distribute or otherwise disseminate or make available this document or the information contained in it without the written consent of the city.

Developers shall not include or reference this RFI in any publicity without prior written approval from the city of Minnetonka, which, if granted, shall be granted by the city. Developers must accept all of the foregoing terms and conditions without exception. All responses to the RFI will become the property of city of Minnetonka.
Project References

ATTACHMENT A: SITE LOCATION AERIAL

ATTACHMENT B: SITE SURVEY

ATTACHMENT C: CONSENT WAIVER

Project Website

The following information can be found on the Shady Oak Redevelopment Project website:

- Phase I ESA
- Phase II ESA (2014 and 2016 versions)
- 2016 Geotechnical Exploration and Engineering Review
- Past Meeting Information:
  2. February 11, 2016
  4. April 7, 2016
Request For Developer Interest Shady Oak Redevelopment Project

ATTACHMENT A: SITE LOCATION AERIAL

Existing Land Use
- Residential
- Commercial
ATTACHMENT B: SITE SURVEY

CERTIFICATE OF SURVEY
THAT PART OF THE SOUTHEAST QUARTER SECTION 23, TOWNSHIP 117, RANGE 22 WEST, CITY OF MINNETONKA, HENNEPIN COUNTY, MINNESOTA

Legend:
- FOUND MONUMENT
- PROPERTY BOUNDARY
- EXISTING LOT LINE
- EASEMENT LINE
- EXISTING RIGHT-OF-WAY LINE
- TEMPORARY EASEMENT LINE
- RIGHT-OF-WAY EASEMENT LINE

1. Owner: EGR Premier Properties, LLC.
2. Address: 4392 Oak Drive Lane
   Minnetonka, MN 55343
4. The associated Legal description was found on Torrens Certificate Number 11310250.
5. The surface and topographic data was provided by others and is believed to be a representation of the site conditions previous to construction, and is for reference only.
6. Boundary data was provided by others, and is for reference only.

Lot 16, Block J, Ginkels Oakridge Addition

1. Owner: Edward H. Ring Credit Shelter Trust
2. Address: 4312 Shady Oak Road
   Minnetonka, MN 55343
4. The associated Legal description was found on Torrens Certificate Number 1122340.
5. The surface and topographic data was provided by others and is believed to be a representation of the site conditions previous to construction, and is for reference only.
6. Boundary data was provided by others, and is for reference only.

Lot 20, Block J, Ginkels Oakridge Addition

1. Owner: EGR Premier Properties, LLC.
2. Address: 4392 Oak Drive Lane
   Minnetonka, MN 55343
4. The associated Legal description was found on Torrens Certificate Number 11310250.
5. The surface and topographic data was provided by others and is believed to be a representation of the site conditions previous to construction, and is for reference only.
6. Boundary data was provided by others, and is for reference only.

Lot 19, Block J, Ginkels Oakridge Addition

1. Owner: Edward H. Ring Credit Shelter Trust
2. Address: 4312 Shady Oak Road
   Minnetonka, MN 55343
4. The associated Legal description was found on Torrens Certificate Number 1122340.
5. The surface and topographic data was provided by others and is believed to be a representation of the site conditions previous to construction, and is for reference only.
6. Boundary data was provided by others, and is for reference only.

Lot 20, Block J, Ginkels Oakridge Addition
ATTACHMENT C: CONSENT

Form of Consent for Release of Response Data

___________, 20____

City of Minnetonka
Department of Community Development
14600 Minnetonka Boulevard
Minnetonka, MN 55345

Re: __________________________________ Request for Information
    Consent for Release of Response Data

______________________________________, on behalf of
______________________________________, hereby consents to the release of its development
proposal in response to the __________________ Request for Information
and waives any claims it may have under Minnesota Statutes Section
13.08 against the City of Minnetonka for making such information public. The
foregoing consent and waiver does not extend to financial statements submitted under
separate confidential cover.

Print Name  ______________________________________

Signature  ______________________________________