Agenda
Minnetonka City Council
Regular Meeting, Monday, March 14, 2016
6:30 P.M.
Council Chambers

1. Call to Order
2. Pledge of Allegiance
3. Roll Call: Wiersum-Bergstedt-Wagner-Ellingson-Allendorf-Acomb-Schneider
4. Approval of Agenda
5. Approval of Minutes: February 29, 2016 regular council meeting
6. Special Matters:
   A. Proclamation for 2016 Empty Bowls Event
7. Reports from City Manager & Council Members
8. Citizens Wishing to Discuss Matters Not on the Agenda
9. Bids and Purchases:
   A. Bids for 2016 Street Rehabilitation project, Libb’s Lake area
      Recommendation: Award the contract (majority vote)
10. Consent Agenda - Items Requiring a Majority Vote: None
11. Consent Agenda - Items Requiring Five Votes: None
12. Introduction of Ordinances:
   A. Items concerning 14840 and 14900 State Highway 7:
      1) Ordinance rezoning a portion of 14840 State Highway 7 from B-1, Office, to PUD, Planned Unit Development;
      2) Ordinance amending the existing master development plan;
      3) Site and building plan review;
      4) Conditional use permit; and
      5) Preliminary and final plats.

Minnetonka City Council meetings are broadcast live on channel 16.
Replays of this meeting can be seen during the following days and times: Mondays, 6:30 pm, Wednesdays, 6:30 pm,
Fridays, 12:00 pm, Saturdays, 12:00 pm. The city’s website also offers video streaming of the council meeting.
For more information, please call 952.939.8200 or visit eminnetonka.com
Recommendation: Introduce the ordinances and refer to the planning commission (4 votes)

13. Public Hearings:

A. On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for Urbank Coffee LLC (Dunn Bros. Coffee), 14525 State Highway 7

Recommendation: Continue the public hearing and grant the licenses (5 votes)

B. On-sale liquor license for RS Sports Grill, 12501 Ridgedale Drive

Recommendation: Close the public hearing (4 votes)

C. On-sale liquor license for Redstone American Grill, Inc., 12401 Wayzata Boulevard

Recommendation: Open the public hearing and continue to April 11, 2016 (4 votes)

D. 2016 Community Development Block Grant funds

Recommendation: Hold the public hearing and adopt the resolution (4 votes)

14. Other Business:

A. Items concerning Williston Woods West, a five-lot subdivision at 5431 and 5439 Williston Road:

1) Ordinance rezoning the properties from R-1 to PUD and adopting a master development plan;
2) Preliminary plat; and
3) Final site and building plan.

Recommendation: Adopt the ordinance and resolutions approving the proposal

B. Increase the unit count for Cherrywood Pointe of Minnetonka at 2004 Plymouth Road

Recommendation: Approve the increase in units (4 votes)

C. Concept Plan for redevelopment of the TCF Bank site at 1801 Plymouth Road

Recommendation: Discuss concept plan with the applicant. No formal action required.
D. Resolution approving Opus Area Bridge improvement layout and authorizing easement acquisition

Recommendation: Adopt the resolution (majority vote)

E. 2016 Assessment Report

Recommendation: Receive the report

15. Appointments and Reappointments: None

16. Adjournment
Minutes
Minnetonka City Council
Monday, February 29, 2016

1. Call to Order

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

2. Pledge of Allegiance

All joined in the Pledge of Allegiance.

3. Roll Call

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

4. Approval of Agenda

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

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

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

6. Special Matters: None

7. Reports from City Manager & Council Members

City Manager Geralyn Barone reported on upcoming meetings and events.

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

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

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

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

8. Citizens Wishing to Discuss Matters not on the Agenda

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

9. Bids and Purchases:
   A. Bids for the Public Works Building Expansion Project

   Barone gave the staff report.

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

10. Consent Agenda – Items Requiring a Majority Vote:
   A. Ordinance amending City Code Section 300.02, regarding zoning ordinance definitions

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

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

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

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

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

   Community Development Director Julie Wischnack gave the staff report.

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

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

14. Other Business:

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

   Wischnack gave the staff report.

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

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

   Gordon gave the staff report.

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

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

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

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

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

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

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

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

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

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

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

C. Resolution amending the Glen Lake contract

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

15. Appointments and Reappointments:

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

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

16. Adjournment

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

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

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

David E. Maeda
City Clerk
City of Minnetonka
Proclamation
2016 Empty Bowls Event
Tuesday, March 15, 2016

WHEREAS, Minnetonka’s local ICA food shelf distributed more than 1.47 million pounds of food in 2015; and ResourceWest assisted more than 10,000 people in 2015; and

WHEREAS, Empty Bowls is an international grassroots project to raise money for local food shelves, and in the 18 years of Empty Bowls events in our community, more than $934,478 has been raised for local food shelves; and

WHEREAS, the 18th annual Empty Bowls event is Tuesday, March 15, at the Hopkins Center for the Arts, with the goal of raising $80,000 for local food shelves ICA and ResourceWest. Participants may choose a handmade bowl, enjoy soup and bread donated by local businesses, make a donation, then keep their bowl as a reminder of all the empty bowls in the community and the world.

NOW, THEREFORE, BE IT RESOLVED, that the Minnetonka City Council declares March 15, 2016, to be Empty Bowls Day in the city of Minnetonka, and urges residents to participate in the Empty Bowls event by making a donation, making a bowl, or volunteering.

______________________________
Terry Schneider, Mayor
March 14, 2016
Brief Description: Bids for the 2016 Street Rehabilitation project, Libb’s Lake area

Recommended Action: Award the contract

Background

On February 8, 2016, the city council adopted a resolution accepting the plans and specifications and authorizing the advertisements for bids for the 2016 street Rehabilitation Project in the Libb’s Lake area. The following streets are included in the project:

Full Reconstruction (Libb’s Lake South)
- Woodlawn Avenue
- Prospect Place
- Shores Boulevard
- Larchmore Avenue
- Highland Avenue
- Lake Shore Boulevard
- Gray’s Bay Boulevard (South of Gray’s Bay/Libb’s Lake Bridge)
- Cottage Grove Avenue
- Edgewood Avenue
- Park Lane

Mill and Overlay (Libb’s Lake North)
- Fairchild Avenue
- Tonka Trail
- Tonkaha Drive
- Meadowbrook Lane
- Gray’s Bay Boulevard (North of Gray’s Bay/Libb’s Lake Bridge)

Bid Opening

Bids were opened for the project on March 1, 2016. Three bids were received in response to the call for bids, and the results are as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Total Bids</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMH Asphalt Corporation</td>
<td>$7,267,853.82</td>
</tr>
<tr>
<td>Valley Paving, Inc.</td>
<td>$7,317,316.19</td>
</tr>
<tr>
<td>Park Construction Company</td>
<td>$7,922,800.90</td>
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</table>
The low bidder, GMH Asphalt Corporation has satisfactorily completed similar projects in Minnetonka.

**Estimated Project Costs and Funding**

The total estimated construction cost, including engineering, administration, and contingency is $9,160,000. The budget amount for the project is shown below and is included in the 2016 – 2020 Capital Improvements Program (CIP).

<table>
<thead>
<tr>
<th>Budget Amount</th>
<th>Proposed Funding</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs</td>
<td>$7,300,000</td>
<td></td>
</tr>
<tr>
<td>Contingencies – 5%</td>
<td>$360,000</td>
<td></td>
</tr>
<tr>
<td>Engineering, Administration, &amp; Indirect Costs</td>
<td>$1,100,000</td>
<td></td>
</tr>
<tr>
<td>Easement Acquisition</td>
<td>$400,000</td>
<td></td>
</tr>
<tr>
<td>Street Improvement Fund – Local St Rehab</td>
<td>$4,000,000</td>
<td>$2,900,000</td>
</tr>
<tr>
<td>Street Improvement Fund – Local St Preserv</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
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<tr>
<td>Utility Fund</td>
<td>$5,118,200</td>
<td>$3,500,000</td>
</tr>
<tr>
<td>Storm Water Fund</td>
<td>$2,500,000</td>
<td>$1,450,000</td>
</tr>
<tr>
<td>MCES Agreement</td>
<td>$310,000</td>
<td>$310,000</td>
</tr>
<tr>
<td><strong>Total Budget</strong></td>
<td><strong>$12,928,200</strong></td>
<td><strong>$9,160,000</strong></td>
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The attached “2016 Street Rehabilitation Funding Summary” provides a recap of estimated costs and funding sources for all 2016 street projects. Staff continues discussions with the property owners at the low point of Lake Shore Boulevard regarding the potential purchase of their property for construction of a stormwater pond. If an agreement is reached, remaining Storm Water Funds may be used for these improvements. This item would be brought forward in the future for Council consideration as a stand-alone project.

**Schedule**

If the recommended actions are approved by council, construction would likely begin in late April or early May.

**Recommendation**

Award the contract for the 2016 Street Rehabilitation Project Libb’s Lake area, Project No. 16401 to GMH Asphalt Corporation in the amount of $7,267,853.82.

Submitted through:
Geralyn Barone, City Manager
Will Manchester, P.E., Director of Engineering
Originated by:
   Phil Olson, P.E., Engineering Project Manager
## 2016 Street Rehabilitation Funding Summary

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016 CIP</th>
<th>2015 Carryover ¹</th>
<th>Libb's Lake Area</th>
<th>4th Street</th>
<th>Oakland Road ²</th>
<th>Estimated Funding</th>
<th>Balance ³</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Improvement Fund -Local Stree Rehab</td>
<td>$4,000,000</td>
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<td>Street Improvement -Local Street Preserv ³</td>
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<td>Storm Sewer Fund</td>
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<td>Utility Fund</td>
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<td>$865,000</td>
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<td>MCES</td>
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<td>$310,000</td>
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<tr>
<td><strong>Total Project Cost</strong></td>
<td>$13,488,200</td>
<td>$1,000,000</td>
<td>$9,160,000</td>
<td>$63,000</td>
<td>$1,845,000</td>
<td>$3,420,200</td>
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</tr>
</tbody>
</table>

¹ Estimated Project Savings from 2015 Pavement Rehabilitation Project.

² Based on the current estimate, the Capital Improvements Program (CIP) will likely need to be amended at the time of bid award to reflect additional funds needed for the street portion of the work.

³ $560,000 balance of total CIP appropriation for local street preservation to be used for Public Works Department projects.
2016 Rehabilitation Program

- Full Reconstruction Area
- Mill and Overlay Area

This map is for illustrative purposes only.
Brief Description

Items concerning 14840 and 14900 State Highway 7:

1) Ordinance rezoning a portion of 14840 State Highway 7 from B-1, Office, to PUD, Planned Unit Development;
2) Ordinance amending the existing master development plan;
3) Site and building plan review;
4) Conditional use permit; and
5) Preliminary and final plats.

Recommendation

Introduce the ordinances and refer them to the planning commission.

Background

1976. The city council approved construction of a retail building on the east side of the 14900 State Highway 7 property. This building is currently occupied by Bunker Golf.

1986. The city rezoned the property to PUD and adopted a master development plan. This allowed construction of a second retail building on the west side of the site. This building is currently occupied by Youngstedt’s Minnetonka Goodyear.

Proposal

The Lindsay Group has submitted applications and plans for significant changes to the easterly building. As proposed, both the interior and exterior of building would be remodeled to accommodate a physical therapy/sports rehabilitation clinic and two smaller, complementary tenants. To serve the remodeled building and new tenants, several site changes are also proposed, including: additional parking on the east side of the building, an internal drive connection north of the building, and a “right-out” driveway onto Highwood Drive. (See pages A1–A8.)

The proposal requires:

- **Rezoning.** The new parking area on the east side of the building would be located on property currently owned by the city and zoned B-1, office. (See pages A4–A6.) Rezoning is required to incorporate the parking area into the larger, commercial site. (The property acquisition would be discussed when the full land use request is considered.)
Master Development Plan Amendment. By city code, an amendment to an existing master development plan is required for any substantial alteration of parking areas or roads.

Site and Building Plan Review. By city code, site and building plan review is required for any change to an existing building or property that would result in a different intensity of use.

Conditional Use Permit. By city code, medical clinics are conditionally permitted uses with PUDs.

Preliminary and Final Plat. The proposed plats would create two lots, allowing for separate ownership.

Neighborhood Meeting

The Lindsay Group held a neighborhood meeting on March 8, 2016. The meeting was attended by eight area residents who generally expressed support for the proposed building design and small, private practice medical use. However, the residents were: (1) opposed to any access – exit or otherwise – onto Highwood Drive; (2) concerned about the removal of green space/trees behind the building; and (3) frustrated about the condition of an existing fence along the north property line.

Issue Identification

The purpose of an ordinance introduction is to give the city council the opportunity to review a new application before referring it to the planning commission for a recommendation. Introducing an ordinance does not constitute an approval. The planning commission review of the proposal is tentatively scheduled for March 31, 2016.

Based on preliminary review of the proposal, staff has identified two issues that will be particularly analyzed as the formal review continues:

- Land Use. Medical uses generally require higher parking requirements than retail uses. These items will be reviewed.

- Site Design. The proposed parking area, driveway, and access points will be particularly reviewed for consistency with city ordinance and basic traffic engineering principals.

Staff Recommendation

Staff recommends the city council:
1) Introduce the rezoning and master development plan amendment ordinances and refer them to the planning commission. (See pages A10–A14.)

2) Approve or modify the proposed notification area. (See page A16.)

Submitted through:
Geralyn Barone, City Manager
Julie Wischnack, AICP, Community Development Director
Loren Gordon, AICP, City Planner

Originated by:
Susan Thomas, AICP, Assistant City Planner
Location Map

Project: Lindsay Group
Applicant: ESG Architects
Address: 14900 State Hwy No 7
Project No. 86091.16a

This map is for illustrative purposes only.
February 12, 2016

MEMORANDUM

TO: City of Minnetonka

FROM: Nate Enger, Architect
ESG Architects
500 Washington Avenue South
Minneapolis, MN 55415

RE: Land Use and Conditional Use Permit Application for the Minnetonka Office Building

The attached applications are intended to address the proposed adaptive re-use of the existing Bunker Indoor Golf Building located at 14900 Highway 7. The project proposal consists of the partial demolition and re-use of the existing Bunker Building structure for the purpose of developing a new mixed use retail medical office. The anticipated occupancy of the building will consist of one larger anchor medical tenant with up to two smaller tenants based on market demand. Finished square footage for the building envelope will be approximately 10,900 s.f. Additional parking is proposed on the East side of the property to support the new uses, as well two new curb cuts, a right out only along Highwood Drive, and a right in, right out along the Highway 7 Frontage Road.

The exterior composition of the proposed new structure has been developed in compliance with City material standards; a concept landscape plan has been provided to indicate proposed planting areas and site features.

Our team looks forward to executing this project with the support of the City. Questions or comments in regards to the Architectural portions of this submittal can be addressed to Melissa Lockhart (melissa.lockhart@esgarch.com) at 612.373.4614.
The Lindsay Group
14900 State Highway #7
86091.16a

EXISTING CONDITIONS

LEGAL DESCRIPTION:

Lot part of Lot 1, Block 3, Hennepin County, Minnesota lying north of the line parallel with and distant 365 feet West of the East line of said Lot 1,


LEGAL DESCRIPTION:

Area:

Site Area (Including State Highway No. 7 ROW) = 101,721 Sq. Ft. (2.34 Acres)

Tonkawood Farms.

That part of Lot 1, Block 2, Hennepin County, Minnesota lying West of a line parallel with and distant 365 feet West of the East line of said Lot 1,


LEGAL DESCRIPTION:

Area:

Site Area (Including State Highway No. 7 ROW) = 101,721 Sq. Ft. (2.34 Acres)

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Site Area (Including State Highway No. 7 ROW) = 101,721 Sq. Ft. (2.34 Acres)

Tonkawood Farms.

That part of Lot 1, Block 2, Hennepin County, Minnesota lying West of a line parallel with and distant 365 feet West of the East line of said Lot 1,


LEGAL DESCRIPTION:

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Tonkawood Farms.

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Tonkawood Farms.

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LEGAL DESCRIPTION:

Site Area (Including State Highway No. 7 ROW) = 101,721 Sq. Ft. (2.34 Acres)

Tonkawood Farms.

That part of Lot 1, Block 2, Hennepin County, Minnesota lying West of a line parallel with and distant 365 feet West of the East line of said Lot 1,
LEGAL DESCRIPTION:

That part of OUTLOT A, HIGHWOOD DRIVE ADDITION, Hennepin County, Minnesota lying westerly of the following described line:

Commencing at the Northwest corner of said OUTLOT A; thence on an assumed bearing of North 79 degrees 27 minutes 58 seconds East, along the northerly line of said OUTLOT A, which is also the southerly line of Highwood Drive, a distance of 40.05 feet, to the point of beginning of the line being described; thence South 10 degrees 29 minutes 33 seconds East, a distance of 87.59 feet, to the southerly line of said OUTLOT A, which is also the northerly line of the Frontage Road of State Highway No. 7, said line there terminating, subject to any easements of record, if any.
Legal Description:

That part of Lot 1, Block 2, TONKAWOOD FARMS, lying West of a line parallel with and distant 365 feet West of the East line of said Lot 1, and also that part of the public right of way of Highway 7 Phoenix Limited Partnership, commencing at the Northwest corner of said OUTLOT A; thence on an assumed bearing of North 79 degrees 27 minutes 58 seconds East, along the northerly line of said OUTLOT A, which is also the southerly line of Highwood Drive, a distance of 40.05 feet, to the point of beginning of the line being described; thence South 10 degrees 29 minutes 33 seconds East, a distance of 87.59 feet, to the southerly line of said OUTLOT A, which is also the northerly line of the Frontage Road of State Highway No. 7, said line there terminating, subject to any easements of record, if any, in Hennepin County, Minnesota.

Contract Information:

Applicant: Lindsay Group
Jonathan J. Lindsay
3450 County Road 101
Minnetonka, MN 55345
952-931-3131

Land Owner(s): City of Minnetonka
(City of Minnetonka)
14600 Minnetonka Blvd.
Minnetonka, MN 55345
952-939-8200

Highway 7 Phoenix Limited Partnership
(Steven L. Youngstedt)
4711 Shady Oak Road
Hopkins, MN 55343

Consultant: Probe Engineering Co. Inc.,
(Mike Brandt)
1000 E. 146th Street
Burnsville, MN 55337
952-432-3000

Setbacks:

Front Yard 50 Feet
Side Yard 35 Feet
Rear Yard 35 Feet

Areas:

Proposed Lots 1 & 2: 1.61 Ac.
State Highway No. 7: 0.85 Ac.
Gross Area: 2.46 Ac.
Net Density: 1.24 Lots per Acre
Gross Density: 0.81 Lots per Acre

Existing Zoning: PUD- Zoning District B-2 - Limited Business District (Commercial)

Proposed Zoning: PUD- Zoning District B-2 - Limited Business District (Commercial)
Ordinance No. 2016-

Ordinance rezoning a portion of the existing property at 14840 State Highway 7 from B-1, office, to PUD, planned unit development.

The city of Minnetonka Ordains:

Section 1.

1.01 A portion of the property at 14840 State Highway 7 is hereby rezoned from B-1, office, to PUD, planned unit development.

1.02 The area is legally described as:

That part of OUTLOT A, HIGHWOOD DRIVE ADDITION, Hennepin County, Minnesota lying westerly of the following described line:

Commencing at the Northwest corner of said OUTLOT A; thence on an assumed bearing of North 79 degrees 27 minutes 58 seconds East, along the northerly line of said OUTLOT A, which is also the southerly line of Highwood Drive, a distance of 40.05 feet, to the point of beginning of the line being described; thence South 10 degrees 29 minutes 33 seconds East, a distance of 87.59 feet, to the southerly line of said OUTLOT A, which is also the northerly line of the Frontage Road of State Highway No. 7, said line there terminating, subject to any easements of record, if any.

Section 2.

2.01 This ordinance is based on the following findings:

1. The rezoning would be consistent with the intent of the zoning ordinance and of the comprehensive guide plan.

2. The rezoning would be consistent with the public health, safety, and welfare.
Section 3. A violation of this ordinance is subject to the penalties and provisions of Chapter XIII of the city code.

Section 4. This ordinance is effective immediately.

Adopted by the city council of the City of Minnetonka, Minnesota, on __________, 2016.

____________________________________
Terry Schneider, Mayor

ATTEST:

____________________________________
David E. Maeda, City Clerk

Action on this ordinance:

Date of introduction: March 14, 2016
Date of adoption: ____________
Motion for adoption: ____________
Seconded by: ____________
Voted in favor of: ____________
Voted against: ____________
Abstained: ____________
Absent: ____________
Ordinance adopted.

Date of publication: ____________

I certify that the foregoing is a correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota at a regular meeting held on ____________, 2016.

____________________________________
David E. Maeda, City Clerk
Ordinance No. 2016-
An ordinance amending the existing master development plan for the property at 14900 State Highway 7

The city of Minnetonka Ordains:

Section 1.

1.01 In 1986 the city approved a master development plan for the property located at 14900 State Highway 7. The property is legally described as:

That part of Lot 1, Block 2, TONKAWOOD FARMS, lying West of a line parallel with and distant 365 feet West of the East line of said Lot 1, and also That part of OUTLOT A, HIGHWOOD DRIVE ADDITION, lying westerly of the following described line:

Commencing at the Northwest corner of said OUTLOT A; thence on an assumed bearing of North 79 degrees 27 minutes 58 seconds East, along the northerly line of said OUTLOT A, which is also the southerly line of Highwood Drive, a distance of 40.05 feet, to the point of beginning of the line being described; thence South 10 degrees 29 minutes 33 seconds East, a distance of 87.59 feet, to the southerly line of said OUTLOT A, which is also the northerly line of the Frontage Road of State Highway No. 7, said line there terminating, subject to any easements of record, if any, all in Hennepin County, Minnesota.

1.02 This ordinance hereby amends that master development plan as it pertains to the east half of the site.

Section 2.

2.01 This ordinance is based on the following findings:

1. The amendment would be consistent with the intent of the zoning ordinance and of the comprehensive guide plan.
2. The amendment would not negatively impact the public health, safety, and welfare.

Section 3.

3.01 Approval is subject to the following conditions:

1. The site must be developed and maintained in substantial conformance with the following plans, unless modified by the conditions below:
   - Architectural Site Plan, dated 02/12/16
   - Grading and Drainage Plan, dated 02/12/16
   - Building renderings, dated 02/12/16
   - Architectural Landscape Plan, dated 02/12/16

2. Development must further comply with all conditions as outlined in City Council Resolution Nos. 2016-xx and 2016-xx, adopted by the Minnetonka City Council on _____________, 2016.

Section 4. A violation of this ordinance is subject to the penalties and provisions of Chapter XIII of the city code.

Section 5. This ordinance is effective immediately.

Adopted by the city council of the City of Minnetonka, Minnesota, on _____________, 2016.

Terry Schneider, Mayor

ATTEST:

David E. Maeda, City Clerk
Action on this ordinance:

Date of introduction: March 14, 2016
Date of adoption:
Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Ordinance adopted.

Date of publication:

I certify that the foregoing is a correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota at a regular meeting held on ________________, 2016.

______________________________
David E. Maeda, City Clerk
REQUIRED 400 FT NOTICE
City Council Agenda Item #13A
Meeting of March 14, 2016

Brief Description
On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for Urbank Coffee LLC (Dunn Bros. Coffee), 14525 State Highway 7

Recommendation
Continue the public hearing and grant the licenses

Background
The city has received applications from Urbank Coffee, LLC (Dunn Bros. Coffee), for on-sale wine and on-sale 3.2 percent malt beverage liquor licenses. (See page A2-A3). The anticipated opening date is June 2016.

Dunn Bros. Coffee was established in 1988 and has 85 stores in 9 states. Each location is individually owned and operated. In 2014, Dunn Bros. Coffee launched a new concept by expanding their menu to include all-day food options such as sandwiches, salads, and flatbreads as well as wine and beer in some locations.

Business Ownership
Urbank Coffee, LLC is equally owned by Richard and Norma Gunderson. Norma Gunderson will also serve as the general manager. She resides in Blaine and meets the metro-area residency requirements of the city’s liquor ordinance.

The owners are planning to relocate to Minnetonka as they feel it is very important to live and work in the community.

Business Operations
Hours of operation will vary by season but will typically operate from 5:30 a.m. to 9 p.m. seven days a week. Projected sales from beer and wine are expected to be approximately 85% coffee/food and 15% wine/beer.

Staff will include 3-4 full-time employees and 10-12 part-time employees. All employees will receive intensive training on drink safety and applicable laws (See page A2).

Ms. Gunderson has recent experience working for a Dunn Bros. Coffee shop that was licensed to serve wine and beer.

Outdoor Eating Area
The licensed premise will include the existing outdoor patio, which was approved with the site and building plan review in November 2015. The patio is a cordoned area with
at least one opening to an acceptable pedestrian walk. When a liquor license is involved, an enclosure is required and the enclosure shall not be interrupted; access must be only through the principal building.

**Application Information**

Dunn Bros. Coffee was approved for a conditional use permit in November 2015 for restaurant use and a drive up facility.

Application information and license fees have been submitted. The police department’s investigative report is complete and will be forwarded to the council separately.

**Recommendation**

Staff recommends that the city council continue the public hearing from February 8, 2016 and grant the licenses.

Submitted through:
- Geralyn Barone, City Manager
- Julie Wischnack, AICP, Community Development Director

Originated by:
- Kathy Leervig, Community Development Coordinator
Location Map

Dunn Bros Coffee
14525 State Hwy 7

This map is for illustrative purposes only.
The business will be a Dunn Bros. Coffee franchise. It will be open from 5:30 AM to 9:00 PM (Hours may vary by season). The facility will serve coffee, assorted cold drinks, beer and wine. It will have an all-day food menu. Beer and wine are estimated to make up 15% of sales, food at 35% of sales and coffee products at 50% of sales. The facility will have a drive-through with room for five vehicle stacking in the drive-up lane.

The facility will be managed by Norma Gunderson, co-owner of the facility. She has almost two years of experience working at Dunn Bros. franchises, including one that served wine and malt liquor. Her spouse, Richard Gunderson and her son, Jonathan Salazar will be assistant managers. All are over 21 years of age. There will be approximately 3-4 full time employees and 10-12 part time employees working at the facility. All will receive training from authorized individuals.

No one under the age of 18 will be allowed to serve wine or beer in the facility. No one under the age of 21 will be allowed to consume wine or beer. All customers who order an alcoholic beverage will be asked for a valid identification according to the State of Minnesota which include:

- A valid drivers' license issued by Minnesota, another state or Canada and including the photograph and date of birth of the person;
- A valid identification card issued by Minnesota, another state or Canada and including the photograph and date of birth of the person;
- A valid military ID issued by the US Dept. of Defense
- A valid passport issued by the United States or a foreign country

Dunn Brothers provides 2 weeks of intensive training for the facility, and an additional week during the facility’s opening. Training includes food and drink safety and applicable laws. It is intensive training for the preparation of all drinks, food and in-store management.

Dunn Brothers has recently hired a full time staffed individual to concentrate on all aspects of drinks served at their franchises, including coffee, cold drinks, wine and malt liquors.
Brief Description
On-sale liquor license for RS Sports Grill, 12501 Ridgedale Drive

Recommendation
Close the public hearing

Background
The city received an application from RS Sports Grill (Red Stone Sports Grill) for a new on-sale intoxicating liquor license at 12501 Ridgedale Drive in February 2016. The site is currently occupied by Redstone American Grill, Inc. The public hearing was scheduled for February 8. On the day of the meeting, the attorney for the owner of the property provided a letter to the city stating that his client, Richard Rotenberg, did not consent to a sublease of the property from Redstone to RS Sports Grill. (See pages A2-A3). The letter was provided to the council and the meeting was continued to March 14, 2016.

The applicant has decided to withdraw its application for a new liquor license at 12501 Ridgedale Drive. Redstone American Grill, Inc. will continue to operate a restaurant at that location under the existing 2016 liquor license, which was approved December 21, 2015. (See page A1). The licensee will do business as RS Sports Grill; city ordinances do not require council approval of a change in trade name only.

Recommendation
The applicant is withdrawing its request for a new liquor license. Redstone American Grill, Inc. will continue to operate and hold the liquor license at 12501 Ridgedale Drive. Staff recommends that the city council close the public hearing. No further council action is required.

Submitted through:
Geralyn Barone, City Manager
Julie Wischnack, AICP, Community Development Director

Originated by:
Kathy Leervig, Community Development Coordinator
March 3, 2016

City of Minnetonka
14600 Minnetonka Blvd
Minnetonka MN 55345

RE: Redstone American Grill, Inc.
12501 Ridgedale Drive
Minnetonka MN 55305

To Whom It May Concern:

I, Craig Oberlander, President of Redstone American Grill, Inc. do hereby respectfully request that at the March 14th City Council meeting the previously submitted application for a new On-Sale & Sunday On-Sale Intoxicating Liquor License for the above referenced premise be withdrawn.

Redstone American Grill, Inc. intends to continue to operate under the current license at the above referenced location with a DBA of RS Sports Grill effective after the opening of Redstone American Grill at the new Ridgedale location.

Sincerely,

Craig Oberlander
February 8, 2016

VIA EMAIL

Mayor Terry Schneider
tschneider@eminnetonka.com
City of Minnetonka
14600 Minnetonka Blvd
Minnetonka, MN 55345

Ms. Geralyn Barone
gbarone@eminnetonka.com
City Manager
City of Minnetonka
14600 Minnetonka Blvd
Minnetonka, MN 55345

Ms. Kathy Leervig
kleervig@eminnetonka.com
Community Development Coordinator
City of Minnetonka
14600 Minnetonka Blvd
Minnetonka, MN 55345

Re: Public Hearing Notice On-Sale Liquor License: Application from RS Sports Grill (Red Stone Sports Grill) for an on-sale intoxicating liquor license at 12501 Ridgedale Drive

Dear Mayor Schneider, Ms. Leervig and Ms. Barone:

We represent The Rotenberg Companies Inc., the owner of the subject property at 12501 Ridgedale Drive. The Redstone Grill restaurant premises currently leased by Redstone American Grill, Inc. ("Redstone") from my client are located on this property. Also located on this property is my client's office building, commonly referred to Ridgedale Executive Center.

My client just received the above-referenced public hearing notice in the mail. We understand that the matter is on the City Council's agenda for tonight's meeting.

Please note that Redstone requested my client's consent to a sublease of its Redstone restaurant premises to RS Sports Grill, LLC and to a change in the trade name under which the premises are operated to "RS Sports Grill." We understand these requests were made in effort to implement a conversion of the existing Redstone Grill restaurant to a new concept, sports-oriented restaurant, which Redstone refers to as an 'RS Sports Grill.' My client, as the landlord with various approval rights under the lease, has not approved that proposed sublease nor the proposed change in trade name due, in part, to concerns that the new concept will not integrate favorably with use of the remainder of the property. This has been communicated to Redstone previously. Accordingly, my client does not believe that issuing a liquor license to RS Sports Grill for the 12501 Ridgedale Drive property is appropriate. Given the short notice of tonight's meeting, neither my client nor I will be able to attend. However, we respectfully request that the foregoing be communicated to the City Council for their consideration in connection with the subject hearing.
February 8, 2016
Page 2

Please do not hesitate to contact me in regard to any questions you may have in this matter. Thank you.

Very truly yours,

[Signature]

Charles G. Carpenter III

cc: Karen Bjorkman (karen.bjorkman@maslon.com)
    Bill Mower (bill.mower@maslon.com)
December 30, 2015

The Rotenberg Companies
Attn: Richard Rotenberg
12455 Ridgedale Drive, Suite 103
Minnetonka, MN 55305

Redstone American Grill, Inc.
Attn: Craig Oberlander
7636 Executive Drive
Eden Prairie, MN 55344

RE: On-sale intoxicating liquor licenses for Redstone American Grill and RS Sports Grill, at 12501 Ridgedale Drive, Minnetonka

Dear Messrs. Rotenberg and Oberlander:

The purpose of this letter is to clarify the status of the liquor license, currently issued to Redstone American Grill, Inc., doing business as Redstone American Grill at 12501 Ridgedale Drive.

Redstone American Grill, Inc. currently holds a 2015 license for on-sale and Sunday on-sale of intoxicating liquor at that address. On August 19, 2015, the Minnetonka city council approved the transfer of that license to a new location at the Ridgedale mall. The mall location did not open prior to the renewal deadline for the license, and therefore on December 21, 2015, the city council renewed the license for 2016 at the existing license. The prior approval of the license transfer remains in effect and will be operative when Redstone American Grill opens at its new location.

Redstone American Grill, Inc. has informed the city that it proposes to open a new restaurant under the business name of RS Sports Grill, to operate at the 12501 Ridgedale Drive location. A separate license is required for each location. The city code prohibits issuing more than two on-sale intoxicating licenses to the same licensee, but because RS Sports Grill will be the second license for Redstone American Grill, Inc., that code provision will not be triggered. Because the licensee has already been investigated and holds a license, the city will not require any additional investigation prior to issuing the new license. A public hearing will be required, per city ordinances. Staff is not aware of any facts at this time that would cause the staff to recommend denial of the new license.
To be clear – the change in operating name has no impact on the license. If Redstone American Grill, Inc. had changed its operating name without changing its location, the city would have administratively noted that in its records, and no further approval would have been required, so long as there was no change in the ownership of the licensee or the licensed establishment.

The change in operating name also has no impact on the conditional use permit (CUP) for the property at 12501 Ridgedale Drive. Under state law, a CUP remains in effect as long as its conditions are met. From a zoning standpoint, any restaurant – regardless of ownership or operating name – can operate at the premises, provided it complies with the conditions of the CUP.

Sincerely,

[Signature]

Corrine A. Heine
City Attorney
Business Development Plan:

“RS Sports Grill”

RS Sports Grill, (Red Stone Sports Grill) will occupy 12501 Ridgedale Dr, Minnetonka, MN 55305, which is the current location of Redstone American Grill. This will be a sports themed restaurant offering lunch and dinner Monday’s through Sundays, 11:00am to Midnight.

RS Sports Grill will strive to become the areas premier sports theme restaurant in Minnetonka. Our goal is to be step ahead of our competition. We want our guests to have more fun during their leisure time in a safe atmosphere. We will provide the most current audio and visual experience while featuring all your favorite sporting events with a emphasis on local teams. We will combine menu selection, atmosphere, ambiance, and outstanding service to create an environment welcoming family and friends.

The restaurant industry is a challenging market and without professionally managed facilities the failure rate can by high. RS Sports Grill has the resources of being owned and operated by Redstone American Grill. Redstone American Grill has been successfully in business since 1999 and operates 8 restaurants in 6 states. The management of RS Sports Grill will fall under this leadership. The combined experience from our corporate offices spans over 100 years in the restaurant industry. Many of the top executives have had several years experience running Champps Americana throughout the United States. That experience will prove to be our greatest assets in developing this new concept.

RS Sports Grill will be managed by a team consisting of :
   General Manager
   2 Front of House Managers
   Chef
   2 Sous Chef’s
RS Sports Grill will employ 30 servers, 15 bartenders, 10 host’s, 25 linecooks, 8 dishwashers, and 5 service support.

They will be supported by our field team in Minnesota.
   Michael Pargman, Director of Operations, Redstone American Grill
   Toby Butler, Director of Culinary, Redstone American Grill
   Kathy Rusnacko, Director of Training and Human Resources, Redstone American Grill

RS Sports Grill managers and hourly staff will undergo the same training programs we currently use in all our restaurants. Food safety is paramount and all our managers are Serve Safe Certified food handlers, a program recognized by the Minnesota Board of Health. The managers, servers and bartenders must also pass ServeSafe Alcohol training which is a nationally recognized program sponsored by the National Restaurant Association.
The development of our menu will be important to assist in delivering the sports theme while offering food that is fun to share and enjoyable for family and friends. The menu items have been created and tested in all our Redstone Grill locations. Each item has been featured in our restaurants with great success. We will continue to create and develop new items to remain current with our guest’s needs of quality and value. The focus of our business will be to continue to enhance our menu to higher standards.

RS Sports Grill will go through a short cosmetic change before we open to assist in enhancing the sports atmosphere. We intend to keep all of the buildings features, which will provide a northern Minnesota lodge experience. The natural woods and stone fireplaces along with the open kitchen and dining room will assist in offering great viewing for all your favorite sporting events.

The attachments included are the current menu we are developing and financial performer based on Food to Alcohol sales and Guest Count to Check Average.
City Council Agenda Item #13C
Meeting of March 14, 2016

**Brief Description**
On-sale liquor license for Redstone American Grill, Inc.,
12401 Wayzata Boulevard

**Recommendation**
Open the public hearing and continue to April 11, 2016

**Background**
Redstone American Grill is proposing to operate a restaurant within Ridgedale mall. In August 2015, the applicant requested and the council approved, a transfer of the existing liquor license to the new location at Ridgedale Mall upon final construction of the site. The construction of the restaurant is near completion and is anticipated to open in early May.

Redstone American Grill, Inc. has requested that a new license be issued rather than a transfer of the license. The applicant is requesting that the council rescind the transfer of the license to the new location at the continued public hearing meeting on April 11, 2016. (See page A1).

**Business Ownership & Operations**
There are no changes in the business ownership of Redstone American Grill, Inc. No police background check will be performed as the owners have already been approved as current business owners of another Minnetonka location. City Code §600.020 Subd. 4 allows no more than two on-sale intoxicating liquor licenses to be issued to the same person or entity in this city.

The operations will remain the same as for the existing Redstone American Grill restaurant. (See pages A2-A17.)

**Recommendation**
Staff recommends that the city council continue the public hearing to April 11, 2016. In April, the council action will include rescinding the original transfer.

Submitted through:
   Geralyn Barone, City Manager
   Julie Wischnack, AICP, Community Development Director

Originated by:
   Kathy Leervig, Community Development Coordinator
March 3, 2016

City of Minnetonka
14600 Minnetonka Blvd
Minnetonka MN 55345

RE: Redstone American Grill, Inc.
12401 Wayzata Blvd. #1080
Minnetonka MN 55305

To Whom It May Concern:

I, Craig Oberlander, President of Redstone American Grill, Inc., do hereby respectfully request that at the April 25th City Council Meeting, subject to final approval of a new On-Sale & Sunday On-Sale Intoxicating Liquor License for the above referenced location, the previously approved application to transfer the current liquor license from 12501 Ridgedale Drive Minnetonka MN 55305 to the above referenced location be withdrawn.

Thank you for your assistance.

Sincerely,

Craig Oberlander
SPIRITED, RUGGED AND ROMANTIC.

REDSTONE IS FOR PEOPLE WHO KNOW HOW TO CELEBRATE GREAT FOOD.
From the moment you walk into Redstone, you know you’re in for a truly special experience. Each guest is warmly greeted at the door with a genuine smile. The people here are glad to see you and it shows. As you pass the cozy fireplace and take in the view of the bustling bar, you know you’ve arrived.

Dining at Redstone is so much more than a delicious meal; it’s a memorable experience—from the carefully selected music to the first class service.

Redstone features a wood-burning grill, rotisserie and an open exhibition kitchen where our signature steaks, chops, chicken and the freshest seafood available are creatively prepared.

The rugged, yet romantic atmosphere is perfect for any occasion, an intimate dinner, a business lunch or Sunday brunch.

Adventurous and uncompromising, Redstone's attention to detail is evident in our commitment to making everything from scratch and to our relentless pursuit of guest satisfaction.
Redstone American Grill
Ridgedale Mall Location

Redstone is committed to offering excellent service which starts with proper training.

Food safety is paramount and all our managers are Serve Safe Certified food handlers, program recognized by the Minnesota Board of Health. The managers, servers and bartenders must also pass ServeSafe Alcohol training which is a nationally recognized program sponsored by the National Restaurant Association.

This restaurant will be open seven days a week.
Monday – Saturday 11:00am to 11:00pm
Sunday 10:00am to 10:00pm

Redstone Grill is excited to be able to continue to offer employment of:
- General Manager
- Executive Chef
- 3 Sous Chef’s
- 3 Restaurant Managers
- 85 Servers
- 12 Bartenders
- 10 Host’s
- 25 Kitchen staff
The comfort and feel of the interior of the restaurant is extended onto the patios. An outdoor fire pit, seating to accommodate dining or drinks with friends and a full service bar create an outdoor environment that is relaxing and fun.

To compliment the food and the atmosphere, the staff at Redstone American Grill is attentive and passionate regarding their role in creating a memorable guest experience. We hire professional, dedicated, service-oriented individuals that have a genuine desire to exceed the guest’s expectations in every action and interaction. Each staff member goes through an extensive training program to provide them with the knowledge and tools necessary for their job responsibilities. From the first warm welcome as guests enter the door, to the final words of appreciation as they depart, our staff exemplifies pride in their positions, in the company and in the impact that they have on the guest experience.

Redstone’s philosophy is quite simple; have the best; menu, atmosphere, service and brand. Our unwavering focus with regard to each and every detail and the impact they each have in our ability to exceed the guest expectations, keeps our focus on what is most important and has established our brand as a unique and popular niche in the competitive restaurant industry.

Additional information is available on our web site at www.redstonegrill.com
AMBIANCE

"BEST PLACE TO SEE AND BE SEEN" — REDSTONE AMERICAN GRILL, MARLTON

"Since it opened, Redstone has generated the kind of buzz usually reserved for swanky city clubs and bistros—and lived up to it."

— COURIER-POST
Rustic with a casual elegance, the atmosphere at Redstone is created with exceptional detail.

Just as with the food, there is no skimping on quality. Superior materials are used throughout.

Upon entering, the warmth of a stone fireplace welcomes you. The bar is a key attraction with its granite top and arched ceiling. You instantly want to be a part of its lively feel. Golden light and leather wall coverings give the dining room a warm, welcoming feel. A sense of comfort prevails.

Under an umbrella on a sunny afternoon or gathered around the fire pit with a martini in hand, the patio is a perfect escape when weather permits. The outdoor bar creates a uniquely relaxed energy.

The rugged and romantic atmosphere, along with first class customer service and superbly prepared dishes, may make Redstone the best dining experience you've ever had.
VOTED “BEST BARBECUE RIBS"
BY MINNEAPOLIS / ST. PAUL MAGAZINE

“You have to be impressed by the exacting standards and meticulously consistent quality of Redstone’s kitchens. Baby back ribs and herb-rubbed natural chickens are slow-roasted over apple and cherry woods to produce a pliant and perfect product.”

— ANDREW ZIMMERN & ADAM PLATT, 2005
The menu offers traditional American foods, uncomplicated yet recreated with bold flavors. Steaks and chops are aged to perfection. The rotisserie chicken and the award-winning ribs are long standing favorites. The wood-burning grill lends a robust flavor to many dishes including a variety of flatbreads.

Whether it's a cold, crisp chicken salad or a simple grilled fish, you can taste the quality of the ingredients. And the fresh-baked signature caramel rolls will keep you coming back for Sunday brunch.

Redstone features an open exhibition kitchen. You can experience the excitement as chefs create right before your eyes and see for yourself the authentic, fresh ingredients.

When a plate arrives at your table, you can instantly sense the artistry of our highly trained chefs. Their passion for flawless execution results in stunning presentation and consistently memorable, mouthwatering meals.

The wine list offers an impeccable selection from California to New Zealand to Italy. You’ll find a perfect pairing for any meal.
STARTERS

BUFFALO SHRIMP
buffalo sauce and blue cheese dressing 16.00

ARTICHOKE SPINACH DIP
salsa, and warm tortilla chips 11.00

JERK CHICKEN FONDUE
spicy, grilled, jerk-marinated chicken, sourdough croutons, apples, grapes and smoked gouda fondue 13.50
add any of the following:
Sopressata sausage 3.00
grilled steak 6.00
extra croutons 2.00

ARTISAN CHEESE PLATE
blend of unique cheeses, seasonal fruits, hearth baked breads, spicy walnuts, grapes, cured Sopressata and fig jam 12.00

CRISPY CALAMARI
tossed in a spicy pepper mix with chipotle aioli 12.00

SEARED AHI TUNA*
sesame seed and black pepper crusted sushi grade tuna, Asian slaw, wasabi and soy-lime sauce (served rare and chilled) 15.50

LODGE CORNBREAD
with maple butter 9.50

STARTER PLATTERS

BUFFALO SHRIMP
twenty jumbo shrimp 58.00

SEARED AHI TUNA*
one pound of our signature tuna appetizer 56.00

REDSTONE TAPAS PLATTER*
buffalo shrimp, mini burgers, seared Ahi tuna and grilled chicken wings 55.00

CANYON FLATBREAD

ORIGINAL
basil pesto, oven roasted tomatoes, mozzarella and fresh basil 11.00

MARGHERITA
basil pesto, tomatoes, fresh mozzarella, balsamic vinaigrette & fresh basil 12.00

ROASTED PEPPERS AND SAUSAGE
basil pesto, roasted peppers, spicy Italian sausage, pepper jack and fresh basil 12.50

ROTISSERIE CHICKEN
original flatbread with rotisserie chicken, wild mushrooms and truffle oil 13.00

SALADS

HOUSE SALAD
mixed greens, grape tomatoes, cucumbers, red onion, parmesan, spicy walnuts and balsamic vinaigrette
Starter 7.50

WEDGE SALAD
 iceberg, applewood smoked bacon, grape tomatoes and blue cheese dressing
Starter 8.50

CAESAR SALAD
romaine, garlic sourdough croutons, parmesan crisp and Caesar dressing (anchovies available upon request)
Starter 7.50

SZECHWAN BEEF SALAD
spicy seared beef, mixed greens, Asian vinaigrette crispy wontons & peanut sauce 16.00

THAI CHICKEN SALAD
mixed greens, grilled chicken breast, carrots, crispy wontons, tossed in honey-lime vinaigrette, topped with cilantro and spicy peanut sauce 13.00

ROTISSERIE CHICKEN CHOPPED SALAD
mixed greens, rotisserie chicken, cornbread croutons, grape tomatoes, applewood smoked bacon, golden raisins, sweet corn and honey-lime vinaigrette (blue cheese crumbles available upon request.) 14.00

BEET & GOAT CHEESE SALAD
sliced beets, goat cheese, arugula, toasted almonds & orange vinaigrette 13.00

add to any salad;
rotisserie chicken 4.00
grilled salmon 6.00
grilled shrimp 9.00
seared scallops 9.00
grilled steak 6.00

* Indicates food items that are cooked to order or served raw.
Consuming raw or undercooked meat, seafood or eggs may increase your risk for foodborne illnesses.
# Seafood

**Simple Grilled Fish**
basmati rice pilaf, seasonal vegetables, chef’s salsa and grilled citrus
ask your server for today’s selections. Choice of lemon garlic oil or cajun spice.

<table>
<thead>
<tr>
<th>Daily Catch</th>
<th>Market</th>
<th>Salmon 28.00</th>
<th>Halibut 32.00</th>
<th>Sea Bass 32.00</th>
</tr>
</thead>
</table>

**Wood Fired BBQ Salmon**
sweet potato mashed & roasted root vegetables 28.00

**Seared Dayboat Scallops**
lobster cream, garlic spinach, truffled mashed potatoes garnished with lobster & microgreen salad 30.00

**Parmesan Crusted Halibut**
garlic mashed potatoes, grilled asparagus, tomato marmalade & caper beurre blanc 32.00

**Pan Seared Sea Bass**
brandy-garlic crust, stir fried vegetables with Asian sesame vinaigrette and basmati rice pilaf 32.00

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# Steaks

*Our meats are hand trimmed and aged 28 days.*
Served with your choice of garlic mashed or loaded baked potato and seasonal vegetables.

<table>
<thead>
<tr>
<th>Signature Filet*</th>
<th>Prime Rib*</th>
<th>New York Strip*</th>
<th>Ribeye*</th>
</tr>
</thead>
<tbody>
<tr>
<td>38.00</td>
<td>29.00</td>
<td>37.00</td>
<td>38.00</td>
</tr>
</tbody>
</table>

Steaks can be prepared with your choice of Bearnaise sauce or blue cheese crust.
Add Shrimp or Scallops 9.00

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# Redstone Classics

**Classic Rotisserie Chicken**
garlic mashed potatoes, grilled asparagus and chicken au jus 18.50

**Backyard Barbecue Chicken**
basted with barbecue sauce, French fries and coleslaw 18.50

**Baby Back Ribs**
slow cooked, wood fired and basted with barbecue sauce, French fries and coleslaw Half Rack 16.00 Full Rack 25.50

**Barbecue Ribs and Chicken Combo**
French fries and coleslaw 24.00

**Apple Cider Glazed Pork Chops**
maple marinated pork chops, roasted root vegetables and macaroni and cheese 26.00

**Braised Beef Short Rib**
garlic mashed potatoes, roasted root vegetables & natural jus 27.00

**Grilled Meatloaf**
barbecue basted or mushroom Marsala sauce with seasonal vegetables and garlic mashed potatoes 17.50

*Note*: Smoked rotisserie cooking may impart a slight pink color.

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*Indicates food items that are cooked to order or served raw.
Consuming raw or undercooked meat, seafood and egg may increase your risk for foodborne illnesses.*
BURGERS AND SANDWICHES

All burgers are available with your choice of American, Cheddar, Blue cheese, Monterey Jack or Swiss.
Served with your choice of coleslaw, French fries, garlic mashed potatoes or baked beans.

ORIGINAL BURGER*
shredded lettuce, tomato, mustard, mayonnaise and homemade pickles 12.00

REDSTONE BURGER*
cheddar, applewood smoked bacon and barbecue sauce 13.00

SALMON BURGER
shredded lettuce, tomato, onion, tarragon mayonnaise and homemade pickles 16.00

TURKEY BURGER
freshly ground, served with shredded lettuce, tomato and chipotle aioli 12.50

SIGNATURE PRIME DIP
tender sliced prime rib, horseradish mayo, Swiss cheese, crispy onion strings, French onion au jus 16.50

ROTISSERIE TURKEY SANDWICH
buttermilk marinated turkey, lettuce, tomato, cheddar on multi-grain bread with basil aioli 13.00

SOUP

FRENCH ONION  Monday 6.00
CHICKEN TORTILLA  Tuesday 6.00
TOMATO BASIL  Wednesday 6.00
WILD MUSHROOM WITH BRANDY CREAM  Thursday 6.00
SHRIMP AND SWEET CORN CHOWDER  Friday 7.00
LOBSTER BISQUE  Saturday 8.00
CHICKEN NOODLE  Daily 6.00

SIDES

GARLIC MASHED POTATOES 5.50
LOADED IDAHO BAKED POTATO 6.50
MASHED SWEET POTATOES 5.50
BASMATI RICE PILAF 5.50
LODGE CORNBREAD WEDGE 4.00
MAC AND CHEESE 5.50
ROSEMARY WILD MUSHROOMS 7.50
SEASONAL VEGETABLES 7.50
GRILLED ASPARAGUS WITH BEARNAISE 7.50
TRUFFLED ROOT VEGETABLES 7.50

DESSERT

STONE'S CHOCOLATE CAKE
chocolate frosting and vanilla ice cream 9.00

WARM APPLE CRISP
Granny Smith apples, cinnamon, sugar and oatmeal crumble with vanilla ice cream and caramel 9.00

BANANA CREAM PIE
toasted nut crust, banana custard, fresh bananas and whipped cream 9.00

WARM CHOCOLATE CHIP COOKIE SUNDAE
vanilla ice cream, candied pecans and whipped cream served with chocolate fudge sauce 9.00

BREAD PUDDING
vanilla ice cream, whipped cream and bourbon sauce 9.00

*Indicates food items that are cooked to order or served raw.
Consuming raw or undercooked meat, seafood or eggs may increase your risk for foodborne illnesses.
City Council Agenda Item #13D  
Meeting of March 14, 2016

**Brief Description**  
2016 Community Development Block Grant funds

**Recommendation**  
Hold the public hearing and adopt the resolution

**Background**

Since 1974, the Community Development Block Grant (CDBG) program, overseen by the U.S. Department of Housing and Urban Development (HUD), provides federal funds to implement a range of economic and community development activities. Based upon the needs, priorities, and benefits to the community, CDBG activities are developed and the division of funding is determined at a local level. All funded activities must meet at least one of the three national objectives:

- Benefit low and moderate income persons
- Help prevent and/or eliminate slums and/or blight
- Meet other community development needs of particular urgency

**Minnetonka’s 2016 CDBG Allocation**

Minnetonka will again receive a direct allocation of funds from HUD for the 2016 program year. This amount will total $159,745, which is an increase of almost two percent over the 2015 allocation. The city’s 2015 allocation was $157,080.

The CDBG program year is July 1 to June 30, which differs from the city’s fiscal year of January 1 to December 31. Because of this, the city’s budget only reflects CDBG funds spent during its fiscal year, and does not reflect the true annual CDBG allocation. All finances and allocation years in this report refer to the federal program year.

The key components of Minnetonka’s CDBG program include:

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>RECOMMENDED FUNDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Services</td>
<td>$23,960</td>
</tr>
<tr>
<td>Small Projects Housing Rehabilitation</td>
<td>$124,188</td>
</tr>
<tr>
<td>Administration/Fair Housing</td>
<td>$11,597</td>
</tr>
</tbody>
</table>

**Public Services**

HUD allows up to 15 percent of the annual allocation to be spent on public services (non-profits), and it has been the city’s practice to do so. For 2015, this is $23,960.

Public service recommended allocations followed the same process as in past years. In September 2015, non-profits seeking city funds submitted applications. These
applications were reviewed by the Economic Development Advisory Commission at the October 22, 2015 meeting (minutes are attached on pages A1-A9). The EDAC’s recommendation for these organizations was incorporated into the 2016 budget, adopted by the city council in December. The funding amounts in the CDBG account budget were based on the city’s anticipated 2015 allocation at the time the budget was completed. If the council adopts the 2016 CDBG budget as proposed in the attached resolution, the budget will be amended to reflect the changes. Since HUD requires a public hearing on the city’s entire CDBG allocation, the city council must adopt a resolution with the funding amounts.

The 2016 recommended amounts are shown in Table 1, and page A10 shows the past five years of public service funding.

Table 1: Public Service Funding Recommendations

<table>
<thead>
<tr>
<th>Activity</th>
<th>2015 Funding Budget</th>
<th>2016 Recommended Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Action Partnership of Suburban Hennepin (CAPSH)</td>
<td>$4,400</td>
<td>$2,425</td>
</tr>
<tr>
<td>ResourceWest</td>
<td>4,400</td>
<td>4,525</td>
</tr>
<tr>
<td>Senior Community Services H.O.M.E.</td>
<td>5,500</td>
<td>5,270</td>
</tr>
<tr>
<td>Intercongregation Communities Association (ICA)</td>
<td>9,000</td>
<td>7,970</td>
</tr>
<tr>
<td>TreeHouse</td>
<td>N/A</td>
<td>3,770</td>
</tr>
<tr>
<td>HOME Line</td>
<td>N/A*</td>
<td>N/A*</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$23,300</td>
<td>$23,960</td>
</tr>
</tbody>
</table>

*Due to continuing concerns by HUD about applicant eligibility verification for HOME Line, staff is recommending the program be funded at $2,000 per the EDAC’s recommendation, but that it be funded by the Development Account, rather than with CDBG funds.

A short description of each program listed above can be found on pages A11.

Small Projects Program

The Small Projects Program (formerly called the Emergency Repair Program) offers ten-year, no-interest deferred loans of up to $5,000. The program focuses on smaller and more urgent rehabilitation needs, providing more immediate assistance to homeowners. Minnetonka’s rehabilitation programs began in 1975 and since then, over 550 Minnetonka homeowners have benefited, utilizing over $4.1 million for home improvements. City staff is responsible for administering the program from intake to project management, to filing of the loan documents. In order to qualify, applicants must have an income at or below 80 percent of area median income, adjusted for size (Table 2).
Table 2: 2015 Income Limits (2016 limits are anticipated to be released shortly)

<table>
<thead>
<tr>
<th>Household Size</th>
<th>80% of Median Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 person</td>
<td>$46,100</td>
</tr>
<tr>
<td>2 persons</td>
<td>$52,650</td>
</tr>
<tr>
<td>3 persons</td>
<td>$59,250</td>
</tr>
<tr>
<td>4 persons</td>
<td>$65,800</td>
</tr>
<tr>
<td>5 persons</td>
<td>$71,100</td>
</tr>
<tr>
<td>6 persons</td>
<td>$76,350</td>
</tr>
<tr>
<td>7 persons</td>
<td>$81,600</td>
</tr>
<tr>
<td>8 persons</td>
<td>$86,900</td>
</tr>
</tbody>
</table>

Table 3 describes the two-year use of the program. The number of qualifying applicants differs from total projects completed and in progress, because projects may take more than one year to complete.

Table 3: Small Projects Program Two-Year Program Summary

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum deferred loan allowed</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Average deferred loan approved</td>
<td>$4,912</td>
<td>$4,344</td>
</tr>
<tr>
<td>Total Applicants</td>
<td>49</td>
<td>58</td>
</tr>
<tr>
<td>Qualifying Applicants</td>
<td>45</td>
<td>47</td>
</tr>
<tr>
<td>Projects Completed</td>
<td>24</td>
<td>44</td>
</tr>
<tr>
<td>Projects Still in Progress</td>
<td>24</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL EXPENDITURES</td>
<td>$168,086</td>
<td>$191,136</td>
</tr>
</tbody>
</table>

The Small Projects Program last took pre-applications in June 2015. A total of 58 pre-applications were received in two weeks before the program was closed. Because of the income verification requirements, full applications are distributed for eligibility once the project manager is ready to take on the project—therefore total application numbers shown above differ from the total pre-applications received. The 2016 recommended funding is $124,188.

General Statistics of the Small Projects Program

Below are general statistics for the rehabilitation programs for 2015 and 2016 projects:

- Typical repairs for small projects program: Furnace, windows, electrical, plumbing, small or partial roof
- Average age of structure: 50 years old
- Average income: $35,067 (41% of area median income for a family of four)
In most years, the city receives additional program “income” from loan repayments of homeowners who did not stay in their home for 10 years after the completion of the rehabilitation. In 2015, there were four loan repayments. In the last 14 years, out of 211 projects that have been completed:

- 31 homes have repaid their loans due to early move-out (14%)
- 53 households lived in their home for 10 years and the loan was forgiven (25%)
- There have been 5 foreclosures (2%)
- 136 loans are still outstanding in the 10 year period (64%)

**Administration and Fair Housing Activities**

Federal regulations allow up to 20 percent of the city’s allocation for administrative responsibilities. However, it is anticipated that approximately 6%, or $10,000, is needed to cover administrative costs. Costs are based upon staff’s time to administer the CDBG program, including quarterly reports to HUD, the annual action plan based upon the upcoming year’s allocation, the end of the year report, and the small projects program.

The city must also participate in fair housing activities. The city belongs to the Hennepin County Fair Housing Consortium and also participates in the metro-wide Fair Housing Implementation Council. To participate in these groups, one percent ($1,597) of the city’s allocation must go towards the consortium. Participation in this, as well as furthering fair housing within the city, addresses fair housing requirements.

**HUD Compliance**

To receive CDBG funds, the city must comply with the regulations of the program, which are enforced by HUD. HUD ensures compliance through an on-site audit, and monitoring of the city’s spending of funds. An on-site audit was completed in February. There were two findings, which require the city’s action. Since the findings letter was recently received, staff is reviewing the findings and will be following up on these issues with HUD.

HUD also monitors the city’s spend down of funds. The city must be continually putting the funds into use. By May 1, 2016, the city can only have $235,620 of unspent funds (1.5 times the current grant amount). Currently, the city has $174,370.26 of unspent funds.

In 2013 and again in 2014, the city was not in compliance with the spend down regulation. Because of this, the city’s 2014 funding allocation was reduced by $18,000 which equates to the amount of unspent funds above the city’s maximum. To ensure that this does not occur again, staff is now administering all aspects of the program in-house, including the housing rehabilitation. Additional staff was added, and more rehabilitation projects are underway at one time.
Future CDBG Funding

For many years, there has been discussion at the federal level regarding the future of CDBG funding. As outlined in the Economic Improvement Program, it is anticipated CDBG funding will continue to decrease and will no longer be available at some future time. Staff communicates with CDBG funding recipients, so as more information is known these recipients will be kept up to date.

Recommendation

Staff recommends the city council:

- hold the public hearing on the use of 2016 CDBG funds,
- adopt the resolution (pages A13-A14) allocating the CDBG funds,
- approve funding HOME Line in the amount of $2000 from the Development Account.

Submitted through:
Geralyn Barone, City Manager
Merrill King, Finance Director
Julie Wischnack, AICP, Community Development Director

Originated by:
Celeste McDermott, Community Development Specialist
1. **Call to Order**

Chair Aanenson called the meeting to order at 6 p.m.

2. **Roll Call**

EDAC commissioners present: Benita Bjorgo, Ken Isaacson, Jacob Johnson, Jerry Knickerbocker, and Kathryn Aanenson were present. Michael Happe was absent.

Staff present: Community Development Director Julie Wischnack and Community Development Specialist Celeste McDermott.

3. **Approval of August 13, 2015 Minutes**

Knickerbocker moved, Isaacson seconded a motion to recommend that the EDAC approve the minutes from the August 13, 2015 meeting as included in the agenda. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.

4. **Non-profit funding requests**

Wischnack explained the non-profit funding request presentation and scoring process.

Janet Lindbo, of Homes Within Reach (HWR), also known as West Hennepin Affordable Housing Land Trust (WHAHLT), stated that:

- The number one priority is to add value to the community by rehabilitating existing houses and adding new households to the community.
- The investment of the subsidy made by the city as well as multiple funders that match the city’s funds links the investment to homes rather than investors so multiple families are served over a period of time to ensure that the homes remain affordable and links jobs, services, and transit to housing.
- Another objective is to support homeowners by offering benefits to establish a strong base for families to flourish and provide job and educational opportunities.
- Another objective is for residents to receive benefits accrued to homeowners such as tax benefits and to increase the family’s financial standing.
The program expands home ownership, provides affordable housing, and supports the community infrastructure.

HWR has created 4 homes in 2014 and 2015, assisted with two resales, and executed a purchase agreement for another home to be purchased next month.

Families earning 56 percent of the median income are served. A family of 3 or 4 earning a little over $40,000 would qualify for the program.

The program has received excellent applications over the last 24 months who were credit and move-in ready. The purchase agreements were completed before the rehab.

There are currently 3 families ready for homes in Minnetonka.

Isaacson asked what is indicated by the “11 served.” Ms. Lindbo explained that represents the number of communities served. Minnetonka is 1 of 11 communities that HWR serves. Ms. Lindbo will provide the number of Minnetonka residents served. HWR served 140 people.

Knickerbocker asked if 2 houses would be purchased in Minnetonka in 2016. Ms. Lindbo estimated 3. She provided a video that explains the program from 4 homeowners’ points of view. Wischnack will load the video for commissioners to view.

Marilyn Peller Nelson, Associate Vice President of Resource Development for CommonBond Communities, stated that:

- She has been a study buddy for six years at Crown Ridge. She knows the area and the kids.
- She appreciates the city’s support. The services at Crown Ridge would not be provided without the city’s help.
- Crown Ridge is 1 of 108 properties that CommonBond owns or manages.
- Rent assistance is also provided.

Jessica Michelson, staff attorney with HOME Line, stated that:

- HOME Line is a tenant-rights hot line and advocates for landlords to do the right thing.
HOME Line wants to preserve affordable housing to make sure that people have safe, habitable living spaces. Section 8 Housing has been preserved.

HOME Line saved and recovered $16,000 for Minnetonka residents. Nine Minnetonka residents were saved from being evicted and multiple services were provided to Minnetonka residents on how to get repairs done to keep their homes a safe, affordable place to live.

She participated in 2 housing discrimination cases of landlords sexually harassing tenants by installing a camera in the bathroom and another in which the landlord would periodically show up and make inappropriate comments. She was able to reach favorable outcomes for those cases.

HOME Line provides training for landlords and published a book for landlords.

In 2014, HOME Line helped 149 Minnetonka families equaling 373 Minnetonka residents.

The budget is based on the operating cost of the hotline and does not include anything else.

She was available for questions and thanked the city for its ongoing support.

A representative from Grace Apostolic Church stated that:

- The Grace Apostolic youth want to show that they can give unselfishly to others and grow and support the community. They would like to show that they are not lazy and appreciate the community. They want to help the elderly and people with low incomes with lawn care, snow shoveling, and provide turkeys on Thanksgiving and Christmas.
- They want to attend after school programs.
- The funds would be used for supplies used by volunteers. The supplies would be purchased in community shops.

Knickerbocker asked how members of the community would learn of the services. The representative said that flyers and a website that would provide a form to apply for services.

Isaacson recused himself from scoring the YMCA and Minnetonka Heights program.

Joanne Robinson, with the Ridgedale YMCA and Minnetonka Heights program, stated that:

- She appreciated the opportunity to apply for the funding and share information.
- The program has transformed the neighborhood and changed the norms. It is now the norm for kids to go to school and do homework. Engaging families in the community has made things happen.
• The YMCA worked with metro transit to increase ridership on the new 614 bus line. There was a Saturday event where the mascot, Spot, rode the bus with kids. The ridership goes way up on days she has events.
• She was able to team up with the Minnetonka Swim Club to provide swim lessons for 110 students.
• She organized volunteers with ResourceWest to provide winter warm wear and high school students to volunteer with Feed My Starving Children.
• The program provides healthy eating and nutrition information. The programs provide healthy food.
• The academic enrichment program has grown from 13 kids to 144 this year in the summer program. The kids love to come because it is fun and there are great teachers from the school district working with them.
• There are huge turnouts for the Thanksgiving meals, back to school parties, and a graduation party for one of the STAR students at the Ridgedale YMCA. The family was from Afghanistan and the program worked hard to make them feel connected and helped the student with her homework. She is now a freshman at Augsburg. She is proud that great efforts are paying off.
• YMCA partners with most of the agencies present.

Knickerbocker asked what would account for the jump from 320 in 2014 to 500 in 2015. Ms. Robinson stated that the kids and their families in the summer programs are included. The summer program is growing.

Chair Aanenson noted that the funding request was lower than last year. Ms. Robinson stated that definitely more funds are needed, but she asked Durbin what would be a respectful amount to request knowing that the city’s available funds would be cut.

Andy Swanda, vice president of advancement at Treehouse, stated that:
• He has worked there 4 years.
• The mission of Treehouse is to bring hope to hurting youth and families leading to life transformation which includes reducing at-risk behaviors, building healthy relationships, graduating from high school, and pursuing an educational or vocational track for the future. The common issues include cutting, depression that leads to suicide, substance abuse, sexual promiscuity, and bullying.
• The Minnetonka Treehouse has been serving local teens since 1986. Thousands of teens have walked through the doors and found hope and consistent, caring adults. There were 227 teens who participated in the program. The majority attend Minnetonka schools and surrounding areas. Of the 227, 75 percent qualify for free or reduced lunch. Suburban poverty is a growing epidemic. The twin cities is especially dire. Many at-risk behaviors are a direct result of poverty.
• Treehouse has amazing relationships with the Minnetonka schools.
• The budget is $3.7 million. It costs $260,000 to run the Minnetonka Treehouse which is located at Excelsior Covenant Church. The funding is led locally and receives some community funding.
• He provided examples of teens who needed help dealing with and feeling safe enough to tell someone about their violent and sexually inappropriate experiences. It is the stories of transformation that keep the volunteers moving.
• Eagan received so many student referrals from schools that another Treehouse is being added. Once kids feel safe in the environment, they invite their friends with similar behaviors and attitudes. Law enforcement also refers teens. Treehouse’s relationship with Minnetonka schools staff is unique.
• He guessed that the sale of a building accounted for a large influx of cash.
• He appreciated the consideration.

Bjorgo asked for the main reason teens attended the program. Mr. Swanda answered that fatherlessness drives at-risk behavior and the amount of depression and thoughts of suicide is skyrocketing. One out of two teens self-reported thoughts of suicide.

Carol Watson, Community Developer with Community Action Partnership of Suburban Hennepin (CAPSH), stated that:

• In 2012, 32,000 households were served that includes 90,000 individuals in suburban Hennepin County.
• In the area of homeownership and in Minnetonka, 48 households were served from July 1, 2014 to June 30, 2015. Ten of those were foreclosure prevention, 5 were financial counseling, 8 were homebuyer education workshops, 10 were reverse mortgages, 14 were home rehabilitations, and 1 financial services. Market dynamics are changing more toward mortgage preparedness and refinance counseling.
• CAPSH is adapting to changes. Services are being expanded to serve 75 households in 2016. A federal program called Family Assets for Independence in Minnesota is being reinitiated.
• She requested a partnership with Minnetonka to bring residents to programs to learn how to reduce energy costs and work with utility companies to be proactive to avoid a crisis situation.
• For education, CAPSH has standard financial literacy classes and senior financial security. That segment of the population is vulnerable to fraud. Youth and family counseling on budgeting will be added. A Somali-speaking advisor and Spanish-speaking advisor will be added.
• Additional programs provide energy assistance, transitional housing, free legal services, immigration services, and free tax filing.

John Burkow, director of Senior Community Services (SCS), also known as the HOME program, appreciated the opportunity to talk about the household and outside
maintenance for the elderly provided by the organization. He handed out a brochure. He stated that:

- He is excited to announce a new volunteer, ambassador program. Dave and Fran will have office hours in city hall from 9 a.m. to 12 p.m. They were at the Minnetonka Senior Health Fair, Minnetonka open house, and a community showcase.
- A group of seniors get together twice a year to put together the senior newsletter. Twenty seniors send out 1,800 newsletters.
- Tomorrow there will be a key contributions award event to thank Dave and Fran.
- He described the home health and safety assessment provided to seniors to prevent falling. He provides a list of recommendations.
- He shared a thank you card he received from a Minnetonka client this summer.
- He thanked the city for partnering with SCS.
- He was happy to answer questions.

Barb West Marlan, long-time board member of ResourceWest, stated that:

- ResourceWest just moved to a new location to join Hennepin County at the new west suburban hub to serve clients in the west metro area. ResourceWest makes sure community members are accessing all of the possible resources. The staff from Hennepin County and ResourceWest work together a lot.
- ResourceWest has been helping members of the community for over 23 years. Right now, winter warm wear is being collected. Over 900 children will be outfitted next week. There was a wonderful back-to-school program and toy chest is coming up.
- There is one Spanish-speaking social worker and a Somali case worker has been hired. She is proud of hearing good stories from their clients who are helped and not seen again. One client who was helped by ResourceWest was able to obtain a management position at Caribou Coffee and applied for a grant on behalf of ResourceWest. That is a great success story.
- ResourceWest appreciates the support of the city of Minnetonka. ResourceWest provides help for unforeseen circumstances to prevent a spiral that would otherwise make a family leave the community because of a tragedy.

Peg Keenan, executive director of ICA Food Shelf, stated that:

- ICA has three basic programs consisting of the food shelf, employment services, and financial assistance. Of the people coming to ICA, 34 percent live in Minnetonka.
• Financial assistance is provided to Minnetonka residents who are finding it difficult to make ends meet temporarily with either rent, mortgage, or utilities. A determination is made of whether one month of rent would make a difference and get them back on track.

• Recently, a personal care’s client died and she had a short gap in employment until she was reassigned. ICA provided one month’s payment to make all of the difference.

• There was a Minnetonka client was ordered on bed rest so she could not work. She used her savings to pay the rent for a couple months, but she won’t be able to go back to work for three weeks. The CDBG money helped her for one month.

• There were 16 Minnetonka households helped with the $7,855 awarded to them. There were an additional 41 Minnetonka residents that were helped with other funds. So, a total of 57 Minnetonka residents were helped and able to stay in their homes.

• She appreciated the request being considered.

Wischnack directed commissioners to focus on CDBG awards based on the criteria and scoring of the applications. The target is $23,300. The awards would be adjusted proportionally to the organization if there are changes. Each score must reach at least 65 to receive funds.

Johnson felt the support and partnership of the city should be given to as many organizations as possible. Treehouse deals with a unique target.

Chair Aanenson recalled last year’s discussion questioning Treehouse demonstrating that it serves low-income teens. The application does indicate that 67 percent of the clients have low incomes.

Bjorgo would also support funding for TreeHouse. The program scores similarly to the other organizations and addresses needs of low and moderate-income families.

Chair Aanenson noted that some applicants lowered the funding request amount to adjust to the limited funds.

Isaacson noted that the CDBG funds amount has remained stable. Chair Aanenson noted that some applicants may increase the amount they will request next year if that influences the decision this year.

Isaacson moved, Johnson seconded a motion to recommend the following non-profits be funded by CDBG funds: ResourceWest $4,400; CAPSH $2,359; SCS $5,125; and ICA $7,750. If 2016 CDBG funds are different than the anticipated amount, then changes in funding to CDBG-funded agencies should be made on a pro-rata basis. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.
Knickerbocker moved, Isaacson seconded a motion to recommend the following non-profits be funded by the Livable Communities Account funds: CommonBond $4,000; Homes Within Reach (WHAHLT) $225,000; and Ridgedale YMCA (Minnetonka Heights) $5,000. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.

Knickerbocker moved, Johnson seconded a motion to recommend that the city council allocate HOME Line to receive $2,000 from the development account. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.

5. Staff Report

Wischnack reported:

- The Minnetonka City Council approved municipal consent plans for the green line extension. All five cities along the corridor and Hennepin County have given municipal consent. Cities are reviewing the 60% design plans and providing feedback. The Shady Oak Station Area Development Strategy has wrapped up.
- Cherrywood Pointe United Properties is proposing a 99-unit senior living facility at 2004 Plymouth Road. As part of the proposal, the applicant is requesting a rezoning of the property to PUD and are proposing that 10 units be income and rent restricted for 15 years.
- Earlier this year, Metro Transit decided to eliminate Saturday service on Route 614 since ridership on that route was not high enough to justify service. To compensate for this, Route 615 Saturday service was increased from every two hours to every hour starting in September. At our most recent quarterly update meeting with Metro Transit, staff was informed that the transition was successful overall and that Saturday ridership numbers on the 615 have been strong thus far. Metro Transit will continue to evaluate bus routes in the area over the next few years as the Southwest LRT progresses.
- The new Nordstrom and other stores at Ridgedale Shopping Center are now open. Construction still is continuing on other stores and restaurants.
- The Highland Bank temporary bank building is being set. Once that is completed, then work will begin on the new mixed use building.
- The Overlook (Tonka on the Creek) construction continues on the 100-unit-apartment building at Minnetonka Boulevard and Highway 169.
- The Island Apartments construction is nearly complete on the 175-unit-apartment building on Carlson Island.
- At-Home Apartments construction continues on the 106-unit-apartment building on Rowland Road.
- The demolition permit has been issued for Applewood Pointe. Construction is expected to begin shortly.
- The planning commission is expected to review a plan for Williston Woods West, a six home detached villa style redevelopment on the properties north of Kraemer’s Hardware.

6. Other Business

The next EDAC meeting is scheduled for Thursday, December 10, 2015 at 6 p.m.

SLUC is scheduled to have a presentation called The Dating Game on October 28, 2015 from 11:30 a.m. to 1:30 p.m.

7. Adjournment

Isaacson moved, Knickerbocker seconded a motion to adjourn the meeting at 8 p.m. Motion passed unanimously.
## PUBLIC SERVICE FUNDING 2011-2016

<table>
<thead>
<tr>
<th>Activity</th>
<th>2011 Funding</th>
<th>2012 Funding</th>
<th>2013 Funding</th>
<th>2014 Funding</th>
<th>2015 Funding</th>
<th>2016 Recommended</th>
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<tr>
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<td>$3,702</td>
<td>$4,500</td>
<td>$3,978</td>
<td>$4,400</td>
<td>$2,425</td>
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<td>4,500</td>
<td>3,978</td>
<td>4,400</td>
<td>4,525</td>
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<td>3,980</td>
<td>5,500</td>
<td>5,270</td>
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<tr>
<td>Intercongregation Communities Association (ICA)</td>
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<td>9,000</td>
<td>7,855</td>
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<td>7,970</td>
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<tr>
<td>TreeHouse</td>
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<td>0</td>
<td>N/A</td>
<td>0</td>
<td>0</td>
<td>3,770</td>
</tr>
<tr>
<td>Grace Apostolic Church</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td>HOME Line</td>
<td>1,937</td>
<td>1,759</td>
<td>N/A</td>
<td>873</td>
<td>N/A</td>
<td>N/A</td>
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<td><strong>Total</strong></td>
<td><strong>$25,410</strong></td>
<td><strong>$23,501</strong></td>
<td><strong>$23,500</strong></td>
<td><strong>$20,664</strong></td>
<td><strong>$23,300</strong></td>
<td><strong>$23,960</strong></td>
</tr>
</tbody>
</table>
Overview of Public Service Agencies

**Community Action Partnership of Suburban Hennepin (CAPSH)**
Community Action Partnership of Suburban Hennepin (CAPSH) provides homeowner education, including: foreclosure prevention, reverse mortgage counseling, first-time homebuyer classes and other homeowner counseling services. In 2014, 69 Minnetonka residents were served. CAPSH projects serving 75 households in 2016.

**ResourceWest**
ResourceWest is a referral and service provider for those living in Minnetonka and who are at 80 percent or less of area median income. Referrals and services include:
- Back to school supplies
- Toy chest—toys for children
- Tax preparation assistance
- Winter warm wear clothing
- Project Starfish—one-on-one support
- HousingLink site—Offers a list of affordable housing in the area
- Referrals for anything (examples: car repair, transportation, food, etc.)

In 2014, ResourceWest had 182 contacts with Minnetonka residents for its Project Starfish program, which is the proposed program to be funded by CDBG funds. ResourceWest anticipates serving 102 people in 2016.

**Senior Community Services H.O.M.E. Program (SCS)**
Senior Community Services administers the H.O.M.E. (Household and Outside Maintenance Program for the Elderly) program in Minnetonka, which is a homemaker and maintenance program that is designed to assist the elderly and help them stay in their homes longer. Services include: window washing, grocery shopping, house cleaning, and others. In 2014, the H.O.M.E. program served 137 Minnetonka households, and they estimate serving 145 Minnetonka households in 2016.

**Intercongregational Association (ICA)**
ICA is the city’s local foodshelf and emergency financial assistance non-profit organization. The CDBG funds will be used for their Housing and More program, which assists those who may need help with a rent or mortgage payment. Those participating in the program must work with a case worker to discuss the situation. In 2014, there were 195 Minnetonka residents benefited from ICA’s Housing and More program. Approximately, 189 individuals are estimated to be served in 2016.

**TreeHouse**
TreeHouse provides programming for low-income/at risk youth in 7th-12th grade including mentoring, support groups, trips/activities, transportation, and community services activities. Attendees of the program have a 24% higher high school graduation rate than other at-risk teens. There are eight TreeHouse sites throughout the Metro, including a location in Excelsior that services Minnetonka youth. In 2014, TreeHouse
served 212 Minnetonka students and they estimate serving 240 Minnetonka Students in 2016.

**HOME Line**
HOME Line is a tenant advocacy and education service provider, which allows renters to receive legal advice on how to resolve conflicts with landlords as well as how to deal with a potential foreclosure of their building. These services are available to all Minnetonka residents, yet 98 percent of the callers are low- to moderate-income households. In 2014, HOME Line assisted 373 Minnetonka callers. In 2016 HOME Line expects to assist 351 Minnetonka callers.
Resolution No. 2016-

Resolution approving the projected use of funds for year 2016 of the Community Development Block Grant program

Be it resolved by the City Council of the City of Minnetonka, Minnesota as follows:

Section 1. Background.

1.01. The City of Minnetonka is eligible to apply to the U.S. Department of Housing and Urban Development for 2016 funding for the Community Development Block Grant (CDBG) program.

1.02. The City of Minnetonka has developed a proposal for use of CDBG funds made available to it, and held a public hearing on March 14, 2016 to obtain views of citizens on local housing and community development needs, and the city’s proposed use of $159,745 for Year 2016 CDBG funds.

Section 2. Council Action.

2.01. The City Council hereby approves the following projects for funding for the Year 2016 Community Development Block Grant program and authorizes submittal of the proposal to the U.S. Department of Housing and Urban Development.

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comm. Action Partnership of Suburban Henn.</td>
<td>$ 2,425</td>
</tr>
<tr>
<td>ResourceWest</td>
<td>4,525</td>
</tr>
<tr>
<td>ICA</td>
<td>7,970</td>
</tr>
<tr>
<td>Senior Community Services</td>
<td>5,270</td>
</tr>
<tr>
<td>TreeHouse</td>
<td>3,770</td>
</tr>
<tr>
<td>Small Projects Program</td>
<td>124,188</td>
</tr>
<tr>
<td>Administration</td>
<td>10,000</td>
</tr>
<tr>
<td>Fair Housing Activities</td>
<td>1,597</td>
</tr>
</tbody>
</table>

Total: $159,745

2.02. The Mayor and City Manager are authorized to execute such letters, agreements, and other documents as may be necessary to implement these actions.
Adopted by the City Council of the City of Minnetonka, Minnesota on March 14, 2016.

_______________________________
Terry Schneider, Mayor

Attest:

_______________________________
David E. Maeda, City Clerk

Action on this resolution:

Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on March 14, 2016.

_______________________________
David E. Maeda, City Clerk
Brief Description

Items concerning Williston Woods West, a five-lot subdivision at 5431 and 5439 Williston Road:

1) Ordinance rezoning the properties from R-1 to PUD and adopting a master development plan;
2) Preliminary plat; and
3) Final site and building plan.

Recommendation

Adopt the ordinance and resolutions approving the proposal

Background

July 2015. Lakewest Development presented a concept plan for redevelopment of two residential properties at 5431 and 5439 Williston Road. The plan contemplated construction of six new homes accessed via a looped, private drive. While generally expressing that such a development may provide a good transition between the commercial area to the south and east and the single-family residences to the north and west, the planning commission and city council expressed concern that: (1) the development would result in significant and undesirable impact to the site’s existing topography and trees; (2) the number of units may be too high based on the site’s physical characteristics; (3) adequate parking would not be provided; (4) the public benefit required by the planned unit development (PUD) ordinance be met. (See pages A1–A6.)

August 2015. Lakewest Development submitted formal applications and plans for the redevelopment of the two properties. The plans essentially reflected the previously submitted concept plan.

September 2015. The city council introduced an ordinance rezoning the properties from R-1 to PUD. During the introduction, councilmembers raised questions and concerns similar to those expressed during concept plan review. During subsequent conversations with the applicant, city staff indicated that it would not support the six-lot plan. (See pages A7–A10.)

November 2015. Lakewest Development submitted a revised proposal for redevelopment of 5431 Williston Road, the larger of the two properties. Under this proposal, four new homes would be constructed. (See page A11.)

January 2016. Staff recommended approval of the four-lot proposal with a variety of conditions, including a maximum floor area ratio (FAR). The planning commission considered the proposal and recommended the city council approve the redevelopment. However, the applicant had reservations regarding the FAR condition of approval and requested that the proposal not proceed to the council. (See pages A12–A16.)
February 2016. Lakewest Development submitted the current proposal, which again incorporates both the properties at 5431 and 5439 Williston Road. As proposed, the existing structures would be removed and five new homes would be constructed. The homes would be accessed via three new driveways. (See pages A18–A27.)

Planning Commission Hearing

The planning commission considered the proposed development on February 18, 2016. The staff report from that meeting is attached and various plans and documents describing the proposed project may be found on pages A18–A36. At the meeting, a public hearing was opened to take comment. One area property owner addressed the commission. While indicating some concern related to construction timeline, the owner generally supported the proposal. The commission concurred with these comments.

Planning Commission Recommendation

On a 6-0 vote, the commission recommended that the city council approve the proposal. Meeting minutes may be found on pages A58–A60.

Since Planning Commission Hearing

There have been no changes to the proposal or additional information received since the planning commission’s hearing on this item.

Staff Recommendation

Adopt the following:

1) Ordinance rezoning the property from R-1, low-density residential, to PUD, planned unit development, and adopting a master development plan for WILLISTON WOODS WEST. (See pages A38–A41.)

2) Resolution approving a preliminary plat of WILLISTON WOODS WEST. (See pages A42–A46.)

3) Resolution approving final site and building plans for WILLISTON WOODS WEST. (See pages A47–A56.)

Through: Geralyn Barone, City Manager
           Julie Wischnack, AICP, Community Development Director
           Loren Gordon, AICP, City Planner

Originator: Susan Thomas, AICP, Assistant City Planner
Brief Description

Items concerning Williston Woods West, a five-lot subdivision at 5431 and 5439 Williston Road:

1) Ordinance rezoning the properties from R-1 to PUD;
2) Master development plan;
3) Preliminary plat; and
4) Final site and building plan.

Recommendation

Recommend the city council adopt the ordinance and resolutions approving the proposal.

Background

July 2015. Lakewest Development presented a concept plan for redevelopment of two residential properties at 5431 and 5439 Williston Road. The plan contemplated construction of six new homes accessed via a looped, private drive. While generally expressing that such a development may provide a good transition between the commercial area to the south and east and the single-family residences to the north and west, the commission and council expressed concern that: (1) the development would result in significant and undesirable impact to the site’s existing topography and trees; (2) the number of units may be too high based on the site’s physical characteristics; (3) adequate parking would not be provided; (4) the public benefit required by the planned unit development (PUD) ordinance be met. (See pages A1–A6.)

August 2015. Lakewest Development submitted formal applications and plans for the redevelopment of the two properties. The plans essentially reflected the previously submitted concept plan.

September 2015. The city council introduced an ordinance rezoning the properties from R-1 to PUD. During the introduction, councilmembers raised questions and concerns similar to those expressed during concept plan review. During subsequent conversations with the applicant, city staff indicated that it would not support the six-lot plan. (See pages A7–A10.)

November 2015. Lakewest Development submitted a revised proposal for redevelopment of 5431 Williston Road, the larger of the two properties. Under this proposal, four new homes would be constructed.

January 2016. Staff recommended approval of the four-lot proposal with a variety of conditions, including a maximum floor area ratio (FAR). The planning commission considered the proposal and recommended the city council approve the redevelopment.
However, the applicant had reservations regarding the FAR condition of approval and requested that the proposal not proceed to the council. (See pages A12–A16.)

February 2016. Lakewest Development submitted the current proposal, which again incorporates both the properties at 5431 and 5439 Williston Road. As proposed, the existing structures would be removed and five new homes would be constructed. (See pages A18–A27.)

Proposal Summary

The following information is intended to summarize the applicant’s current proposal. Additional information associated with the proposal can be found in the “Supporting Information” section of this report.

- **Existing Site Conditions.** The subject properties have a combined site area of 1.6 acres. The highest point of the site is located in the southeast corner. From this point, the site slopes downward in all directions; there is a twenty foot change in elevation from highest to lowest points. In addition to noticeable topography, the site contains many mature trees of primarily oak, basswood, and pine varieties. (See page A20.)

- **Proposed Use.** As currently proposed, the two existing properties would be divided into five, single-family lots. The lots would range in size from roughly 11,850 square feet to 15,030 square feet. While the southerly lot would have an individual driveway, the other four lots would be accessed via two shared driveways. (See pages A22.)

- **Site Impacts.** Grading and associated tree removal would be necessary to accommodate the five home sites, driveways, and required stormwater facilities. Generally, fill would be added to east (or rear) of the northerly two lots. Excavation would occur at the west (or front) of the homes, as well as on the east (or rear) of the southerly three lots. Grading activity would result in removal or significant impact to 29 percent of the site’s high priority trees. (See page A23.)

Primary Questions and Analysis

- **Is the use of PUD zoning appropriate?**

  Yes. By city code, PUD zoning may be considered when it would result in a public benefit. Staff finds that the proposed development would result in two benefits:

  1. PUD zoning would allow the city to establish a maximum floor area ratio (FAR) for new homes built on the site. FAR restriction can be accomplished only under PUD and R-1A zoning or in cases of a lot variance. In setting a maximum FAR, the city may ensure provision of a desirable housing type, namely smaller new-construction homes.
2. PUD zoning would allow for smaller, single-family residential lots. Such lots would provide for a smooth, or less significant, land use transition between commercial uses to the south and east and single-family homes to the north and west.

- **Is the proposed density appropriate for this site?**

  Yes. The combined site is designated for low density development in the 2030 Comprehensive Guide Plan. Low density is defined as development occurring at 0 to 4 dwelling units per acre. The proposed development would have a density of 3.1 dwellings per acre.

- **Are the proposed site impacts reasonable?**

  Yes. While the proposal would result in noticeable grading and tree removal on the west half of the combined site, staff does not believe this level of impact is specifically related to the proposed number of lots. Rather, it is based on existing topography. Under the current zoning classification, the combined site could reasonably be divided into three single-family lots. Given topography, the grading and associated tree removal likely required to accommodate three single-family homes would be similar to that proposed for five homes. (See pages A29–A30 and the “Supporting Information” section of this report for more discussion.)

- **What FAR is appropriate for the proposed lots?**

  Staff finds that it would be appropriate to establish a maximum FAR for two reasons:

  1. An FAR restriction would limit the size of homes consistent with the suggested PUD public benefit of providing a housing type desirable to the city, namely smaller new-construction homes.

  2. An FAR restriction would be consistent with the city’s previous practice of setting maximum FAR for lots within PUDs, for lots within the R-1A zoning district, and for lots requiring lot size or width variances.

  As a condition of approval, staff suggests a maximum FAR of 0.26 on lots 1 through 4. This FAR would allow for construction of homes similar to those recently built in the Lone Lake Highlands development; homes/garages could have an above ground/partially exposed area ranging from approximately 3,600 to 3,900 square feet. (See pages A31–A36.)

  Though all of the proposed lots would be similar in width, Lot 5 would have less depth, resulting in a significantly smaller total area. Staff suggests a higher
Summary Comments

Over the last decade, the city has reviewed numerous concept plans and formal development plans for the subject properties. From staff’s perspective, the current proposal is a good plan. It would: (1) allow for redevelopment of long vacant, or partially vacant, properties; (2) provide smooth land use transition between existing commercial properties and single-family homes; and (3) ensure provision of a desirable housing type, through application of a maximum FAR.

Staff Recommendation

Recommend that the city council adopt the following:

1) Ordinance rezoning the property from R-1, low-density residential, to PUD, planned unit development, and adopting a master development plan for WILLISTON WOODS WEST. (See pages A38–A41.)

2) Resolution approving a preliminary plat of WILLISTON WOODS WEST. (See pages A42–A46.)

3) Resolution approving final site and building plans for WILLISTON WOODS WEST. (See pages A47–A57.)

Originator: Susan Thomas, AICP, Assistant City Planner
Through: Loren Gordon, AICP, City Planner
Supporting Information

**Surrounding Land Uses**

- Northerly: Single-family homes
- Easterly: Commercial uses and a senior housing development
- Southerly: Commercial uses
- Westerly: Williston Road and single-family homes beyond

**Planning & Zoning**

- Guide Plan designation: Low Density Residential (LDR)
- Current Zoning: R-1, low density residential

**Larger Redevelopment Plans**

Together with the vacant Kraemer’s building, the subject properties were previously part of a larger redevelopment concept plan. The concept contemplated construction of a multi-family residential apartment building at the northeast corner of the Williston Road/Excelsior Boulevard intersection. This larger redevelopment concept is no longer being considered by either the Kraemer’s ownership or Lakewest Development.

**Development Under Current Zoning**

The combined site could be divided into two lots meeting all minimum R-1 zoning standards. However, with a 5-foot lot width at setback variance for just one lot, the site could be divided into three, R-1 lots. From staff’s perspective, given this variety of lot sizes, widths, and configurations – including several lots-behind-lots – in the area, such variance would not be unreasonable. (See page A1 and A29.)

**Proposal Requirements**

The proposal requires the following applications:

- **Rezoning from R-1 to PUD:** The subject properties are currently zoned R-1 (low density residential). The applicant requests that the combined site be rezoned to PUD. The planning commission makes a recommendation to the city council, who has final authority to approve or deny the rezoning request.

- **Master Development Plan:** By city code, applications for PUD rezoning must be accompanied by an application for a Master Development Plan. The planning commission makes a recommendation to the city council, who has final authority to approve or deny the master development plan request.
- **Preliminary Plat:** The applicant is proposing to divide the combined site into five lots. The planning commission makes a recommendation to the city council, who has final authority to approve or deny the plat request.

- **Site Building Plan Review:** By city code, final site and building plans must be reviewed and approved in conjunction with a PUD rezoning and master development plan. Future construction must be in substantial compliance with these approved plans. The planning commission makes a recommendation to the city council, who has final authority to approve or deny the final site and building plans.

**Phasing**

The applicant has suggested that, if the proposal is approved, a final plat application would be submitted in the near future for the northerly lots. A second final plat would be submitted sometime after for the southerly lots. This phased final platting would allow time to resolve a “gap” issue between the existing 5431 and 5439 sites. Phased final platting is allowed by city code.

**Proposed Lots**

The PUD zoning district has no specific lot standards. The following outlines the proposed lot sizes and dimensions:

<table>
<thead>
<tr>
<th>Lot</th>
<th>Lot*</th>
<th>Buildable</th>
<th>ROW</th>
<th>Setback</th>
<th>Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>15,034 SF</td>
<td>3,600 SF</td>
<td>67 FT</td>
<td>67 FT</td>
<td>224 FT</td>
</tr>
<tr>
<td>2</td>
<td>14,361 SF</td>
<td>3,700 SF</td>
<td>64 FT</td>
<td>64 FT</td>
<td>224 FT</td>
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<tr>
<td>3</td>
<td>14,361 SF</td>
<td>4,650 SF</td>
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<tr>
<td>4</td>
<td>13,886 SF</td>
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<tr>
<td>5</td>
<td>11,849 SF</td>
<td>3,415 SF</td>
<td>66.5 FT</td>
<td>67 FT</td>
<td>174 FT</td>
</tr>
</tbody>
</table>

* based on lots dimensions shown on the preliminary plat

**Natural Resources:**

Grading and associated tree removal and impact would be necessary to accommodate construction of the proposed homes and driveways and installation of stormwater facilities.

**Grading.** One to four feet of fill would be added to the northerly two lots. Two to twelve feet of excavation would occur on the east – or rear – of the southerly three lots. This fill and excavation would allow for walkout style homes on the northerly lots and look-out and full basement homes on the southerly lots.
The grading plan makes use of retaining walls at various locations. While most are appropriate, staff is concerned about the awkward location and future maintenance of a retaining wall illustrated between Lots 4 and 5. (See page A23.) As a condition of approval, the grading plan must be revised for these lots. The plan should illustrate a general lowering of grade on Lot 4. One larger, shared wall should be incorporated into the rear yard of Lots 4 and 5, rather than walls essentially surrounding lot 5. This revision may require that shared driveway locations change – with Lot 3 having an individual driveway and Lots 4 and 5 sharing a drive.

**Trees.** Grading activity would result in removal or significant impact to trees as follows:

<table>
<thead>
<tr>
<th></th>
<th>Existing</th>
<th>Proposed Removal*</th>
<th>% Removal</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Priority Trees</td>
<td>48</td>
<td>14</td>
<td>29%</td>
</tr>
<tr>
<td>Significant Trees</td>
<td>71</td>
<td>47</td>
<td>62%</td>
</tr>
</tbody>
</table>

* a tree is considered removed if either: (1) physically removed; or (2) 30% of its critical root zone is impacted

The proposal would meet the tree protection ordinance, which allows for up to 35% of a site’s high priority trees to be removed during the development process. Though the amount of proposed tree removal/impact is allowed, mitigation is also required. Under the ordinance, trees located within 10 feet of a driveway or 20 feet of a home may be removed without mitigation. However, mitigation is required for trees removed or significantly impacted beyond these 10 and 20 foot perimeters. Based on the general home footprints and proposed grading plan, six high priority trees – totaling 161 inches – and five significant trees would be removed outside the driveway and home perimeters. To meet mitigation requirements, 86 two-inch trees must be planted.

**Stormwater**

As proposed, stormwater management would occur through construction of infiltration areas. Under the current plans just one basin would be constructed in the northwest corner of the site. This would capture runoff from the rear of the northerly lots. Prior to construction, revised plans must be submitted for review and approval of the city engineer. These plans must include additional stormwater practices to accommodate runoff from the front of the homes and the rear of the southerly lots. These plans must clearly indicate that the standards of the city’s Water Resources Management Plan. These standards pertain to runoff rate control, runoff volume control, and water quality treatment are met. The site is located within the Nine-Mile Creek Watershed District. As such, in addition to meeting city regulations, the development must comply with Nine Mile Creek standards and appropriate permits must be applied for and received.

**Utilities**

Public utilities are available in Williston Road. However, accessing the utilities will impact the recently paved roadway. As a condition of approval, the road must be patched upon completion of services connections to each home. Once all homes have been completed,
the city’s public works department will perform a full width mill and overlay of Williston Road in the area of disturbance. The cost of this will be borne by the developer and must be paid prior to issuance of a grading permit.

Interestingly, the site is located at the boundary of two separate water pressure zones. Pressure pumps may be required for the home on Lot 5. This would be evaluated by the building official during building permit review.

Access and Parking

As previously indicated, under the current zoning classification the site could reasonably be divided into three lots accessed by three separate driveways. Though the proposed plan would increase the total number of lots to five, the number of driveways would remain at three. The city engineer would evaluate specific driveway locations during the building permit review process.

Under the proposed plan, each home would be set back a minimum of 35 feet from the front property line, accommodating at least two cars within the proposed driveways without blocking adjacent driveways. Front yard setbacks along Williston Road vary significantly from roughly 30 feet to well over 140 feet. The proposed setback and available parking situation would not be dissimilar from others along the arterial roadway.

Motion Options

The planning commission has two options:

1. Concur with staff’s recommendation. In this case a motion should be made to approve the proposal based on the findings outlined in the staff-drafted ordinance and resolutions.

2. Disagree with staff’s recommendation. In this case a motion should be made recommending denial of the proposal. The motion should include findings for denial.

Neighborhood Comments

The city sent notices to 532 area property owners and received no comments.

Deadline for Decision: March 14, 2016
Location Map

Project: Williston Woods West
Applicant: Lakewest Development
Address: 5431 & 5439 Williston Rd
(15028.15a)
PREVIOUS CONCEPTS AND PROPOSALS
B. Concept plan review for Williston Woods West at 5431 and 5439 Williston Road

Thomas provided the staff presentation.

Allendorf asked for more information about how the site plan would work topographically. Thomas said there was a significant drop along Williston Road going to the south. She said staff had not seen any topography or grading plans at this point. Allendorf said he wondered conceptually how the driveway would work because of the topography change.

Wiersum agreed with Allendorf's comments about the topography. Generally he liked the plan given the Kraemer's building would remain commercial, and the buffer would not be too dense. The most challenging issue would be the topography change and the design of the access road to the units. It may be better to have just one access point.

Bergstedt said that not only was there a steep decline on Williston Road, but also there was a severe slope on the site where the units were being proposed. If the Kraemer's building was going to be redeveloped, he liked the detached villa idea. He thought that would function as a nice transition from commercial to mostly single family homes up and down Williston. As he walked the site he was amazed the developer thought they could get six homes on the property. He wasn't sure six was the right number. With any private drive the city was always concerned about off street parking, snow storage, etc. He said as far as being developed under a planned unit development, the city would have to look at what the public benefit was. One argument being made as a public benefit was tree preservation and preserving the berm in the back. He viewed it more that if the berm wasn't there the view would be of the back of the post office parking lot. No matter what, the berm was going to stay or even be enhanced. He didn't necessarily see this as a public benefit but more a benefit to the developer and homeowners. He acknowledged because of the size of the lots, it would likely need to be a planned unit development.

Acomb asked since this was a private drive, if it could be developed as an R1-A property. Thomas said the planning commission asked the same question. The lots, as proposed, are under 15,000 square feet and therefore would be under the R1-A minimum. Acomb asked if it could be developed as an R1-A if there were fewer lots. Thomas said staff would have to look at the surrounding neighborhood but potentially R1-A could be considered if there were fewer lots. Acomb said even though it was acting as a transition from commercial to residential she would be more in favor of it being R1-A zoning rather than a planned unit development. She said there were at least one too many villas on the property given the
small setbacks. She was concerned about parking with some of the homes looking like they might not have enough room for two cars. She would prefer to see fewer units.

Wiersum said the detached townhome concept was one Lake West brought before the council on Minnetonka Boulevard and it was approved. Subsequently the plan did not move forward, but another plan came forward with the number of detached townhomes reduced by one. This development was under construction. He said a comparison between what was approved for that development and this plan was relevant to give a sense of scale.

Ellingson said Allendorf raised a good point about the grade changes. He thought this layout was very impractical given the grade changes. He agreed with Acomb that there were too many units.

Schneider said given the fairly heavy commercial and multi-family housing adjacent to the south and the east he thought the density and type of homes would be a great transition if it were on a relatively flat site. The challenge how to accommodate the number of units and type of design and make the transition. He didn’t think there were too many units but it would be difficult to get that many units on a site with that much grade change.

Wiersum said this plan was reminiscent of the Sanctuary, a development that was ultimately built. He has heard from constituents that parking has been and remains a big problem. The city had to be mindful that parking and access were big issues particularly in transition areas.

Allendorf said he wasn’t sure there were too many units but it depended on the size of the units and the topography. If the units were more modest and the topography taken into account, it might work. He agreed with Wiersum’s comments about parking at the Sanctuary. He thought the concept would be a great transition.

Reid Schulz, Landform Professional Services, 105 S 5th Avenue, Minneapolis, said a lot of things had developed during the time with what was happening with Kraemer’s and this site. He said some of the council’s feedback was the same as the comments from the neighborhood meeting. The topography has been looked at to determine the layout. Generally the site was going off on three different drainage directions. Lots one and two provide a nice walkout layout and the drainage heads northeast. Walking around to lots three and four is where the high point of the topography is on the site. Units four, five, and six drain off to the southwest. He said the road was placed based on the topography of the site. Williston Road going
to the north goes up hill. The northern entrance actually sits at the high point on the site. The exit point is where the current driveway is located. The access points are mimicking the two driveway points on the site. The neighbors had concerns about traffic and congestion and that was why there were two access points to give people a variety of ways to enter and exit on to the site. The idea for a planned unit development was based on preservation of trees and natural resources. A recent tree study showed a lot of the trees on the southeast part of the lot were high priority or large significant trees as well as some of the trees along Williston Road. The plan tries to preserve as many of those trees as possible.

Schulz said other uses have been looked at including three twin homes. This would require another access point on to Williston and potentially other tree impacts. R1 and R1-A zoning also were looked at. What drove them to this plan was a couple of potential builders indicating they liked the high quality villas that sell well and would be a great transition. A single builder could come in build all the units at all at once and minimize construction time. He said not only would the development be a transitional use from the residential to the north to the commercial to the south, it would also be a transitional type of use with the single family detached. Off street parking was a concern the neighbors, staff and the planning commission raised. The plan included six off street parking spots. Each unit would have at least a double garage with at least two spaces on the driveways.

Allendorf asked for information about the redevelopment of the Kraemer's building. Jon Fletcher, Lake West Development, 14525 Highway 7, said a conditional use permit application had been submitted the previous Friday for a licensed child care facility, Prestige Preschools, for the site. A complete renovation of the hardware store would be done. He said Lake West was excited about the potential for the Williston Woods West development. It would provide a great transition on a lot of levels including from a density standpoint as well as a lifestyle standpoint. The topography would bring some variety to the site. He said the same concerns the council had were the concerns of Lake West primarily from a market driven standpoint.

C. Sign plan amendment for Ridgedale Center

Thomas gave the staff report.

Acomb said she supported increasing the height to 42 inches and agreed with the staff that the second sign was not appropriate. She thought expectations were important so having the sign on the tenant space was important. It might look nicer in the drawings to have the signs be in a
Allendorf moved, Acomb seconded a motion to adopt resolution 2015-076 approving the preliminary and final plat of MEETING RIDGE, a two-lot subdivision at 2360 Meeting Street. All voted “yes.” Motion carried.

B. Resolution approving the final plat of BUCKMAN ADDITION at 15700 Highwood Drive

Allendorf moved, Acomb seconded a motion to adopt resolution 2015-077 approving the final plat of BUCKMAN ADDITION at 15700 Highwood Drive. All voted “yes.” Motion carried.

11. Consent Agenda – Items requiring Five Votes: None

12. Introduction of Ordinances:

A. Items concerning Williston Woods West, at 5431 and 5439 Williston Road:
   1) Ordinance rezoning properties from R-1 to PUD;
   2) Master development plan;
   3) Site and building plan review;
   4) Preliminary plat

Acting City Planner Susan Thomas gave the staff report.

Jon Fletcher, Lake West Development, 14730 Highway 7, said the request was for a planned unit development (PUD) to create six detached homes served by a private drive off Williston Road. The site was an important transitional link to the neighborhood, community shopping center, grocery store and restaurant. The proposal was for a higher density use that still was appropriate with a single family feel. A number of concepts were considered for the site. He said the project met five of the public benefits listed in the PUD ordinance. In particular there was a greater preservation of natural resources, specifically tree preservation. The site lays out well from a topographical standpoint. The proposal would bring a mix of housing types desirable to the city. The PUD requirement for a mix of land use types was also being met and the development was compatible with existing and surrounding development types. Several other benefits recognized in the comprehensive plan were also being met including adding stability in existing areas; increasing vitality; adding connectivity to improve mobility; and the incorporation of sidewalk and trail improvements. He noted parking was brought up as a concern for the site. The current design allows for 33 parking spaces or 5.5 stalls per house.

Allendorf asked how the topographical differences on the site were being handled. Fletcher said there would be grading improvements done to the
site. Improved home pads would be developed to support the homes. Schneider said his major concern had been the topography and he took a detailed look at the grading plan. He was impressed by the plan.

Bergstedt said the plan for detached villa homes was very appropriate as a transition between the commercial and single family homes. He had concerns with the proposed density. Until the final plan was submitted the impacts would not be known. He said a PUD simply for tree preservation seemed to be a bit of a stretch. He thought the best way to preserve trees was to have lower density. The berm on the east side was protecting the view of the parking lot and the post office. If there was not adequate parking once the development was built, there weren't many good options to resolve issues. He said he would take a close look at the proposed parking when the final plans are submitted. The access points on to Williston Road were also very important.

Wiersum said Bergstedt had identified the key issues for the planning commission to look at. The primary issues were density and parking. If the public good for a PUD was tree preservation he thought a critical look at a less dense plan was something the planning commission should look at.

Acomb asked the planning commission to evaluate if a PUD was the appropriate zoning.

Wagner noted the site was challenging and the council had looked at a number of proposals. He said the reality was this proposal was one of the better ones he had seen. He asked staff and the planning commission to look at the proposed public benefit.

Acomb asked if an area could be zoned R1-A with a private street. Thomas said the ordinance requires a public street.

Schneider said many people are looking for a detached townhome. The question was if the overall look, feel, and impact work right. If it did he didn't think the council should get too hung up on if the zoning was R1-A, PUD or R-2. Solving the problem of the transitional use was a pretty good public benefit. The bottom line was determining if the proposal fit the site and if the density was reasonable.

Wiersum agreed but said the issue was making sure there was adequate parking. Density and parking went hand in hand.

Allendorf asked the planning commission and staff to look at an objective engineering criteria for the number of parking spaces per unit.
Wagner moved, Wiersum seconded a motion to introduce the ordinance and refer it to the planning commission. All voted “yes.” Motion carried.

13. Public Hearings:

A. Resolution approving a vacation of right-of-way easements and final plat for SAVILLE WEST, a 12-lot subdivision at 5290 and 5300 Spring Lane, 5325 County Road 101, 53101 and 5311 Tracy Lynn Terrace, and an unassigned address.

Thomas gave the staff report.

Schneider opened the public hearing at 7:00 p.m. No one spoke. He closed the public hearing at 7:00 p.m.

Bergstedt moved, Allendorf seconded a motion to adopt resolution 2015-078 approving the vacations of right-of-way and easements and resolution 2015-079 approving the final plat of SAVILLE WEST. All voted “yes.” Motion carried.

B. On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for Cheers Pablo Twenty Three Holdings LLC (Cheers Pablo), 13207 Ridgedale Drive.

Barone gave the staff report.

Rich Bedard from Cheers Pablo said this would be the sixth store, four in the metro area. The business hosts a lot of bachelorette and corporate parties. There was good music and food. There are a lot of kids’ parties during the day.

Schneider closed the public hearing at 7:02 p.m.

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

C. On-sale liquor licenses for Three Amigos Minnetonka, LLC (Salsa A La Salsa).

Barone gave the staff report.

Wiersum asked the when the restaurant would open.

Keyven Talebi, one of the owners, said the plan was to open the early part of December.
6. **Reports from Planning Commission Members**: None

7. **Public Hearings: Consent Agenda**: None

8. **Public Hearings**

   A. **Items concerning Williston Woods West, a four-lot subdivision, at 5431 Williston Road.**

   Chair Kirk introduced the proposal and called for the staff report.

   Miller reported. He recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

   Powers asked if the proposal includes a significant reduction in the number of parking stalls. The current proposal has been reduced to 4 single lots which would each be able to accommodate 4 vehicles. Miller stated that the Sanctuary project commissioners had previously referenced had 23 units and the driveway lengths were shorter. Powers noted that the Sanctuary is not on a main road. Thomas added that parking was a concern for the Sanctuary lots due to their odd-shaped driveways. The current proposal's lots function as single-family lots which would each have a standard-size driveway.

   Miller stated that Parcel B could be used for a single-family residence.

   A resident stated that she was told that parking is not allowed on Williston Road.

   Calvert asked if there had been an investigation regarding the safety of accessing the proposed driveways from the busy road. Miller was unaware of a traffic study. Chair Kirk noted that a driveway with a turnaround might be advisable. Calvert noted that it might be possible for a driver to back into a neighbor's driveway in order to exit the proposed residences.

   Chair Kirk asked staff to explain why the site was rezoned PUD instead of R-1A. Wischnack explained that the applicant proposed rezoning the site to a PUD. During the concept plan review, criteria to establish a public benefit was identified. Providing smaller houses on smaller-than-typical lots would be a public benefit. R-1A zoning would require each lot area to be 15,000 square feet.

   When asked what the difference would be between floor area ratios (FAR) of .24 and .35, Miller stated that the proposed houses would be 4,400 square feet in
size. For the proposed properties to reach an FAR of .24, the square footage of the houses would have to be reduced by roughly 1,000.

Chair Kirk noted that creation of the water retention pond would require removal of trees in the northeast corner. Colleran confirmed that three significant trees and two high-priority trees located in that area would be removed.

Chair Kirk asked if new trees could be planted in the area graded for the water retention pond. Colleran said that there would be an opportunity for planting shrubs or non-woody vegetation on the edges. A landscape plan would be required to comply with tree mitigation standards.

Calvert asked if she understood correctly that PUD zoning adds an opportunity for tree preservation through the use of conservation easements. Colleran explained that the proposal would meet R-1 tree preservation ordinance standards. Less than 35 percent of the high-priority trees would be removed and mitigation would be done for certain trees. A PUD requires a proposal to have an additional public benefit. This site does not have a woodland preservation area, so the city has not requested that it be placed in a conservation easement.

Miller clarified that a condition of approval would require the shared driveways for Lots 1 and 2 to be changed to match the shared driveways for Lots 3 and 4 and there would be a condition requiring a turnaround.

Powers asked how much of the 1.48 acres would become hard surface. Chair Kirk noted that the stormwater calculations would take that into account.

Powers said that his driveway and front lawn flood after every rain and it increased after new houses were built on Rainbow Drive. He was concerned that the intersection would be turned into a flood basin. Thomas answered that engineering staff have reviewed the proposal for consistency with stormwater management rules. The two infiltration areas would manage the site’s stormwater to meet the city’s rules.

Calvert questioned why a conservation easement would not be required. Colleran explained that conservation easements are used to protect high-valued woodland areas, high-valued trees, and wetland buffers. The existing trees are planted too close together and are not healthy enough for the city to put the resources into monitoring the area as a conservation easement.

Curt Fretham, of Lakewest Development, applicant, stated that:
• He was happy to answer questions.
• If the site would be zoned R-1A, then a street with a cul-de-sac would be needed which would increase the amount of hard surface coverage and tree loss dramatically.
• The driveway on the north two lots was designed in response to a request to keep the driveway as far to the north as possible because of sight lines. He is open to moving it to the south.
• The original proposal included an additional lot. It was a good plan. Staff requested the removal of one lot and circular drive lane.
• He has not had a chance to evaluate the FAR request. The 4,400 square feet figure includes 500 square feet of garage and the basement. It would take away the opportunity for the buyer to have a 3-car garage. He was sure something reasonable would be figured out. He was not sure what FAR would be needed by the builders.

Knight asked for Mr. Fretham’s thoughts on the smallest parcel. Mr. Fretham stated that it was not included in the application because there have been a number of options being considered including an apartment building, daycare, or another residence. It was left out to keep its options flexible. The house is occupied right now and the north one is vacant.

The public hearing was opened.

Charles Swanson, 5436 Williston Road, stated that:

• He is glad the proposal has moved to this point. The proposed site is currently deteriorating and not looking good.
• He asked for the distance between two houses and the price of the houses.

Ellen Swanson, 5436 Williston Road, stated that:

• It is difficult to back onto Williston Road. There is a hill north of the proposed site. A builder should consider creating a turn around. It could be very dangerous.
• She asked for the distances between each house and from each house to the curb.

No additional testimony was submitted and the hearing was closed.
Miller explained that each house would be required to have 7-foot side yard setbacks, so there would be a minimum of 14 feet between houses. The minimum front setback would be 40 feet from the house to the front property line. Chair Kirk noted that the proposed setbacks are not uncommon. Miller clarified that the front setback would be larger than what is required by R-1 and R-1A zoning.

Mr. Fretham estimated that the properties would sell from $400,000 to $600,000. Chair Kirk agreed that would be accurate for new construction even with .24 FAR.

Mr. Fretham identified a tree close to the street that was preserved when the street was improved. There is a large, block retaining wall around it. He thought it looked odd and suggested it be looked at and cleaned up at this time.

Knight likes this proposal the best of the various proposals for the site. He likes the driveway configuration the best. It would be a nice addition to the neighborhood.

Magney concurred with Knight. It would be a nice-looking development. He asked what would happen if the applicant could not make .24 FAR work. Thomas answered that the condition would prevent a residence with a FAR larger than .24 to be built without a change to the condition by the city council. Magney suggested that staff and the applicant work together on that condition and resolve it prior to the city council’s review of the application. In general, the planning commission can support staff’s recommendation to try to reach .24 FAR.

Powers had environmental concerns with water runoff and the increase in hard-surface coverage. Attention should be paid to how safe it would be to access Williston Road from a driveway.

Odland noted the location of an existing runoff, ponding area that is fairly sizable for the area.

Chair Kirk stated that Minnetonka lacks new single-family housing. This is one of the best proposals to date for this parcel. Requiring turnarounds should be a condition of approval. Wischnack clarified that it is a condition of approval.

*Odland moved, second by O’Connell, to recommend that the city council adopt the following:*
1. Ordinance rezoning the property from R-1, low-density residential, to PUD, planned unit development, and adopting a master development plan for the Williston Woods West housing development (see pages A26-A29 of the staff report).

2. Resolution approving a preliminary plat for the Williston Woods West housing development (see pages A30-A34 of the staff report).

3. Resolution approving a final site and building plan for the Williston Woods West housing development (see pages A35-A45 of the staff report).

O'Connell, Odland, Powers, Calvert, Knight, Magney, and Kirk voted yes. Motion carried.

Chair Kirk stated that an appeal of the planning commission's decision must be made in writing to the planning division within 10 days.

9. Adjournment

Odland moved, second by Knight, to adjourn the meeting at 7:34 p.m. Motion carried unanimously.

By: ____________________________

Lois T. Mason
Planning Secretary
CURRENT PROPOSAL
WILLISTON WOODS WEST
MINNETONKA, MN

DEVELOPER
LAKE WEST DEVELOPMENT, LLC.
MINNETONKA, MN

MUNICIPALITY
MINNETONKA

PROJECT NO.
RTS 09-28-15

FILE NAME
LWD15010

PROJECT MANAGER REVIEW
CERTIFICATION

TITLESHEET
PRELIMINARY PLAT
EXISTING CONDITIONS
DEMOLITION
SITE PLAN
GRADING, DRAINAGE, & EROSION CONTROL
SWPPP SHEET
UTILITIES
CIVIL CONSTRUCTION DETAILS
CIVIL CONSTRUCTION DETAILS
TREE PRESERVATION PLAN
LANDSCAPE PLAN

DATE REVISION REVIEW
02-01-2016

LOT SUMMARY
SITE PLAN NOTES
ZONING SUMMARY

TYPICAL EASEMENTS
TYPICAL BUILDING ENvelopes

CIVIL TITLE SHEET

CITY COMMENTS
02-01-2016

15400 HIGHWAY 7
MINNETONKA, MN 55345
TEL (952)930-3000

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Williston Woods West
5431 Williston Road
#15028.15b
Williston Woods West
5431 Williston Road
#15028.15b
STAFF-DRAFTED DIAGRAMS AND CHARTS
BUILDABLE AREA AND SETBACKS

R-1

PUD

PLAN FOR ILLUSTRATION PURPOSES ONLY

R-1 FOOTPRINTS, BASED ON ACTUAL CONSTRUCTION ON FAIRVIEW COURT
PUD FOOTPRINTS, BASED ON ACTUAL CONSTRUCTION ON LONE LAKE LOOP.
**GRADING LIMITS**

**R-1**

* minimum 20 ft perimeter

**PUD**

*based on conditions of approval

**PLAN FOR ILLUSTRATION PURPOSES ONLY**

R-1 FOOTPRINTS, BASED ON ACTUAL CONSTRUCTION ON FAIRVIEW COURT

PUD FOOTPRINTS, BASED ON ACTUAL CONSTRUCTION ON LONE LAKE LOOP.
LONE LAKE HIGHLAND EXAMPLES

5948 Lone Lake Loop
- Two-Story Walkout
- Total Area* = 4,240 sq.ft.
- Area for FAR Calculation = 3,662 sq.ft.

5954 Lone Lake Loop
- Two-Story Full Basement
- Total Area* = 4,155 sq.ft.
- Area for FAR Calculation = 3,004 sq.ft.

5945 Lone Lake Loop
- One-Story Walkout
- Total Area* = 3,592 sq.ft.
- Area for FAR Calculation = 3,098 sq.ft.
## LOT 1 EXAMPLE OPTIONS

**0.26 FAR**

<table>
<thead>
<tr>
<th>TWO-STORY – WALKOUT/LOOKOUT</th>
<th>2 STALL GARAGE</th>
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<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>2,221 sq.ft.</td>
<td>2,029 sq.ft.</td>
</tr>
<tr>
<td>WALKOUT</td>
<td>2,221 sq.ft.</td>
<td>2,029 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>5,018 sq.ft.</td>
<td>4,922 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,907.4 sq.ft.</td>
<td>3,907.5 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td>0.26</td>
<td>0.26</td>
</tr>
</tbody>
</table>

* enclosed porches and ½ lookout/walkout level included for purposes of calculating FAR

<table>
<thead>
<tr>
<th>TWO-STORY – WALKOUT/LOOKOUT</th>
<th>2 STALL GARAGE</th>
<th>3 STALL GARAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GARAGE (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>1,332 sq.ft.</td>
<td>1,217 sq.ft.</td>
</tr>
<tr>
<td>SECOND FLOOR</td>
<td>1,332 sq.ft.</td>
<td>1,217 sq.ft.</td>
</tr>
<tr>
<td>LOOKOUT/WALKOUT</td>
<td>1,332 sq.ft.</td>
<td>1,217 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>4,572 sq.ft.</td>
<td>4,515 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,906 sq.ft.</td>
<td>3,906.5 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td>0.26</td>
<td>0.26</td>
</tr>
</tbody>
</table>

* enclosed porches and ½ lookout/walkout level included for purposes of calculating FAR

<table>
<thead>
<tr>
<th>TWO-STORY – FULL BASEMENT</th>
<th>2 STALL GARAGE</th>
<th>3 STALL GARAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GARAGE (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>1,666 sq.ft.</td>
<td>1,522 sq.ft.</td>
</tr>
<tr>
<td>SECOND FLOOR</td>
<td>1,666 sq.ft.</td>
<td>1,522 sq.ft.</td>
</tr>
<tr>
<td>FULL BASEMENT</td>
<td>1,666 sq.ft.</td>
<td>1,522 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>5,574 sq.ft.</td>
<td>5,430 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,908 sq.ft.</td>
<td>3,908 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td>0.26</td>
<td>0.26</td>
</tr>
</tbody>
</table>

* enclosed porches included for purposes of calculating FAR

full basement area *not* included for purposes of calculating FAR
# LOT 2 EXAMPLE OPTIONS
## 0.26 FAR

### ONE-Story – Walkout/Lookout

<table>
<thead>
<tr>
<th></th>
<th>2 Stall Garage</th>
<th>3 Stall Garage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garage (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>Main Floor</td>
<td>2,104 sq.ft.</td>
<td>1,912 sq.ft.</td>
</tr>
<tr>
<td>Walkout</td>
<td>2,104 sq.ft.</td>
<td>1,912 sq.ft.</td>
</tr>
<tr>
<td>Total Area</td>
<td>4,784 sq.ft.</td>
<td>4,688 sq.ft.</td>
</tr>
<tr>
<td>Total for FAR*</td>
<td>3,732 sq.ft.</td>
<td>3,732 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td>0.26</td>
<td>0.26</td>
</tr>
</tbody>
</table>

* enclosed porches and ½ lookout/walkout level included for purposes of calculating FAR

### Two-Story – Walkout/Lookout

<table>
<thead>
<tr>
<th></th>
<th>2 Stall Garage</th>
<th>3 Stall Garage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garage (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>Main Floor</td>
<td>1,262 sq.ft.</td>
<td>1,147 sq.ft.</td>
</tr>
<tr>
<td>Second Floor</td>
<td>1,262 sq.ft.</td>
<td>1,147 sq.ft.</td>
</tr>
<tr>
<td>Lookout/Walkout</td>
<td>1,262 sq.ft.</td>
<td>1,147 sq.ft.</td>
</tr>
<tr>
<td>Total Area</td>
<td>4,362 sq.ft.</td>
<td>4,305 sq.ft.</td>
</tr>
<tr>
<td>Total for FAR*</td>
<td>3,731 sq.ft.</td>
<td>3,731.5 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td>0.26</td>
<td>0.26</td>
</tr>
</tbody>
</table>

* enclosed porches and ½ lookout/walkout level included for purposes of calculating FAR

### Two-Story – Full Basement

<table>
<thead>
<tr>
<th></th>
<th>2 Stall Garage</th>
<th>3 Stall Garage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garage (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>Main Floor</td>
<td>1,578 sq.ft.</td>
<td>1,434 sq.ft.</td>
</tr>
<tr>
<td>Second Floor</td>
<td>1,578 sq.ft.</td>
<td>1,434 sq.ft.</td>
</tr>
<tr>
<td>Full Basement</td>
<td>1,578 sq.ft.</td>
<td>1,434 sq.ft.</td>
</tr>
<tr>
<td>Total Area</td>
<td>5,310 sq.ft.</td>
<td>5,166 sq.ft.</td>
</tr>
<tr>
<td>Total for FAR*</td>
<td>3,732 sq.ft.</td>
<td>3,732 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td>0.26</td>
<td>0.26</td>
</tr>
</tbody>
</table>

* enclosed porches included for purposes of calculating FAR
full basement area *not* included for purposes of calculating FAR
### LOT 3 EXAMPLE OPTIONS

**0.26 FAR**

#### ONE-STORY – LOOKOUT

<table>
<thead>
<tr>
<th></th>
<th>2 STALL GARAGE</th>
<th>3 STALL GARAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GARAGE (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>2,104 sq.ft.</td>
<td>1,912 sq.ft.</td>
</tr>
<tr>
<td>LOOKOUT</td>
<td>2,104 sq.ft.</td>
<td>1,912 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>4,784 sq.ft.</td>
<td>4,688 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,732 sq.ft.</td>
<td>3,732 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td><strong>0.26</strong></td>
<td><strong>0.26</strong></td>
</tr>
</tbody>
</table>

* enclosed porches and ½ lookout/walkout level included for purposes of calculating FAR

#### TWO-STORY – LOOKOUT

<table>
<thead>
<tr>
<th></th>
<th>2 STALL GARAGE</th>
<th>3 STALL GARAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GARAGE (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>1,262 sq.ft.</td>
<td>1,147 sq.ft.</td>
</tr>
<tr>
<td>SECOND FLOOR</td>
<td>1,262 sq.ft.</td>
<td>1,147 sq.ft.</td>
</tr>
<tr>
<td>LOOKOUT</td>
<td>1,262 sq.ft.</td>
<td>1,147 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>4,362 sq.ft.</td>
<td>4,305 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,731 sq.ft.</td>
<td>3,731.5 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td><strong>0.26</strong></td>
<td><strong>0.26</strong></td>
</tr>
</tbody>
</table>

* enclosed porches and ½ lookout/walkout level included for purposes of calculating FAR

#### TWO- STORY – FULL BASEMENT

<table>
<thead>
<tr>
<th></th>
<th>2 STALL GARAGE</th>
<th>3 STALL GARAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GARAGE (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>1,578 sq.ft.</td>
<td>1,434 sq.ft.</td>
</tr>
<tr>
<td>SECOND FLOOR</td>
<td>1,578 sq.ft.</td>
<td>1,434 sq.ft.</td>
</tr>
<tr>
<td>FULL BASEMENT</td>
<td>1,578 sq.ft.</td>
<td>1,434 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>5,310 sq.ft.</td>
<td>5,166 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,732 sq.ft.</td>
<td>3,732 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td><strong>0.26</strong></td>
<td><strong>0.26</strong></td>
</tr>
</tbody>
</table>

* enclosed porches included for purposes of calculating FAR
full basement area not included for purposes of calculating FAR
# LOT 4 EXAMPLE OPTIONS
## 0.26 FAR

<table>
<thead>
<tr>
<th>TWO- STORY – FULL BASEMENT</th>
<th>2 STALL GARAGE</th>
<th>3 STALL GARAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GARAGE (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>1,517 sq.ft.</td>
<td>1,373 sq.ft.</td>
</tr>
<tr>
<td>SECOND FLOOR</td>
<td>1,517 sq.ft.</td>
<td>1,373 sq.ft.</td>
</tr>
<tr>
<td>FULL BASEMENT</td>
<td>1,517 sq.ft.</td>
<td>1,373 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>5,172 sq.ft.</td>
<td>4,983 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,610 sq.ft.</td>
<td>3,610 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td><strong>0.26</strong></td>
<td><strong>0.26</strong></td>
</tr>
</tbody>
</table>

* enclosed porches included for purposes of calculating FAR
full basement area *not* included for purposes of calculating FAR
## LOT 5 EXAMPLE OPTIONS
0.30 FAR

<table>
<thead>
<tr>
<th>TWO-STORY – FULL BASEMENT</th>
<th>2 STALL GARAGE</th>
<th>3 STALL GARAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GARAGE (2 stall)</td>
<td>576 sq.ft.</td>
<td>864 sq.ft.</td>
</tr>
<tr>
<td>MAIN FLOOR</td>
<td>1,489 sq.ft.</td>
<td>1,345 sq.ft.</td>
</tr>
<tr>
<td>SECOND FLOOR</td>
<td>1,489 sq.ft.</td>
<td>1,345 sq.ft.</td>
</tr>
<tr>
<td>FULL BASEMENT</td>
<td>1,489 sq.ft.</td>
<td>1,345 sq.ft.</td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>5,043 sq.ft.</td>
<td>4,899 sq.ft.</td>
</tr>
<tr>
<td>TOTAL for FAR*</td>
<td>3,554 sq.ft.</td>
<td>3,554 sq.ft.</td>
</tr>
<tr>
<td>FAR</td>
<td>0.26</td>
<td>0.26</td>
</tr>
</tbody>
</table>

* enclosed porches included for purposes of calculating FAR
full basement area *not* included for purposes of calculating FAR
ORDINANCE AND RESOLUTIONS
Ordinance No. 2016-

Ordinance rezoning the existing properties at 5431 and 5439 Williston Road from R-1, low density residential, to PUD, planned unit development, and adopting a master development plan for WILLISTON WOODS WEST

The city Of Minnetonka Ordains:

Section 1.

1.01 The properties at 5431 and 5439 Williston Road are hereby rezoned from R-1, low density residential, to PUD, planned unit development.

1.02 The properties are legally described on EXHIBIT A of this ordinance.

Section 2.

2.01 This ordinance is based on the following findings:

1. The rezoning would provide a public benefit, as:

   a) PUD zoning would allow the city to establish a maximum floor area ratio (FAR) for new homes built on the site. In setting a maximum FAR, the city may ensure provision of a desirable housing type, namely, smaller new-construction homes.

   b) PUD zoning would allow for smaller, single-family residential lots. Such lots would provide for a smooth, or less significant, land use transition between existing commercial uses to the south and east and existing single-family homes to the north and west.

2. The rezoning would advance the goals of the comprehensive guide plan, specifically as they pertain to supporting and accommodating new residential land uses and housing types that will appeal to a variety of residents.
3. Given its close proximity to commercial properties, the proposed PUD would be appropriately integrated into the existing, surrounding development.

4. The rezoning would be consistent with the public health, safety, and welfare.

Section 3.

3.01 Approval is subject to the following conditions:

1. The site must be developed and maintained in substantial conformance with the following plans:
   - Preliminary Plat, revised date February 1, 2016.
   - Site Plan, revised date February 1, 2016.
   - Grading, Drainage and Erosion Control Plan revised date February 1, 2016.
   - Stormwater Pollution Prevention Plan, revised date February 1, 2016
   - Utilities Plan, revised date February 1, 2016
   - Site Plan and Typical House Elevations dated September 14, 2015

   The above plans are hereby adopted as the master development plan for WILLISTON WOODS WEST.


Section 4. A violation of this ordinance is subject to the penalties and provisions of Chapter XIII of the city code.

Section 5. This ordinance is effective immediately.

Adopted by the city council of the City of Minnetonka, Minnesota, on March 14, 2016.

Terry Schneider, Mayor
Ordinance No. 2016-

Attest:

David E. Maeda, City Clerk

Action on this Ordinance:

Date of introduction:
Date of adoption:
Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:

Ordinance adopted.

Date of publication:

I certify that the foregoing is a correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota at a regular meeting held on March 14, 2016.

David E. Maeda, City Clerk
EXHIBIT A

Parcel A:
SOUTH 250 FEET OF THE NORTH 456.5 FEET OF THE WEST 257.31 FEET OF THE
NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 33, TOWNSHIP 117, RANGE
22, HENNEPIN COUNTY, MINNESOTA.

Parcel B:
THE NORTH 75 FEET OF THAT PART OF THE NORTHEAST QUARTER OF THE
NORTHEAST QUARTER (NE 1/4 OF NE 1/4) OF SECTION THIRTY-THREE (33),
TOWNSHIP ONE HUNDRED SEVENTEEN (117), RANGE TWENTY-TWO (22), WEST OF
THE FIFTH PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A
POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF NORTHEAST
QUARTER (NE 1/4 OF NE 1/4) OF SAID SECTION THIRTY-THREE (33) LOCATED 456
1/2 FEET SOUTH OF THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER OF
NORTHEAST QUARTER (NE 1/4 OF NE 1/4) OF SAID SECTION; THENCE AT RIGHT
ANGLES EAST 207.31 FEET; THENCE AT RIGHT ANGLES SOUTH 115.81 FEET TO A
POINT IN A LINE PARALLEL WITH AND 207.31 FEET EAST OF SAID WEST LINE OF
SAID NORTHEAST QUARTER OF NORTHEAST QUARTER (NE 1/4 OF NE 1/4);
THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO A POINT OF THE
NORTHWesterly LINE OF EXCELSIOR ROAD 261.29 FEET NORtheasterLY
FROM THE POINT OF INTERSECTION OF SAID WEST LINE OF SAID NORTHEAST
QUARTER OF NORTHEAST QUARTER (NE 1/4 OF NE 1/4) WITH SAID
NORTHWesterLY LINE OF SAID EXCELSIOR ROAD; THENCE SOUTHWesterLY
ALONG SAID NORTHWesterLY LINE OF SAID EXCELSIOR ROAD 261.29 FEET TO
SAID POINT OF INTERSECTION OF SAID WEST LINE OF SAID NORTHEAST
QUARTER OF NORTHEAST QUARTER (NE 1/4 OF NE 1/4) WITH SAID
NORTHWesterLY LINE OF EXCELSIOR ROAD; THENCE NORTH ALONG SAID
WEST LINE OF SAID NORTHEAST QUARTER OF NORTHEAST QUARTER (NE 1/4 OF
NE 1/4) 381.5 FEET TO THE POINT OF BEGINNING, 3 ACRES MORE OR LESS,
ACCORDING TO THE GOVERNMENT SURVEY THEREOF.
Resolution No. 2016-

Resolution approving the preliminary plat of
WILLISTON WOODS WEST at 5431 and 5439 Williston Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Lakewest Development has requested preliminary plat approval of WILLISTON WOODS WEST, a five-lot subdivision.

1.02 The properties are located at 5431 and 5349 Williston Road. They are legally described on Exhibit A of this resolution.

1.03 On February 18, 2016, the planning commission held a hearing on the proposed plat. The applicant was provided the opportunity to present information to the commission. The commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council grant preliminary plat approval.

Section 2. General Standards.

2.01 City Code §400.030 outlines general design requirements for residential subdivisions. These standards are incorporated by reference into this resolution.

Section 3. Findings.

3.01 The preliminary plat would meet the design standards as outlined in City Code §400.030.

4.01 The above-described preliminary plat is hereby approved, subject to the following conditions:

1. Final plat approval is required. A final plat will not be placed on a city council agenda until a complete final plat application is received. The following must be submitted for a final plat application to be considered complete:

a) A final plat drawing that clearly illustrates the following drainage and utility easements:

   1. A minimum 10-foot wide easement adjacent to the public right-of-way and minimum 7-foot wide easement along all side lot lines.
   
   2. Easement over all stormwater facilities as determined by the city engineer.
   
   3. Easement over the rear of Lots 1, 2, and 3 encompassing the drainage path to the infiltration basin at the northeast corner of the plat.

b) A utility exhibit illustrating existing and proposed utility connections to each lot.

c) The following documents for the review and approval of the city attorney:

   1. Private utility easements over any existing or proposed service lines that cross shared property lines.
   
   2. Private shared driveway easements as necessary. The easements must include a non-obstruction requirement in the actual shared portion of the driveways.

2. Prior to final plat approval:

a) This resolution must be recorded with Hennepin County.

b) The documents outlined in section 4.01(1)(c) above must be approved by the city attorney.
3. Prior to release of the final plat for recording, submit the following:
   
a) Two sets of mylars for city signatures.

b) An electronic CAD file of the plat in microstation or DXF.

c) Park dedication fee of $15,000.

d) Title evidence that is current within thirty days before release of the final plat for review and approval of the city attorney.

4. This preliminary plat approval will be void on March 14, 2017 if: (1) a final plat application has not been received and approved; and (2) the city council has not received and approved a written application for a time extension.

5. The mayor and city manager are authorized to execute instruments and agreements as necessary to implement the approval granted by this resolution.

Adopted by the City Council of the City of Minnetonka, Minnesota, on March 14, 2016.

__________________________________________________________
Terry Schneider, Mayor

Attest:

__________________________________________________________
David E. Maeda, City Clerk

Action on this resolution:

Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on March 14, 2016.

__________________________________________
David E. Maeda, City Clerk
EXHIBIT A

Parcel A:
SOUTH 250 FEET OF THE NORTH 456.5 FEET OF THE WEST 257.31 FEET OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 33, TOWNSHIP 117, RANGE 22, HENNEPIN COUNTY, MINNESOTA.

Parcel B:
The north 75 feet of that part of the northeast quarter of the northeast quarter (NE 1/4 of NE 1/4) of section thirty-three (33), township one hundred seventeen (117), range twenty-two (22), west of the fifth principal meridian, described as follows: commencing at a point on the west line of the northeast quarter of northeast quarter (NE 1/4 of NE 1/4) of said section thirty-three (33) located 456 1/2 feet south of the northwest corner of said northeast quarter of northeast quarter (NE 1/4 of NE 1/4) of said section; thence at right angles east 207.31 feet; thence at right angles south 115.81 feet to a point in a line parallel with and 207.31 feet east of said west line of said northeast quarter of northeast quarter (NE 1/4 of NE 1/4); thence southeasterly along a straight line to a point of the northwesterly line of excelsior road 261.29 feet northeasterly from the point of intersection of said west line of said northeast quarter of northeast quarter (NE 1/4 of NE 1/4) with said northwesterly line of said excelsior road; thence southwesterly along said northwesterly line of said excelsior road 261.29 feet to said point of intersection of said west line of said northeast quarter of northeast quarter (NE 1/4 of NE 1/4) with said northwesterly line of excelsior road; thence north along said west line of said northeast quarter of northeast quarter (NE 1/4 of NE 1/4) 381.5 feet to the point of beginning, .3 acres more or less, according to the government survey thereof.
Resolution No. 2016-  
Resolution approving final site and building plans for WILLISTON WOODS WEST

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Lakewest Development has requested approval of final site and building plans for WILLISTON WOODS WEST.

1.02 The properties are legally described as Lots 1, 2, 3, 4, and 5, Block 1, WILLISTON WOODS WEST.

1.03 On February 18, 2016, the planning commission held a hearing on the request. The applicant was provided the opportunity to present information to the commission. The commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council approve the final site and building plans.

Section 2. Site and Building Plan Standards and Findings.

2.01 City Code §300.27, Subd. 5, outlines several standards that must be considered in the evaluation of site and building plans. Those items are incorporated by reference into this resolution.

2.02 The proposal would meet site and building plan standards outlined in the City Code §300.27, Subd.5.

1. The proposal would result in low density residential development consistent with the site's comprehensive guide plan designation. Further, the proposal has been reviewed by city planning, engineering, and natural resources staff and found to be generally consistent with the city's development guides, including the water resources management plan.
2. The proposal would be consistent with zoning ordinance standards.

3. The proposal would alter the natural state of the site. However, it is likely a similar level of alteration would result from allowable R-1 redevelopment of the site.

4. The proposed redevelopment is located at the intersection of major collector and arterial roadways and directly north and west of commercially-zoned properties. Given this setting:
   a) The proposal would result in an appropriate relationship of buildings to open space. New homes would be situated on the west half of the site, creating private, wooded backyards on the east.
   b) The proposal represents functional and appropriate site design. More intense uses – homes and driveways – would be situated adjacent to a major collector road, while private open space would be available to the rear of the homes.

5. As new construction, the building code would require use of energy conservation features.

6. The proposal would physically and visually alter the subject properties. However, it is not anticipated to impact adjacent or neighboring properties to a greater extent than other types of allowable redevelopment.

Section 3. City Council Action.

3.01 The above-described site and building plans are hereby approved subject to the following conditions:

1. Subject to staff approval, WILLISTON WOODS WEST must be developed and maintained in substantial conformance with the following plans, except as modified by the conditions below:
   - Preliminary Plat, revised date February 1, 2016.
   - Site Plan, revised date February 1, 2016.
   - Grading, Drainage and Erosion Control Plan, revised date February 1, 2016.
   - Stormwater Pollution Prevention Plan, revised date February 1, 2016.
   - Utilities Plan, revised date February 1, 2016.
   - Site Plan and Typical House Elevations, dated September 14, 2015.
2. A grading permit is required. Unless authorized by appropriate staff, no site work may begin until a complete grading permit application has been submitted, reviewed by staff, and approved.

a) The following must be submitted for the grading permit to be considered complete:

1) An electronic PDF copy of all required plans and specifications.

2) Three full-size sets of construction drawings and project specifications.

3) Final site, grading, stormwater management, utility, landscape and tree mitigation, and stormwater pollution prevention plans for staff approval.

a. The final site plan may be revised with regard to which lots are served by shared driveways. This revision should be based on the revised grading plan. In no case are more than three driveways to Williston Road allowed.

b. Final grading plan must be revised to:

1. Clearly indicate the following, specific grading limits:

   • Lot 1: Grading may not occur within 117 feet of the east lot line unless otherwise approved by city staff. This condition does not prevent grading approved to install the drainage swale along the north property line and to install the infiltration basin. Grading machinery and equipment may access the infiltration basin area only along the northern 10-feet of Lot 1 so as to minimize impacts to tree #105.

   • Lot 2: Grading may not occur within 115 feet of the east lot line unless otherwise approved by city staff.
• Lot 3: Grading may not occur within 96 feet of the east lot line unless otherwise approved by city staff.

• Lot 4: Grading may not occur within 96 feet of the east lot line unless otherwise approved by city staff.

• Lot 5: Grading may not occur within 70 feet of the east lot line unless otherwise approved by city staff.

2. Revise grading between Lots 4 and 5. The revised plan should generally lower the grade on Lot 4 and incorporate one, shared wall along the rear yards of these lots rather than walls surrounding Lot 5 as illustrated on grading plan, revised dated February 1, 2016.

3. Clearly indicate emergency overflow locations and elevations.

4. Include a driveway turnaround on Lot 5.

5. Include grading adjacent to Williston Road for future installation of a public sidewalk.

6. Note that if compaction occurs within the infiltration basin or any rain gardens during site preparation and construction, decompaction must be completed prior to final grading of the site.

7. Note that retaining walls on the site must be engineered and constructed by the developer in conjunction with mass grading of the site.

c. Final stormwater management plan must meet Nine Mile Creek Watershed District rules and the requirements of city’s Water Resources Management Plan, Appendix A. Design. The plan must include a narrative indicating conformance with watershed and city rules.
impervious surface information, soil boring data, and modeling demonstrating quantity and rate control and water quality treatment. In addition to an infiltration basin in the northeast corner, the plan must include stormwater facilities for the west half of the site and for Lots 4 and 5, which are not served under the current plan.

d. Final utility plan must:

1. Show water services located outside of driveway pavement to the extent possible. Curb stops must not be located within paved areas.

2. Include a traffic control/detour plan to be implemented during installation of sewer and water services.

3. Note that the Williston Road will be patched by the developer/builder upon completion of services connections to each home. Upon the completion of home construction on all five lots, the city’s public works department will perform a full width mill and overlay of Williston Road in the area of disturbance. The cost of this will be borne by the developer.

e. Final landscape and tree mitigation must:

1. Must be similar to the landscaping represented on Site Plan and Typical House Elevations plan dated September 14, 2015, extending over all five lots.

2. Meet minimum landscaping and tree mitigation requirements outlined in city code. Based on current plans, 86, two-inch trees are required for mitigation. At the sole discretion of natural resources staff, mitigation may be adjusted based on site conditions.
3. Include an itemized plant material list to illustrate that landscape value will meet city code requirements.

4. Include the final seed mix to be planted in the infiltration basin and any rain gardens.

5. Include a combination of overstory deciduous trees, understory trees, evergreen trees, ornamental trees, shrubs, flowers, and ground cover materials.

6. Illustrate that any deciduous trees will be planted at least 15 feet behind the edge curb and evergreen trees at least 20 feet behind the edge of curb.

4) The following documents for the review and approval of the city attorney:

   a. A stormwater maintenance agreement over all stormwater facilities, including the infiltration basin and any rain garden.

   b. Encroachment agreements for all retaining walls within public easements.

   c. Private maintenance agreement/plan for retaining walls. The agreement/plan must outline future cost and maintenance responsibilities.

   d. Private shared driveway easements as necessary. The easements must include a non-obstruction requirement in the actual shared portion of the driveways.

5) A construction management plan. The plan must be in a city approved format and must outline minimum site management practices and penalties for non-compliance.

6) A copy of the approved Minnesota Pollution Control Agency NPEDS permit.
7) A copy of the approved Minnesota Pollution Control Agency permit for the additional service stub.

8) A copy of the approved permit from the Nine Mile Creek Watershed District.

9) Evidence of closure/capping of any existing wells, septic systems, and removal of any existing fuel oil tanks.

10) All required administration and engineering fees. This includes a fee, to be determined by the city engineer, for the rehabilitation of Williston Road. Upon the completion of home construction on all five lots, the city’s public works department will perform a full width mill and overlay of Williston Road in the area of disturbance.

11) Evidence that an erosion control inspector has been hired to monitor the site through the course of grading and construction. This inspector must provide weekly reports to natural resource staff in a format acceptable to the city. At its sole discretion, the city may accept escrow dollars, in an amount to be determined by natural resources staff, to contract with an erosion control inspector to monitor the site throughout the course of grading and construction.

12) Individual letters of credit or cash escrow for 125% of a bid cost or 150% of an estimated cost to construct utility and stormwater improvements, comply with grading permit, tree mitigation requirements, landscaping requirements, and to restore the site. One itemized letter of credit is permissible, if approved by staff. The city will not fully release the letters of credit or cash escrow until:

   • A final grading and utility as-built survey has been submitted;

   • Vegetated ground cover has been established; and

   • Required landscaping or vegetation has survived one full growing season.
13) Compliance cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the developer. Through this document the developer will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and
- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion or grading problems.

b) Prior to issuance of the grading permit:

1) Install a temporary rock driveway, erosion control, tree protection fencing, and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

2) Schedule and hold a pre-development meeting with engineering, planning, and natural resources staff.

c) Tree removal on the site may not occur until issuance of a grading permit.

3. Prior to issuance of the first building permit in the development:

a) Submit a letter from the surveyor stating that boundary and lot stakes have been installed as required by ordinance.

b) Submit proof of subdivision registration and transfer of NPDES permit.

4. Prior to issuance of any building permit:

a) Submit a construction management plan. This plan must be in a city approved format and outline minimum site management practices and penalties for non-compliance. If the builder is the same entity doing grading work on the site, the construction management plan submitted at the time of grading permit may fulfill this requirement.
b) Submit cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.

If the builder is the same entity doing grading work on the site, the cash escrow submitted at the time of grading permit may fulfill this requirement.

c) Submit all required new hook-up fees and any outstanding hook-up fees.

5. All principal structures within the development are subject to the following requirements:

<table>
<thead>
<tr>
<th></th>
<th>Lot 1</th>
<th>Lot 2</th>
<th>Lot 3</th>
<th>Lot 4</th>
<th>Lot 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front Yard Setback</td>
<td>35 ft</td>
<td>35 ft</td>
<td>35 ft</td>
<td>35 ft</td>
<td>35 ft</td>
</tr>
<tr>
<td>Rear Yard Setback</td>
<td>As defined by grading limits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Side Yard Setback</td>
<td>10 ft north 7 ft south</td>
<td>7 ft</td>
<td>7 ft</td>
<td>7 ft</td>
<td>10 ft south 7 ft north</td>
</tr>
<tr>
<td>FAR*</td>
<td>0.26</td>
<td>0.26</td>
<td>0.26</td>
<td>0.26</td>
<td>0.30</td>
</tr>
<tr>
<td>Allowed Home Design</td>
<td>Walkout, Lookout, or Full Basement</td>
<td>Walkout, Lookout, or Full Basement</td>
<td>Lookout or Full Basement</td>
<td>Full Basement</td>
<td>Full Basement</td>
</tr>
</tbody>
</table>

* floor area is defined as the sum of the following as measured from exterior walls: the fully exposed gross horizontal area of a building including attached garage space and enclosed porch areas and one-half the gross horizontal areas of any partially exposed level such as a walkout or lookout level. If a floor has a height in excess of 15 feet an additional floor will be assumed for every full 15 feet of interior building height.

6. Prior to issuance of a certificate of occupancy for each home, the following must be submitted:
a) Record drawings/tie cards of the new services and the existing services in relation to the new house.
b) An as-built survey.

7. All lots within the development must meet all minimum access requirements as outlined in Minnesota State Fire Code Section 503. These access requirements include road dimension, surface, and grade standards. If access requirements are not met, houses must be protected with a 13D automatic fire sprinkler system or an approved alternative system.

8. During construction, streets must be kept free of debris and sediment.

9. Individual property owners are responsible for replacing any required landscaping that dies.

10. The mayor and city manager are authorized to execute instruments and agreements as necessary to implement the approval granted by this resolution.

Adopted by the City Council of the City of Minnetonka, Minnesota, on March 14, 2016.

__________________________
Terry Schneider, Mayor

Attest:

__________________________
David E. Maeda, City Clerk

Action on this Resolution:

Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on March 14, 2016.
David E. Maeda, City Clerk
• Reviewed concept plans for Highview Villas and Villa West.

The next planning commission meeting is scheduled for March 3, 2016.

6. Report from Planning Commission Members

Former commissioner Magney approached the commission and expressed his appreciation for working with thoughtful commissioners and awesome staff.

Calvert encouraged everyone to participate in the next citizens’ academy. She enjoyed it and learned a lot.

Powers was impressed with how Wischnack conducted the Shady Oak Redevelopment meeting. Wischnack stated that there will be another meeting regarding potential redevelopment April 7, 2016. A reminder will be sent.

7. Public Hearings: Consent Agenda: None

8. Public Hearings

A. Items concerning Williston Woods West, a five-lot subdivision at 5431 and 5439 Williston Road.

Acting Chair Odland introduced the proposal and called for the staff report.

Thomas reported. She recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

In response to Acting Chair Odland’s question, Thomas explained that the January proposal would have impacted 30 percent of the high priority trees and the current proposal would impact 29 percent.

Curt Fretham, of Lakewest Development, applicant, stated that he was available for questions.

Powers asked why the plan was changed. Mr. Fretham stated that some issues were worked through.

Calvert asked how access to Williston Road would be handled. Mr. Fretham stated that each residence would have a turnaround or be able to back into a neighbor’s driveway to exit.

Powers asked if there would be easements for each property to be allowed to back into a neighbor’s driveway. Mr. Fretham answered that there would be a
common driveway easement and maintenance agreement that would be recorded with each property. Thomas added that there is a condition that would require a common access easement for each residence that would include a “non-blockage clause.”

The public hearing was opened.

Sharon Gibbons, 5402 Williston Road, stated that she and her neighbors support the proposal. This proposal makes sense. It has been hard to watch the property deteriorate for 12 years. She is glad the south piece of property was added to the project. She asked if construction would be done for the five houses individually or if all of the houses would be done at once. She would like them to be done quickly. The rendering makes the site look more level than it is. The proposal is a good solution. It would provide housing needed in Minnetonka.

No additional testimony was submitted and the hearing was closed.

Thomas explained that the site would be platted as individual lots with common easements for access to the lots. Construction must substantially conform to the elevations in the approved site and building plan to provide general consistency. The city does have a deadline for when construction must be completed after issuance of a building permit, but there is no deadline when a developer must apply for a building permit. The residences may be constructed one at a time.

Mr. Fretham explained that he is working with a builder, but does not have a timeframe of when the houses would be constructed.

In response to Powers’ question regarding runoff, Mr. Fretham stated that his engineers have included features and worked with the grades to provide control measures.

Powers asked for the proposed houses’ selling price. Mr. Fretham estimated from $400,000 to $600,000.

Acting Chair Odland asked if there would be one or multiple builders. Mr. Fretham said that it would be likely that there would be one builder for all of the lots.

Calvert agreed that the proposed houses are desirable for the area and would provide a transition from a dense area to a low-density, residential area. She liked the proposal and agreed with the PUD zoning. She was a little concerned with the timeline. She liked the concept.
Powers said that including the second small lot made sense to him. Solving the problem so drivers would not have to back onto Williston Road is significant.

Acting Chair Odland gave Mr. Fretham kudos for responding to the feedback.

**Calvert moved, second by Powers, to recommend that the city council adopt the following with an address correction provided in the change memo dated February 18, 2016:**

1) **Ordinance rezoning the property from R-1 to PUD and adopting a master development plan for Williston Woods West (see pages A38-A41 of the staff report).**

2) **Resolution approving a preliminary plat of Williston Woods West (see pages A42-A46 of the staff report).**

3) **Resolution approving final site and building plans for Williston Woods West (see pages A47-A57 off the staff report).**

Knight, O'Connell, Powers, Calvert, Hanson, and Odland voted yes. Kirk was absent. Motion carried.

9. Other Business

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

Acting Chair Odland introduced the proposal and called for the staff report.

Thomas and Cauley reported. They requested commissioners provide comments, feedback, and direction that may lead to the preparation of more detailed development plans.

O'Connell asked if the green space is being incorporated into the project. Thomas explained that it is part of the large lot.

Tom Hayden, development director for LeCesse Development, applicant, introduced the civil engineer, Nick Mannel, and the architect, Martin Cook, for the project. Mr. Hayden stated that:

- The proposal is for 350 luxury apartments.
- The plan addresses concerns regarding height, mass, and green space.
- The building would be 5 stories tall.
Brief Description  Increase the unit count for Cherrywood Pointe of Minnetonka at 2004 Plymouth Road.

Recommendation  Approve the increase in units.

Introduction

On October 26, 2015, the city council approved the 99-unit Cherrywood Pointe senior rental building proposed by United Properties at 2004 Plymouth Road. As the Council will recall, the project required approval of: (1) a rezoning from R-1, low-density residential, to PUD, planned unit development; (2) approval of master development plan; and (3) approval of final site and building plans. United Properties is planning to start construction late-spring/early-summer. (See pages A4–A50).

Request

United Properties is requesting to increase the building residential unit count from 99 to 100. The additional unit would be created through the conversion of an existing two-bedroom unit to 2 studio units. The change is requested to better diversify the income controlled units. United Properties states that because two-bedroom units are typically occupied by more than one person, the additional unit would not cause an increase in population. The conversion of space would not change the building in any other manner. (See pages A2-A3).

Staff Discussion

The additional unit will not change the building size or other site conditions previously approved. Project approvals requiring that 10 units, or 10 percent of the total building units, would be rent and income restricted would be unaffected by the request. The request is reasonable as no additional on or off-site impact would be created as a result of the additional unit.

Staff Recommendation

Staff recommends the city council approve the request.

Through:  Geralyn Barone, City Manager
       Julie Wischnack, AICP, Community Development Director

Originator:  Loren Gordon, AICP, City Planner
Location Map

Project: Cherrywood Pointe
Applicant: United Properties Residential
Address: 2004 Plymouth Rd
(15002.15b)

This map is for illustrative purposes only.
March 2, 2016

Susan M. Thomas  
Assistant City Planner  
City of Minnetonka  
14600 Minnetonka Blvd  
Minnetonka, MN 55345

RE: Amendment to Unit Count at Cherrywood Pointe of Minnetonka

Dear Ms. Thomas:

In October of 2015, United Properties was granted the approval of a rezoning request to build a 99 unit senior housing facility at 2004 Plymouth Road with Resolution No. 2015-111.

One of the conditions of this approval was for United Properties to enter into a legal agreement with the city of Minnetonka to provide income controlled units for a period of 15 years. The unit mix that was agreed upon at that time was as follows:

<table>
<thead>
<tr>
<th>Type of Unit</th>
<th>Number Units</th>
<th>Income Restriction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>3</td>
<td>60% of area median</td>
</tr>
<tr>
<td>1 Bedroom</td>
<td>5</td>
<td>60% of area median</td>
</tr>
<tr>
<td>1+ Den</td>
<td>2</td>
<td>80% of area median</td>
</tr>
</tbody>
</table>

Since our approvals were granted in October, United Properties has been working diligently with the architects on the project to finalize the interior layouts of the building. In an effort to most efficiently use the space for the residents on the interior, while maintaining the architectural elements from the exterior, we have determined that we do not have the adequate amount of studio based residences to support our income controlled unit mix. We currently have (2) studio homes available in our space plan.

United Properties proposes that we convert an existing 2-Bedroom home sized at 1270 square feet and create 2 studio homes. We are comfortable that we have ample amounts of larger homes available for residents inside the footprint and we feel we would benefit larger customer base by having the capacity to provide a total of (4) studio homes.

The net gain of this request would be a single home, bringing our total to 100 units for the development. This would allow United Properties to be consistent with diversity of the unit mix designated as income controlled units. We also feel that by eliminating a 2-bedroom home, which is typically occupied by more than one person, we would maintain the same occupant load on the building by providing (2) studio homes, which are typically occupied by a single person.
Thank you and your staff for the efforts given to this project and we look forward to beginning construction this summer.

Please let me know if I can be of any assistance in this matter.

Sincerely,

Dave Young
Development Project Manager
United Properties

cc: Julie Wischnack, City of Minnetonka
    Mark Nelson, United Properties
Ordinance No. 2015-16

Ordinance rezoning the existing property at 2004 Plymouth Road from R-1, low density residential, to PUD, planned unit development

The City Of Minnetonka Ordains:

Section 1.

1.01 The property at 2004 Plymouth Road is hereby rezoned from R-1, low density residential, to PUD, planned unit development.

1.02 The property is legally described in EXHIBIT A.

Section 2.

2.01 This ordinance is based on the following findings:

1. The rezoning would provide public benefit, as:
   a) Greater preservation of the site’s wooded slope than would otherwise be provided under non-PUD development; and
   b) Provision of affordable housing.

2. The rezoning would be consistent with the intent of the zoning ordinance and of the comprehensive guide plan.

3. The rezoning would be consistent with the public health, safety, and welfare.

Section 3.

3.01 Approval is subject to the following conditions:
1. The site must be developed and maintained in substantial conformance with the following plans:
   - Civil site plan, dated August 21, 2015
   - Utility plan, dated August 21, 2015
   - Grading and Drainage plan, received October 8, 2015
   - Building elevations, dated August 21, 2015
   - Overall landscape plan, dated August 21, 2015

   The above plans are hereby adopted as the master development plan for CHERRYWOOD POINTE OF MINNETONKA.

2. Development must further comply with all conditions as outlined in City Council Resolution No. 2015-111, adopted by the Minnetonka City Council on October 26, 2015.

Section 4. A violation of this ordinance is subject to the penalties and provisions of Chapter XIII of the city code.

Section 5. This ordinance is effective immediately.

Adopted by the city council of the City of Minnetonka, Minnesota, on October 26, 2015.

Terry Schneider, Mayor

Attest:

David E. Maeda, City Clerk
Action on this Ordinance:

Date of introduction: September 28, 2015
Date of adoption: October 26, 2015
Motion for adoption: Wiersum
Seconded by: Bergstedt
Voted in favor of: Allendorf, Acomb, Wiersum, Bergstedt, Wagner, Schneider
Voted against: Ellingson
Abstained: 
Absent: 
Ordinance adopted.

Date of publication: November 3, 2015

I certify that the foregoing is a correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota at a regular meeting held on October 26, 2015.

David E. Maeda, City Clerk
EXHIBIT A

That part of the Northeast Quarter of the Northeast Quarter, Section 10, Township 117, Range 22 described as commencing at the Northeast corner of said Northeast Quarter of the Northeast Quarter; thence on an assumed bearing of South 88 degrees 47 minutes 45 seconds West, along the North line of said Northeast Quarter of the Northeast Quarter, a distance of 118.72 feet; thence South 10 degrees 22 minutes West a distance of 315.75 feet to the actual point of beginning; thence North 10 degrees 22 minutes East, a distance of 256.43 feet; thence Northerly along a tangential curve to the left having a radius of 184.95 feet, a distance of 58.41 feet, more or less to the North line of said Northeast Quarter of the Northeast Quarter; thence South 88 degrees 47 minutes 45 seconds West along said North line a distance of 583.26 feet to a point 711.31 feet West from the Northeast corner of said Northeast Quarter of the Northeast Quarter; thence South 1 degree 12 minutes 15 seconds East, a distance of 310 feet; thence North 88 degrees 43 minutes 25 seconds East, a distance of 529.27 feet, more or less to the point of beginning, located in Hennepin County, Minnesota.

Torrens Property – Certificate of Title No. 457296.
Resolution No. 2015-111

Resolution approving final site and building plans for Cherrywood Pointe of Minnetonka at 2004 Plymouth Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 United Properties has requested approval of final site and building plans for Cherrywood Pointe of Minnetonka.

1.02 The property is located at 2004 Plymouth Road. It is legally described on EXHIBIT A of this resolution.

1.03 On October 15, 2015, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the commission. The commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council approve the final site and building plans.

Section 2. Site Plan Standards and Findings.

2.01 City Code §300.28 Subd.20 (b)(3) outlines several findings that must be met for construction on steep slopes. Those findings are incorporated by reference into this resolution.

2.02 City Code §300.27, Subd. 5, outlines several items that must be considered in the evaluation of site and building plans. Those items are incorporated by reference into this resolution.

2.03 The proposal would meet the steep slope findings outlined in the City Code §300.28 Subd.20 (b)(3):
1. The property is physically suitable for the design and siting of the proposed development. Based on submitted plans, the proposal will impact just 15 percent of the steep slope.

2. The development is not anticipated to result in significant soil erosion, flooding, severe scarring, reduced water quality, inadequate drainage control, or other problems.

3. The proposed development provides adequate measures to protect public safety.

2.04 The proposal would meet site and building plan standards outlined in the City Code §300.27, Subd.5.

1. The proposal would result in a high-density residential development consistent with the site's high-density residential designation. Further, the proposal has been reviewed by city planning, engineering, and natural resources staff and found to be generally consistent with the city's development guides, including the water resources management plan.

2. The proposal is consistent with zoning ordinance standards.

3. The proposed building and parking lot would be appropriately located with reference to both existing constructed and natural features. The building and surface parking lot would be located on the eastern portion of the site, adjacent Plymouth Road and the more intense land uses to the north and south. Much of the wooded slope to the west would be preserved.

4. As new construction, the building code would require use of energy saving features. In addition, water reclamation and irrigation sensors would be considered to promote water conservation.

5. The proposal would visually and physically alter the site and Plymouth Road corridor. However, any redevelopment of the subject property consistent with its high-density residential designation would result in such changes.

Section 3. City Council Action.

3.01 The above-described site and building plans, with variances, are hereby approved subject to the following conditions:
1. Subject to staff approval, Cherrywood Pointe of Minnetonka must be developed and maintained in substantial conformance with the following plans, except as modified by the conditions below:

- Civil site plan, dated August 21, 2015
- Utility plan, dated August 21, 2015
- Grading and Drainage plan, received October 8, 2015
- Building elevations, dated August 21, 2015
- Overall landscape plan, dated August 21, 2015

2. A grading permit is required. Unless authorized by appropriate staff, no site work may begin until a complete grading permit application has been submitted, reviewed by staff, and approved.

   a) The following must be submitted for the grading permit to be considered complete.

   1) An electronic PDF copy of all required plans and specifications.

   2) Three full size sets of construction drawings and project specifications.

   3) Final site, grading, stormwater management, utility, landscape, tree mitigation, and natural resource protection plans, and a stormwater pollution prevention plan (SWPPP) for staff approval.

   a. Final site plan must:

   1. Include a handicap accessible sidewalk connection from the building to the existing sidewalk on Plymouth Road.

   2. Indicate minimum horizontal and vertical setback from 100-year floodplain.

   3. Incorporate parking lot modifications as outlined on Figure 6 of SRF Cherrywood Pointe Traffic and Parking study dated October 8, 2015.

   4. Include an exhibit illustrating truck turning movements/templates.
b. Final stormwater management plan must meet the requirements of the city’s Water Resources Management Plan, Appendix A. Design. The plan must include a narrative, impervious surface information, soil boring data, and modeling demonstrating rate control and water quality treatment.

c. Final utility plan must:
   1. Include a parallel water main connection to provide a back-up feed to the building.
   2. Note that the 24-inch trunk water main on Plymouth Road is subject to blackout dates and times. Shut downs must occur after hours and may not occur between May 15 and September 15 without special city permission.

d. Final landscaping and tree mitigation plans must:
   1. Meet minimum landscaping and mitigation requirements as outlined in city code. However, at the sole discretion of natural resources staff, mitigation may be adjusted based on site conditions.
   2. Include an itemized plant material list to illustrate that the landscape value will meet city code requirement.
   3. Ensure all deciduous trees are located at least 15 feet from Plymouth Road and conifers at least 20 feet.
   4. Include rain sensors on any irrigation systems.

e. Final grading plan must incorporate all proposed changes to the driveway and parking lot on the adjacent property to the north and the 2000 Plymouth Road owner must agree to this plan.
4) A sequencing plan for review and approval of the city engineer. The plan must notate the series of construction events that will occur involving driveway construction and sanitary sewer and water main connections and disconnections. The number of events in which disturbances to the street and utilities occur must be minimized. For example, multiple crews may be required to disconnect water services simultaneously.

5) The following documents for the review and approval of the city attorney:
   a. Drainage and utility easements up to and over the 935.8 foot and 942.0 foot elevations.
   b. A shared access agreement or easement over the existing driveway at 2000 Plymouth Road. The agreement/easement must state the maintenance responsibilities of each owner. The application is responsible for applying for and obtaining any required driveway permits from Hennepin County.
   c. A conservation easement. The easement must cover the site wetlands, required wetland buffers as outlined in city code, and remaining woodland preservation areas. The easement may allow for location of city approved recreational facilities.
   d. A trail easement. The easement must cover the woodland preservation area on the west side of the site. This easement will be reduced in total area upon construction of a city approved trail.
   e. Stormwater maintenance agreements over all stormwater facilities.

6) Individual letters of credit or cash escrow for 125% of a bid cost or 150% of an estimated cost to construct parking lot and utility improvements, comply with grading permit, tree mitigation requirements, landscaping requirements, and to restore the site. One
itemized letter of credit is permissible, if approved by staff.

a. The city will not fully release the letters of credit or cash escrow until:

- A final as-built survey has been submitted;
- An electronic CAD file or certified as-built drawings for public infrastructure in microstation or DXF and PDF format have been submitted;
- Vegetated ground cover has been established; and
- Required landscaping or vegetation has survived one full growing season.

7) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and
- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion or grading problems.

8) Evidence that an erosion control inspector has been hired to monitor the site through the course of construction. This inspector must provide weekly reports to natural resource staff in a format acceptable to the city. At its sole discretion, the city may accept escrow dollars, in an amount to be determined by natural resources staff, to contract with an erosion control inspector to monitor the site throughout the course of construction.
9) A construction management plan. The plan must be in a city approved format and must outline minimum site management practices and penalties for non-compliance.

10) Evidence of closure/capping of any existing wells, septic systems, and removal of any existing fuel oil tanks.

11) All required administration and engineering fees.

12) Park dedication fees in the amount of $495,000. City staff are authorized to reduce this amount commensurate with the cost of providing a trail easement and associated construction.

b) Prior to issuance of the grading permit:

1) Obtain and submit a permit from the Minnesota Department of Health.

2) Obtain and submit a sanitary sewer extension permit from the Minnesota Pollution Control Agency.

3) Obtain and submit a right-of-way permit from Hennepin County.

4) Install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

5) Schedule and hold a preconstruction meeting with engineering, planning, and natural resources staff as determined by city staff.

4. Prior to issuance of a building permit:

a) Submit the following documents:

1) Proof of subdivision registration and transfer of NPDES permit.
2) A snow removal and salting application rate plan.

3) A construction management plan. This plan must be in a city approved format and outline minimum site management practices and penalties for non-compliance. If the builder is the same entity doing grading work on the site, the construction management plan submitted at the time of grading permit may fulfill this requirement.

b) Submit a final material and color palate board for staff review and approval.

c) Submit a final outdoor recreational space plan for staff review and approval. The plan should include additional recreational space located generally north and west of existing patio space illustrated on the Civil Site Plan, dated August 21, 2015. The plan must not create additional impact to the woodland preservation area or steep slope.

d) Submit cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.

If the builder is the same entity doing grading work on the site, the cash escrow submitted at the time of grading permit may fulfill this requirement.

e) Submit all required hook-up fees.

f) Enter into a legal agreement with the city providing the following base rent and income controlled units for 15 years.
<table>
<thead>
<tr>
<th>Type of Unit</th>
<th>Number Units</th>
<th>Income Restriction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>3</td>
<td>60% of area median</td>
</tr>
<tr>
<td>1 Bedroom</td>
<td>5</td>
<td>60% of area median</td>
</tr>
<tr>
<td>1+ Den</td>
<td>2</td>
<td>80% of area median</td>
</tr>
</tbody>
</table>

5. Retaining walls over four feet in height must be engineered and must include guard rails.

6. The city may require installation and maintenance of signs which delineate the edge of any required conservation easement. This signage is subject to the review and approval of city staff.

7. During construction the street must be kept free of debris and sediment.

8. The property owner is responsible for replacing any required landscaping that dies.

Adopted by the City Council of the City of Minnetonka, Minnesota, on October 26, 2015.

Terry Schneider, Mayor

Attest: 

David E. Maeda, City Clerk

Action on this resolution:

Motion for adoption: Wiersum
Seconded by: Bergstedt
Voted in favor of: Allendorf, Acomb, Wiersum, Bergstedt, Wagner, Schneider
Voted against: Ellingson
Abstained: 
Absent: 
Resolution adopted.
I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on October 26, 2015.

__________________________
David E. Maeda, City Clerk
EXHIBIT A

That part of the Northeast Quarter of the Northeast Quarter, Section 10, Township 117, Range 22, described as commencing at the Northeast corner of said Northeast Quarter of the Northeast Quarter; thence on an assumed bearing of South 88 degrees 47 minutes 45 seconds West, along the North line of said Northeast Quarter of the Northeast Quarter, a distance of 118.72 feet; thence South 10 degrees 22 minutes West a distance of 315.75 feet to the actual point of beginning; thence North 10 degrees 22 minutes East, a distance of 256.43 feet; thence Northerly along a tangential curve to the left having a radius of 184.95 feet, a distance of 58.41 feet, more or less to the North line of said Northeast Quarter of the Northeast Quarter; thence South 88 degrees 47 minutes 45 seconds West along said North line a distance of 583.26 feet to a point 711.31 feet West from the Northeast corner of said Northeast Quarter of the Northeast Quarter; thence South 1 degree 12 minutes 15 seconds East, a distance of 310 feet; thence North 88 degrees 43 minutes 25 seconds East, a distance of 529.27 feet, more or less to the point of beginning, located in Hennepin County, Minnesota.

Torrens Property – Certificate of Title No. 457296.
B. Resolution authorizing the certification of delinquent water and sanitary sewer charges to the Hennepin County Auditor

Finance Director Merrill King gave the staff report. She read a letter on behalf of Kathy Landen, 2720 Mayflower Avenue, asking the council to waive her $50 administrative penalty. The letter was dropped off at city hall at 6 p.m. Others who paid their bill before the close of business day did not have to pay the administrative penalty.

Wiersum said often when the city charges a fee the amount covers the actual cost. He said state law limits what can be done with these particular fees. The amount has to be significant enough to provide an incentive to pay on time. He said it sounded like there was significant staff time involved in getting the delinquent accountholders to pay. He asked if there was any correlation between the increased fee and the actual collection cost. King said staff time includes mailing letters to the 800 accounts but more significantly the time it takes to call and explain things to the accountholders. She had not done an analysis to determine the actual cost but the staff time could be used to do other work instead.

Wagner moved, Wiersum seconded a motion to adopt Res. 2015-109 authorizing the certification of delinquent water and sanitary sewer charges to the Hennepin County Auditor and waiving the administrative penalty for 2720 Mayflower Avenue. Allendorf, Acomb, Wiersum, Bergstedt, Wagner, and Schneider voted “yes.” Ellingson abstained. Motion carried.

C. Items concerning Cherrywood Pointe of Minnetonka at 2004 Plymouth Road

1) Ordinance rezoning the property from R-1 to PUD;  
2) Master development plan; and  
3) Site and building plan review.

Acting City Planner Susan Thomas and Heine gave the staff report.

Wiersum said there was a provision stating if there were some affordability in a project it released it from the requirement to be PID. Thomas confirmed there was a provision of the PID ordinance that allows the council to grant flexibility to PID standards when affordability is provided. Wiersum asked if the affordability in this project was sufficient to meet that provision. Wischnack said there was no parameter by which the ordinance outlines the affordability and that it was up to the council to decide.

Wagner asked staff to provide more information about tree preservation and the impacts on woodland preservation areas and the protections the city truly had around the zoning district question. Thomas said during the review of the tree ordinance it became clear to staff that the city wanted to provide a higher degree of protection for the remnant forests particularly when subdivision was occurring. During the redevelopment of an existing property the same
protections were not provided. The ordinance said there was no limit to the removal that was allowed. There was a mitigation requirement but not a specific limit. Wischnack said it was very methodical on the council's part on how the ordinance was set up. The council understood that redevelopment would cause some tension in balancing with natural resources. This was the intention staff used in recommending a PUD instead of some other classification because it allowed for more ability to negotiate the placement of the building and properly propose development that works for the site.

Acomb asked if this proposal was not for an assisted living facility but was for a cooperative or some type of ownership product, would it be considered subdivision and looked at differently in terms of the woodland preservation issue. Thomas said no, that a cooperative subdivision would not be considered subdivision for the purposes of the woodland preservation ordinance.

Mark Nelson, from United Properties, said the project was being proposed to provide the opportunity for residents to remain in the city. He went over some of the changes to the proposal from the last time the council reviewed it. The footprint had been reduced by about 30 percent from the concept plan. This meant the loss of about one fourth of the proposed units. The current plan has 99 units. Parking has been shifted and removed from part of the property. He said he felt it was a good plan that met the balance between the site's constraints and development constraints.

Annette Bertelsen, 13513 Larkin Drive, said she was speaking on behalf of a group of residents in the Essex Hills neighborhood to the west of the project and for some property owners further west. She thanked United Properties for their interest in building senior housing in the city and the group supports building senior housing in this neighborhood. She said Minnetonka has a lot of great guidelines that reflect the city's values and the unique character of the community. The developer was asking to depart from quite a few of the guidelines. Following more of the guidelines would improve the project for the city. She said one such guideline was the outdoor recreation area standard. The proposal was for a two percent outdoor recreation area instead the standard 10 percent. This meant the only walking area for residents was from the building along the parking lot out to the road and a small patio. She showed pictures of the larger outdoor area of the Roseville building.

Bertelsen said the maximum floor area ratio for this property was .75. The proposal would exceed this by 24 percent. This would result in a more sprawling footprint. She said the city's natural resource staff indicated a non-sprawling proposal would impact the woodland preservation area 15-20 percent while this proposal would have a 35 percent impact on the woodland preservation area. The floor area ratio would be determined by the decision on the zoning. She said the council was being asked to allow the developer to ignore the city code because the ordinance was old. The proper process would be for the council to update the ordinance. The development would set a precedent for all the other huge development in the Ridgedale area not just
the properties in the I394 district. She said the developer should be required to follow the city code for protection of natural resources and financial resources.

Bertelsen said the developer was asking for a north setback of 22 feet which equates to a 60 percent variance under planned I394 or a 73 percent variance under R-5 or PUD guidelines. It’s a good use of a variance because it moves the building out of the steep slope, is further away from neighbors, and may provide an opportunity for low income housing. She said the south setback could use improvement. The request was for a 60 percent variance, 22 feet versus 50 feet. On that end of the property the building would go over the woodland preservation area and steep slope area. The natural resources staff indicated if the entire southern wing was removed from the proposal, the impact to the woodland preservation would decrease from 35 percent to 20 percent. A significant number of trees would be saved and the floor area ratio would be closer to what is allowed under the I394 district.

Derek Diesen, 13525 Larkin Drive, agreed with Bertelsen. He thanked the developer for working with the neighborhoods and thought the project was moving in the right direction. He said the issue remains the PUD ordinance. In order to ignore the ordinance there should be a reason stated in the comprehensive guide plan because the plan reflects the community’s values. The comprehensive guide plan specifically states that adherence to the I394 traffic study, corridor study and ordinance was important. He said the PID ordinance said the height of the building and the setback should be equal. The maximum is 100 feet and minimum is 50 feet. It didn’t make sense to him that the city picks the most restrictive zoning, R-5, and then ignores it. The exact same building could be built under the PID ordinance, which has more restrictions that protect the neighborhood and community.

Wagner said he received four emails late in the day that all echoed what Bertelsen had presented about the desire for PID and tree protection.

Wiersum said the council was granted broad authority to choose the most appropriate zoning for a particular property. PID was one that could be used but the council would not be ignoring the ordinance if it approved a different zoning designation. The property was in the PID traffic control area but was not in the PID zoning district.

Wagner said Diesen was correct that the council could approve the project under the PID zoning and remove the variance. The developer could come back with a footprint that impacts more of the steep slopes and still meets the ordinances. He said the neighbors were seeking consistency from the council in how it makes decisions. The ordinances for R-5 and PID zoning clearly apply and PUD was less clear. Protecting the natural resources and locking in a conservation easement which couldn’t necessarily be required in the other zoning districts was important to him.
Schneider said it was his understanding that minimizing the impact on the wooded area could be done by making the footprint smaller and this could be done under either the PID or PUD zoning. He asked the developer to address the feasibility of a four story building versus a five story building and what the footprint might look like. Nelson said there was a direct correlation between building footprint and height. The building height was discussed at an early neighborhood meeting and the feeling was four stories was probably enough because it stayed mostly within the tree canopy. The operation of the building also was a factor because the 21 memory care units have to be secure and on the first floor. It also allows for the centralization of the common areas. Economics also play a part and he thought the right balance was struck between height, footprint, preservation, and the reality of how the site would function. The point was to be residential in a somewhat institutional setting.

Schneider asked Nelson to address the feasibility of a walking trail that likely would have to be on the west side. Nelson said he thought a walking trail was likely feasible within the limits shown. The idea had not been developed. Wagner said technically the passive spaces could not be counted under the ordinance. The tradeoff would be figuring out a way to make the area more vibrant for the residents to enjoy the amenities. He thought that was something that should be addressed.

Allendorf said he looked for the zoning classification that best controlled the building within the site area. If somebody was looking to force the 1394 PID zoning it was likely because they wanted something different done with the building rather than what was being proposed. He said he believed a four story building was less obtrusive on this site than a taller building. The only reason for more height would be to shrink the footprint. There would be a tradeoff with the functioning of the building and the proposed floor plan. He said the neighbors had not discussed wanting a five story building in the past. He thought the proposal had come a long way with the reduction of units and the footprint compared to the steep slopes and the woodland preservation area. He would hate to force this into a zoning classification that would require a variance to fit the building on to the site. He thought the building fit in nicely with the site, respected the neighborhood, and was unobtrusive from the sightlines.

Wiersum said the council’s job was to deal with the imperfect because there were no perfect projects or perfect sites. While he never felt compelled to make a decision that would make numbers work for the developer, he understood the developer had to make the numbers work or there would be no development in the city. He thought this was a good project and the scope had come down meaningfully and significantly. The city had no perfect redevelopment sites or perfect buildings and the council had to clearly assess what the community values are and what a proposal brought to the community. He said in recent years he had spent quite a bit of time in senior living facilities and he recognized the community aspect to what these types of buildings need to be. Maybe the city could expect the developer to jerry-rig
the buildings and make it work with more restrictive zoning, but it probably wouldn't be nearly as good a place for people to live.

Acomb said there was no question there would be big impacts to the site and a big change that would be difficult for people. She thought the developer had made some real efforts around trying to decrease the building and following the city's lead in trying not to have too tall of a building. If the proposal was changed to make the building taller, there would be another set of people who would be opposed. She appreciated the conservation easement and the stormwater reuse. She encouraged the developer to take Bertelsen's suggestion for some active outdoor space in the area around the building. She said the benefits of the housing type were needed in the community.

Bergstedt said he was less hung up on what was done with the zoning and what he looked at was that the parcel was guided for high density. Even though it was a sensitive parcel with the mature trees, the woodland preservation area, and the steep slopes the parcel would be redeveloped. As long as it was redeveloped at high density there were going to be impacts no matter what zoning was approved. He said there was a huge, dramatic improvement since the council saw the concept plan. The building fit on the site much better and the four story height worked. It was a great location for this type of facility and the inclusion of affordable units was huge. Even though the city could not require a conservation easement, it was important going forward.

Wagner said this concept plan process worked. The council provided a lot of feedback during the review and he thanked the developer for incorporating that feedback into the changes. He didn't take the idea of expectations in zoning lightly. He wanted the right project. Regardless of what zoning was approved there was substantial public purpose for the project. If approved under a PID, the affordable units and the trail and conservation easements would not occur. Given the costs of memory care and assisted living units, it was not an insignificant move by the developer. He took that as a public purpose. He also took as a public purpose the idea of re-using rain water given the amount of hard surface. He said the dilemma for him was the issue of height versus impact. He thought given the adjacent areas, a four story building was more appropriate than a five story building. He was willing to make the tradeoff under either a PID with variances or a PUD. The city would have more control under a PUD. He thought it was a good idea to direct staff to work with the developer to come up with some type of outside circulation plan to be considered.

Ellingson said the council was entitled to rezone to a PUD. One of the findings under a PUD was there had to be affordable housing. Another finding states that the rezoning would provide public benefit with a greater preservation of a site's wooded slope than otherwise would be provided under a non-PUD development. He said there had not been any demonstration there would be any difference under any of the zonings. It had
more to do with the placement of the footprint of the building. Under the R-5 the buildable area extended quite a bit into the western slope but this didn’t mean that’s where the building had to go. He thought there should be more sensitivity to what was being done to the slopes and the trees. Even though the tree ordinance did not apply because it was not a subdivision, under the ordinance 25 percent of the woodland preservation area could be removed. The proposal would remove a higher amount and he thought that was inconsistent with the finding for greater preservation of a site’s wooded slope. Under the tree ordinance 35 percent of the high priority trees could be removed. The proposal would remove 15 out of the 16 high priority trees including all of the significant trees. He did not see that as a public benefit. He was also was concerned that there was no room to walk around the building the way it was designed and with the slopes. Adding the walking area would require even more trees to be removed. He said he would like to see some changes to the design to accommodate the concerns that were raised.

Schneider was pleased that the concept review process worked as well as it did. He said absent having a little more outdoor area, the location and configuration of the building was as ideal as possible. The setback from Plymouth Road and the appearance fits better with the surrounding developments. He thought it was reasonable to add a stipulation to require additional outdoor active area subject to staff working with the developer to figure out exactly how that would work. He thought the proposal would fit well into the area. It was much better than having a six to eight story rental apartment building or a corporate office building that would cause traffic issues. The findings in the PUD ordinance were important but it was really the council’s discretion to decide if a PUD was the right type of mechanism to give the city what it wanted from a control and flexibility standpoint.

Wiersum said there was agreement that the council wanted to see a little more outdoor activity area but Ellingson had made a good point. It was important not to be overly prescriptive with a building that didn’t have room to walk around without compromising some values that were important. The developer probably thought long and hard about the idea because this was a market based product. If people can’t get outside, the facility would not be as successful as those in other cities. The developer should be encouraged to come up with options but the council should not be too prescriptive.

Wiersum moved, Bergstedt seconded a motion to adopt Ord. 2015-16 rezoning the property from R-1 to PUD and adopting a master development plan; and Res. 2015-111 approving final site and building plans for Cherrywood Pointe of Minnetonka at 2004 Plymouth Road.

Schneider asked Nelson to address what could be done to get more outdoor activity area on the west side. Nelson said there was some area on the western side where the plan included a fairly substantial outdoor patio area. It would be similar to what existed at the Roseville facility. He committed to adding some activity area and more outdoor space.
Wischnack proposed a condition for additional open recreational space generally to the north and west without further damage to trees, slope, etc. This condition would remain until issuing the building permit.

Wiersum said he was willing to add to his motion a condition that the developer further work in coordination with staff to address the enhanced outdoor recreation area prior to the building permit being issued.

Bergstedt said what the council was asking for was a win for the developer as well. He didn’t want to be too prescriptive in requiring a trail that meant losing more trees. The views and the vistas were important to the population who would live in the facility. The more the natural beauty could be maintained would be important for the residents. He seconded the amended motion.

Allendorf, Acomb, Wiersum, Bergstedt, Wagner, and Schneider voted “yes.” Ellingson voted “no.” Motion carried.

Schneider suggested taking a more in-depth look at the I394 district from an applicability standpoint and the given time that had passed since the ordinance was adopted. As the ordinance was drafted 90 percent of the focus was on trip generation and Plymouth Road capacity. The city attorney felt uncomfortable just doing an ordinance for that due to concerns about tying traffic to zoning and costs. It evolved into a more full-fledged ordinance with all the other things that were included. Schneider said things weren’t flushed out as well as they could have been. Much has changed over the years. He said the PID ordinance should be kept intact but it could be refreshed to be more applicable to today’s environment.

15. Appointments and Reappointment: None

16. Adjournment

Wiersum moved, Acomb seconded a motion to adjourn the meeting at 8:50 p.m. All voted “yes.” Motion carried.

Respectfully submitted,

David E. Maeda
City Clerk
Cherrywood of Minnetonka

2004 Plymouth Road

4-STORY - Site Plan | A1 | 08/21/2015
Cherrywood of Minnetonka
2004 Plymouth Road

SITE PLAN - STEEP SLOPE ZONE

STEEP SLOPE IMPACT
2/17/15 Footprint 66%
4/23/15 Footprint 37%
Current Footprint 7%

4-STORY - Steep Slope | A1.1 | 08/21/2015
Cherrywood of Minnetonka
2004 Plymouth Road
4-STORY - Garage Floor | A2 | 08/21/2015
Cherrywood of Minnetonka

2004 Plymouth Road

LEVEL 2 SUMMARY

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<tr>
<th>Level</th>
<th>Unit Type</th>
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</table>
Cherrywood of Minnetonka

2004 Plymouth Road
Cherrywood of Minnetonka

2004 Plymouth Road

Cross Section Exhibit | A10 | 08/21/2015
R-5 ZONING
6 story with garage

112,000 Finished s.f.
18,000 s.f. Garage

50 surface parking
50 garage parking

Garage 18,000 s.f.
LL Floor 4,000 s.f.
1st Floor 18,000 s.f.
2nd Floor 18,000 s.f.
3rd Floor 18,000 s.f.
4th Floor 18,000 s.f.
5th Floor 18,000 s.f.
6th Floor 18,000 s.f.
Total 130,000 s.f.

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Cherrywood of Minnetonka

2004 Plymouth Road

GRADING AND DRAINAGE PLAN | C4.0 | 08/21/15
Cherrywood of Minnetonka

2004 Plymouth Road

Tree Preservation Plan | L1.0 | 08/21/15
Cherrywood of Minnetonka

2004 Plymouth Road

Landscape Enlargement 'B' | L4.0 | 08/21/15
## Cherrywood of Minnetonka

2004 Plymouth Road

### Landscape Notes | L6.0 | 08/21/15

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### Plant Schedule

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<table>
<thead>
<tr>
<th>GROUND COVER</th>
<th>BOTANICAL NAME / COMMON NAME</th>
<th>CONT</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>Pachysandra terminalis / Japanese Spurge</td>
<td>6&quot;</td>
<td>12 &quot;x 10'</td>
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### Landscape Notes

- **Ornamental Trees:**
  - Amelanchier x grandiflora / Autumn Brilliance
  - Capsicum annuum / Garden Pepper
  - Ceanothus glabratus / California Lilac
  - Colocasia esculenta / Elephant Ear

- **Herbarium:**
  - Dianthus
  - Hydrangea arborescens / Annabelle
  - Roses
  - Spirea
  - Syringa x hybrid / White Mock
  - Tamarix x media / Tamarisk
  - Vitex agnus-castus
  - Vitex agnus-castus 'Compact'

- **Ground Cover:**
  - Pachysandra terminalis / Japanese Spurge

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### Cherrywood of Minnetonka

2004 Plymouth Road

Landscape Notes | L6.0 | 08/21/15

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### Landscape Notes

- **Ornamental Trees:**
  - Amelanchier x grandiflora / Autumn Brilliance
  - Capsicum annuum / Garden Pepper
  - Ceanothus glabratus / California Lilac
  - Colocasia esculenta / Elephant Ear

- **Herbarium:**
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  - Syringa x hybrid / White Mock
  - Tamarix x media / Tamarisk
  - Vitex agnus-castus
  - Vitex agnus-castus 'Compact'

- **Ground Cover:**
  - Pachysandra terminalis / Japanese Spurge
SHREDDED WOOD MULCH:
SHREDDED WOOD MULCH SHALL BE INSTALLED AT A 4" COMPACTED DEPTH PLACED TO THE EDGE OF THE PLANTING BED. PLANTS NOT IN A PLANTING BED SHALL HAVE A 4' DIA. MULCHED AREA. MULCH SHALL BE PULLED AWAY FROM DIRECT CONTACT WITH THE TREE TRUNK OR PLANT STEM. MULCHED AREA SHALL FORM A WELL AROUND PLANTS OR PLANTING BEDS.

SPRING TO MID-SUMMER PLANTING:
FERTILIZE AT THE TIME OF PLANTING WITH A SLOW-RELEASE, BALANCED FERTILIZER. USE ACCORDING TO MANUFACTURER’S INSTRUCTIONS. MIX FERTILIZER IN WITH BACKFILL OR BROADCAST IN A DIAMETER AROUND THE PLANT.

LATE SUMMER TO FALL PLANTING:
USE A FERTILIZER WITHOUT NITROGEN FOR DECIDUOUS TREES. DO NOT APPLY ANY FERTILIZER TO EVERGREEN TREES AND SHRUBS PLANTED IN LATE SUMMER OR EARLY FALL.

CONTAINER STOCK:
DIG THE PLANTING HOLE TWO TO THREE TIMES WIDER THAN THE SIZE OF THE CONTAINER, OR TO THE EDGE OF THE PLANTING BED AS INDICATED ON THE PLANS, AND AT THE SAME DEPTH AT WHICH THEY GREW IN THE NURSERY. FOR ADDITIONAL PLANTING BED PREPARATION, SEE PLANTING NOTES.

REMOVE CONTAINER (BY CUTTING IF NECESSARY).
IF ROOTS ARE GROWING IN A SPIRAL AROUND THE SOIL MASS, USE A SHARP KNIFE TO SCORE THE OUTSIDE OF SOIL MASS VERTICALLY, JUST DEEP ENOUGH TO CUT THE NET OF THE ROOTS, AND MAKE A CRISS-CROSS CUT ACROSS THE BOTTOM OF THE SOIL MASS.

SET PLANT ON SOLID, UNDISTURBED SOIL, OR THOROUGHLY COMPACTED BACKFILL SOIL SO THE TOP OF THE SOIL MASS IS AT FINISHED GRADE OR SLIGHTLY ABOVE, NOT TO EXCEED TWO INCHES.

BACKFILL PLANTING PIT WITH ORIGINAL SOIL. BREAK UP CLODS OF SOIL. IF SOILS ARE POOR (IE: HEAVY CLAYS, SAND, OR COMPACTED), BACKFILL CAN BE A MIXTURE OF 1/3 SOIL AMENDMENT MIXED WITH 2/3 ORIGINAL SOIL. DO NOT USE PEAT AS PART OF BACKFILL IN CLAY SOILS. REMOVE ALL ROCKS AND DEBRIS FROM BACKFILL AND THEN WATER PLANT AND BACKFILLED AREA TO SETTLE PLANTS AND FILL VOIDS.

WATER THOROUGHLY A SECOND TIME TO SETTLE PLANTS AND FILL VOIDS WITHIN TWO HOURS OF PLANTING. PLACE SPECIFIED MULCH WITHIN 48 HOURS OF THE SECOND WATERING. PROVIDE SUPPORT IF NECESSARY.

BALLED AND BURLAPPED STOCK:
ROOTS OF ALL BALLED AND BURLAPPED STOCK SHALL FILL THE SOIL BALL, BE FREE OF KINKS, CIRCLING AND GIRDLING, AND THE UPPERMOST ROOTS SHALL NOT BE MORE THAN FOUR INCHES BELOW THE TOP OF THE SOIL BALL. TRANSPORT ROOTS SHALL BE SYMMETRICAL AROUND THE TRUNK / STEM OF THE PLANTS. SOIL BALLS MUST BE CENTERED OR NO MORE Than 10% OFF CENTER.

DIG THE PLANTING PIT TWO TO THREE TIMES WIDER THAN THE SIZE OF THE ROOTBALL AND AT THE SAME DEPTH AT WHICH THEY GREW IN THE NURSERY. SCARIFY THE SIDES AND BOTTOM OF THE PLANTING PIT.

PLACE PLANT IN PLANTING PIT AND SET PLANTS VERTICAL. WHEN MOVING PLANTS, LIFT FROM BENEATH THE ROOT BALL, DO NOT LIFT BY THE TRUNK AND DO NOT BREAK OR LOOSEN THE ROOTBALL.

SET PLANTS ON SOLID, UNDISTURBED SOIL, OR THOROUGHLY COMPACTED BACKFILL SOIL, SO THE TOP OF THE SOIL BALL IS A LITTLE FROM THE FINISHED GRADE TO EXPOSE ROOTFLAIRS FOR THE PLANTS.

CUT AND REMOVE ALL TIME AROUND THE TRUNK. FULL BURLAP AWAY FROM TRUNK SO THAT NO BURLAP REMAINS IN THE TOP THREE INCHES OF THE SOIL SURFACE. REMAINING BURLAP SHALL BE SLIT AT SIX INCH INTERVALS AROUND THE CIRCUMFERENCE OF THE ROOTBALL.

BACKFILL PLANTING PIT WITH ORIGINAL SOIL. ALPINE TO THE TOP OF THE ROOTBALL. BREAK UP CLODS OF SOIL. IF SOIL ARE POOR (IE: HEAVY CLAYS, SAND, OR COMPACTED), BACKFILL CAN BE A MIXTURE OF 1/3 SOIL AMENDMENT MIXED WITH 2/3 ORIGINAL SOIL. DO NOT USE PEAT AS PART OF BACKFILL IN CLAY SOILS. REMOVE ALL ROCKS AND DEBRIS FROM BACKFILL, AND THEN WATER PLANT AND BACKFILLED AREA TO SETTLE PLANTS AND FILL VOIDS.

REMOVE ALL WIRE BASKETS FROM THE TOP 1/2 OF THE ROOTBALL AND CONTINUE BACKFILLING REMAINING PLANTING PIT WITH ORIGINAL SOIL.

WATER AROUND STUMP IN TWO TO THREE TIMES WAVE THAN THE SIZE OF THE CONTAINER, OR TO THE EDGE OF THE PLANTING BED AS INDICATED ON THE PLANS, AND AT THE SAME DEPTH AT WHICH THEY GREW IN THE NURSERY. FOR ADDITIONAL PLANTING BED PREPARATION, SEE PLANTING NOTES.

REMOVE CONTAINER (BY CUTTING IF NECESSARY).
IF ROOTS ARE GROWING IN A SPIRAL AROUND THE SOIL MASS, USE A SHARP KNIFE TO SCORE THE OUTSIDE OF SOIL MASS VERTICALLY, JUST DEEP ENOUGH TO CUT THE NET OF THE ROOTS, AND MAKE A CRISS-CROSS CUT ACROSS THE BOTTOM OF THE SOIL MASS.

SET PLANT ON SOLID, UNDISTURBED SOIL, OR THOROUGHLY COMPACTED BACKGOUND SOIL SO THE TOP OF THE SOIL IS AT FINISHED GRADE OR SLIGHTLY ABOVE, NOT TO EXCEED TWO INCHES.

BACKFILL PLANTING BED WITH ORIGINAL SOIL. BREAK UP CLODS OF SOIL. IF SOILS ARE POOR (IE: HEAVY CLAYS, SAND, OR COMPACTED), BACKFILL CAN BE A MIXTURE OF 1/3 SOIL AMENDMENT MIXED WITH 2/3 ORIGINAL SOIL. DO NOT USE PEAT AS PART OF BACKFILL IN CLAY SOILS. REMOVE ALL ROCKS AND DEBRIS FROM BACKFILL, AND THEN WATER PLANT AND BACKFILLED AREA TO SETTLE PLANTS AND FILL VOIDS.

THOROUGHLY WATER TO SETTLE THE PLANTS AND FILL VOIDS WITHIN TWO HOURS OF PLANTING. INSTALL SPECIFIED MULCH TO SPECIFIED DEPTH.

WOOD MULCH SHALL BE PULLED AWAY FROM STEMS/STEMS OF ALL PLANTS. WATER AS PER DETAIL AND SPECIFICATIONS.

CONTRACTOR SHALL NOT PLANT TREES OR SHRUBS IN PLANTING PITS WHERE HIGH WATER OR OTHER UNFORESEEN CIRCUMSTANCES ARE ENCOUNTERED. CONTRACTOR SHALL NOTIFY OWNER/LANDSCAPE ARCHITECT IMMEDIATELY IN SUCH INSTANCES.

ALL PLANT MATERIALS SHALL BE TRUE TO THEIR SCIENTIFIC NAME AND SIZE AS INDICATED IN THE PLANT SCHEDULE.

PLANTING NOTES:
1. ALL PLANTING BEDS SHALL BE PREPARED IN THE Following MANNER:
   - REMOVE EXISTING VEGETATION, ESPECIALLY GROUND COVER, TO A DEPTH OF 12 INCHES AND INCORPORATE A FERTILIZER.
   - TRENCH THE EDGE OF THE PLANTING BEDS.
   - INSTALL EDGING WHERE APPROPRIATE.
   - REMOVE ALL ROCKS AND DEBRIS.
   - INSTALL PLANTS AS PER PLANTING DETAIL AND SPECIFICATIONS.
   - INSTALL SPECIFIED MULCH TO SPECIFIED DEPTH.
   - SOIL BALLS SHALL BE PULLED AWAY FROM STEM/STEMS OF ALL PLANTS.
   - WATER AS PER DETAIL AND SPECIFICATIONS.

2. CONTRACTOR SHALL NOT PLANT TREES OR SHRUBS IN PLANTING PITS WHERE HIGH WATER OR OTHER UNFORESEEN CIRCUMSTANCES ARE ENCOUNTERED. CONTRACTOR SHALL NOTIFY OWNER/LANDSCAPE ARCHITECT IMMEDIATELY IN SUCH INSTANCES.

3. ALL PLANT MATERIALS SHALL BE TRUE TO THEIR SCIENTIFIC NAME AND SIZE AS INDICATED IN THE PLANT SCHEDULE.

4. OWNER RESERVES THE RIGHT TO REVISE QUANTITIES TO SUIT BUDGET LIMITATIONS. CONTRACTOR’S UNIT BID PRICES SHALL PREVAIL FOR ANY CHANGES IN QUANTITIES.

5. CONTRACTOR SHALL FIELD STAKE PLANTING ACCORDING TO PLAN. OWNER/LANDSCAPE ARCHITECT SHALL APPROVE ALL PLANT LOCATIONS PRIOR TO INSTALLATION. OWNER RESERVES THE RIGHT TO REVISE PLANTING LAYOUT AT TIME OF INSTALLATION.

1. ALL PLANTING BEDS SHALL BE PREPARED IN THE FOLLOWING MANNER:
   - REMOVE EXISTING VEGETATION, ESPECIALLY GROUNDCOVER, TO A DEPTH OF 12 INCHES AND INCORPORATE A FERTILIZER.
   - TRENCH THE EDGE OF THE PLANTING BEDS.
   - INSTALL EDGING WHERE APPROPRIATE.
   - REMOVE ALL ROCKS AND DEBRIS.
   - INSTALL PLANTS AS PER PLANTING DETAIL AND SPECIFICATIONS.
   - INSTALL SPECIFIED MULCH TO SPECIFIED DEPTH.
   - WOOD MULCH SHALL BE PULLED AWAY FROM STEMS/STEMS OF ALL PLANTS.
   - WATER AS PER DETAIL AND SPECIFICATIONS.

2. CONTRACTOR SHALL NOT PLANT TREES OR SHRUBS IN PLANTING PITS WHERE HIGH WATER OR OTHER UNFORESEEN CIRCUMSTANCES ARE ENCOUNTERED. CONTRACTOR SHALL NOTIFY OWNER/LANDSCAPE ARCHITECT IMMEDIATELY IN SUCH INSTANCES.

3. ALL PLANT MATERIALS SHALL BE TRUE TO THEIR SCIENTIFIC NAME AND SIZE AS INDICATED IN THE PLANT SCHEDULE.

4. OWNER RESERVES THE RIGHT TO REVISE QUANTITIES TO SUIT BUDGET LIMITATIONS. CONTRACTOR’S UNIT BID PRICES SHALL PREVAIL FOR ANY CHANGES IN QUANTITIES.

5. CONTRACTOR SHALL FIELD STAKE PLANTING
   ACCORDING TO PLAN. OWNER/LANDSCAPE ARCHITECT
   SHALL APPROVE ALL PLANT LOCATIONS PRIOR TO
   INSTALLATION. OWNER RESERVES THE RIGHT TO REVISE
   PLANTING LAYOUT AT TIME OF INSTALLATION.

TUSHIE MONTGOMERY ARCHITECTS

Cherrywood of Minnetonka

2004 Plymouth Road

Landscaping Notes | L7.0 | 08/21/15
City Council Agenda Item #14C  
Meeting of March 14, 2016

Brief Description  
Concept Plan for redevelopment of the TCF Bank site at 1801 Plymouth Road

Action Requested  
Discuss concept plan with the applicant. No formal action required.

Previous Concept  
In November 2015 and January 2016, TCF Bank and Solomon Real Estate Group requested review of a conceptual redevelopment of the TCF Bank site at 1801 Plymouth Road. The plan contemplated removal of the existing, two-story bank building and construction of two, one-story buildings. The westerly building was to be occupied by TCF Bank and the easterly building by a variety of commercial and service tenants. (See pages A16-A36.)

During both reviews, the city council expressed significant concerns regarding the concept’s lack of development intensity and proposed building design. (See pages A22–A26 and A33-A36.)

Revised Concept  
TCF Bank and Solomon Real Estate Group have submitted a revised design concept and are requesting further comment from the council. The concept plan proposes a 3-story mixed use building with two levels of underground parking. First floor plans show 8,700 square feet of retail and 2,400 square feet space for a TCF Bank branch. Second and third floors encompass 17,400 square feet for office use. The site would also accommodate surface level parking for retail customers and a drive-up teller for TCF Bank facing Cartway Lane. (See pages A1-A11.)

The developer has indicated the new plan has a significant cost gap, particularly because of the underground parking. The developer indicated they would be requesting assistance from the city, such as tax increment financing, to alleviate the gap.

This third concept plan revision is a significant departure from previous plans and more closely aligns with the city’s vision for this area. (See pages A12–A15.)

Staff Recommendation  
Staff recommends the council provide comments, feedback, and direction that may lead to the preparation of more detailed development plans.

Through:   Geralyn Barone, City Manager  
           Julie Wischnack, AICP, Community Development Director

Originator:  Loren Gordon, AICP, City Planner
ADDITIONAL INFORMATION

Next Steps

- **Formal Application.** If the developer chooses to file a formal application, notification of the application would be mailed to area property owners. Property owners are encouraged to view plans and provide feedback via the city’s website. Through recent website updates: (1) staff can provide residents with ongoing project updates, (2) residents can “follow” projects they are particularly interested in by signing up for automatic notification of project updates; (3) residents may provide project feedback on project; and (4) and staff can review resident comments.

- **Council Introduction.** The proposal would be introduced at a city council meeting. At that time, the council would be provided another opportunity to review the issues identified during the initial Concept Plan Review meeting, and to provide direction about any refinements or additional issues they wish to be researched, and for which staff recommendations should be prepared.

- **Planning Commission Review.** The planning commission would hold an official public hearing for the development review and would subsequently recommend action to the city council.

- **City Council Action.** Based on input from the planning commission, professional staff and general public, the city council would take final action.

Roles and Responsibilities

- **Applicants.** Applicants are responsible for providing clear, complete and timely information throughout the review process. They are expected to be accessible to both the city and to the public, and to respect the integrity of the public process.

- **Public.** Neighbors and the general public will be encouraged and enabled to participate in the review process to the extent they are interested. However, effective public participation involves shared responsibilities. While the city has an obligation to provide information and feedback opportunities, interested residents are expected to accept the responsibility to educate themselves about the project and review process, to provide constructive, timely and germane feedback, and to stay informed and involved throughout the entire process.

- **Planning Commission.** The planning commission hosts the primary forum for public input and provides clear and definitive recommendations to the city council. To serve in that role, the commission identifies and attempts to resolve development issues and concerns prior to the council’s consideration by carefully balancing the interests of applicants, neighbors, and the general public.

- **City Council.** As the ultimate decision maker, the city council must be in a position to equitably and consistently weigh all input from their staff, the general public,
planning commissioners, applicants and other advisors. Accordingly, council members traditionally keep an open mind until all the facts are received. The council ensures that residents have an opportunity to effectively participate in the process.

- **City Staff.** City staff is neither an advocate for the public nor the applicant. Rather, staff provides professional advice and recommendations to all interested parties, including the city council, planning commission, applicant and residents. Staff advocates for its professional position, not a project. Staff recommendations consider neighborhood concerns, but necessarily reflect professional standards, legal requirements and broader community interests.
LOCATION MAP

Project: TCF Bank Concept Plan
Applicant: TCF Bank and Solomon Real Estate Group
Address: 1801 Plymouth Road
CURRENT CONCEPT PLAN (#3)
EXTerior Elevations - Option 10
TCF Bank, Ridgedale
FEB 27, 2016

3/32" = 1'-0"
RIDGEDALE SHOPPES

CARTWAY LANE

PLYMOUTH ROAD

FOR ILLUSTRATIVE PURPOSES ONLY AND IS SUBJECT TO CHANGE. SEE FINAL PLANS FOR DETAILS.

TCF Bank
Concept Plan
1801 Plymouth Road
RIDGEDALE SHOPPES

FOR ILLUSTRATIVE PURPOSES ONLY AND IS SUBJECT TO CHANGE. SEE FINAL PLANS FOR DETAILS.
Legend

- Parcels
- 2030 Land Use
  - 2030_LU
  - Low Density Residential
  - Medium Density Residential
  - High Density Residential
  - Office
  - Commercial
  - Service Commercial
  - Mixed Use
  - Industrial
  - Institutional
  - Open Space
  - Parks
  - Right of Way
  - Lakes

TCF Bank
Concept Plan
1801 Plymouth Road
2035 Concept Plan: Potential New Development
### Possible Redevelopment at Ridgedale

#### West Sector:

<table>
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<th>Category</th>
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<tr>
<td>Restaurants:</td>
<td>30,000 square feet</td>
</tr>
<tr>
<td>Hotel (8 story):</td>
<td>250 rooms</td>
</tr>
<tr>
<td>Conference Center:</td>
<td>20,000 square feet</td>
</tr>
<tr>
<td>Office (6 story):</td>
<td>90,000 square feet</td>
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<tr>
<td>Retail, Additional:</td>
<td>30,000 square feet</td>
</tr>
<tr>
<td>Total Capital:</td>
<td>$90,000,000 (very rough estimate)</td>
</tr>
</tbody>
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2015 CONCEPT (#1)
RIDGEDALE SHOPPES

Proposed TCF Bank

Retail 5,400 SF.

FOR ILLUSTRATIVE PURPOSES ONLY AND IS SUBJECT TO CHANGE. SEE FINAL PLANS FOR DETAILS.

30 SCALE

1801 Plymouth Road

Concept Plan

1801 Plymouth Road

NOVEMBER 3, 2015

Westwood
of the campus about traffic patterns, noise and other issues. As part of the process for this application, there was a new traffic study conducted. Most importantly a new site management plan was developed. The plan includes standards and if there are problems along the way, the neighbors can work with the school district to resolve the problems. He said there were many potential deal breakers with the project. The youth association, the school district, and the city all tried to make it work and everyone worked well together.

Schneider said the evolution of a continually better dialogue and more communication with the school district in understanding the needs and concerns was a good step forward in the right direction. When the item first was presented to the council as another large building on the south side of the Pagel Center, he looked at the topography and didn’t think it would work. He said the use was very creative and he commended the designer and architect. He was very supportive increasing youth activity and having a continuing positive relationship with the school district.

Bergstedt moved, Wiersum seconded a motion to adopt resolution 2015-120 approving the conditional use permit and resolution 2015-121 approving final site and building plans. All voted “yes.” Motion carried.

Schneider called a recess at 8:03 p.m.

Schneider called the meeting back to order at 8:12 p.m.

C. Concept Plan for redevelopment of the TCF Bank site at 1801 Plymouth Road

Thomas gave the staff report.

Ellingson said it seemed to him the location was so prominent that there should be more going on than what was in this concept plan. During the Highland Bank discussion, it was suggested that because it was a high density development other redevelopments in the area would have a lower density. He thought that concept related more to the redevelopments closer to the residential neighborhood. He said this was the most prominent intersection on this side of Ridgedale.

Wiersum said the site was a retail bank with the current bank having more things going on in a bigger building. He asked what the expectation was from a traffic perspective with a smaller footprint than currently exists. One of his concerns was if there was single level retail on the other part of the parcel, and a smaller footprint bank with the same amount of traffic, traffic could double relative to what currently exists.
Wagner said he attended the neighborhood meeting. He had a conversation about a year ago with the developer about some of the concerns Ellingson raised. He noted this was a pretty small site. The site would be challenging to redevelop for anything larger than what was in the concept plan.

Steve Johnson with Solomon Real Estate said the site was small, about an acre and a quarter. TCF owns the entire site. The plan was for a lot split with his company owning their portion and TCF retaining ownership of their portion. He said this was one of TCF’s more prominent banks. TCF was only willing to work with the plan with the understanding that they would retain ownership and have a free standing building on their property. This left his company with less than three quarters of an acre to work a retail development on to. The optimal way to go would be to blend all three neighboring parcels into a development but currently there are three banks, TCF, US Bank, and Wells Fargo, wishing to own their own real estate.

Johnson said he met with a neighborhood group. The group indicated what it wanted to see was a sidewalk, not having any additional drive thru’s other than what was allowed for with the bank, and not wanting a Highland Bank type project. Originally the plan had more retail but it was scaled back. The current plan includes 5,400 square feet of retail which would meet the city requirements for parking and setbacks. A sidewalk would be wrapped from property corner to property corner. Pedestrian access into the site was part of the plan. The streetscaping would match what was being done with Highland Bank to provide for a contiguous look.

Mike Kraft, the architect for TCF Bank, said when the building was constructed at 12,000 square feet 40 years ago, there was a volume of traffic that grew for 20 years and has been on the decline for the past 15 years. The decrease in traffic coming to the building was due to what is happening to the industry. He said in many ways the building was being right-sized to accommodate the projected traffic. If the traffic increases due to the retail building, it won’t increase anywhere near the capacity that it was in the past. A lot of attention has been given in the plan to make sure the site was easy to move around in both for vehicles and pedestrians.

Allendorf asked what the existing use was for the second floor of the building. Kraft said over the past years there have been multiple functions all office related. Allendorf asked if Kraft had ever been asked to look at the skin of the existing building to upgrade it. Kraft said that was not one of the challenges he’s been faced with. TCF has equity in the brand. People
know they are pulling up to a TCF building by its look. Allendorf said the new design doesn’t say TCF to him at all. Kraft noted the columns were removed. One of the things that was attempted in retaining the brand was maintaining the brick and white pre-finished metal. Allendorf said the design looked plastic and didn’t indicate banking to him. He said he didn’t like the building as it was shown in the concept plan. Putting in another one story retail building seemed like an attempt to do something out of the ordinary because the land was there. He would prefer to see a park instead of the retail building. A smaller TCF building and a retail building did nothing for him.

Schneider asked Kraft to provide more information about the building prototype and how wedded TCF was to the design and where else it was being implemented. Kraft said the banking industry was in an evolution for the past 15 years, and a revolution since 2008. This resulted in fewer staff being able to do more things by being better trained, and allowed creating spaces that are smaller. This had a lot to do with creating a bank for the next generation of bank customers. The concept was about maximizing convenience for various needs. The building design parallels the launching of the new brand which happened earlier in the year. He said this location would be the first for the building design with two others that are being developed as well. He said one of the things commented on most was the use of the color red. A question was asked at the planning commission hearing if there was any wiggle room with the use of red and the answer was yes. He noted one difference between the TCF building and many small retail buildings was the bank building would use the highest quality materials. The building would be used for generations not just for the short term.

Schneider said he was struggling with how to comment on the concept plan. The city had long been very much a free market community unlike other metro cities, which have much more restrictive design standards. Minnetonka relies on quality developers to do a first class job. The council also had a culture of making sure to be objective, fair and not trying to pre-judge projects. As a registered architect he understood that taste was in the eye of the beholder. He said he had to be frank and his comments were meant to be constructive criticism to take back to TCF. When he opened the packet and saw the look of the building, he actually cringed. He showed the design to a number of people to get their feedback. Well over half also cringed. Part of it was the use of red. Several thought the building was a contemporary Kentucky Fried Chicken. That was the type of response the design was evoking. He said the design was not the kind of character, sophistication and quality that was highlighted in the premium corner of the Ridgedale area. He admitted everyone he showed the design to was over 45 years old. The building would definitely get
noticed but he wasn't sure it would be noticed in a positive way. For the premium corner in the area, Nordstroms and other buildings were getting to a higher class of design. To have something that a number of people thought was a contemporary KFC gave him real heartburn. He noted this was the first time he had been critical of a design during his tenure on the council.

Kraft said he appreciated Schneider's candor.

Wiersum said the first time he noticed the new TCF logo was on the office building near Hopkins Crossroad. His wife questioned if the TCF was actually a Twin City Federal or another business using that acronym. He understood banking was fundamentally changed and that these changes were driving the desire for a smaller footprint. This was probably a credible solution to the banking of tomorrow but the challenge for him was this was a premier location in the city, and taking a small parcel and cutting it in half with a building design that had a fast food aspect to it. The challenge was the contrast between the scale for what was needed there for TCF versus the scale of what the city envisioned for the area.

Bergstedt said he didn’t cringe when he saw the picture but instead his reaction was it was an interesting concept combining a bank with a fast food restaurant. Then he read the staff report and saw that was not the concept. He agreed he would have some reservation about the building design for any location in the city but particularly for this premier location. He said last year the council discussed the Highland Bank redevelopment and it was a contentious project. One of the biggest issues was the building height. One of driving reasons for his vote for approval was the city had a vision of what it would like to see in the Ridgedale area. This included increased density, adding higher buildings but adding them as far away from the residential neighborhood as possible. Now this concept plan for a premier property was to take down a two story building and putting up two one story buildings. This just didn’t feel right. This concerned him especially coming on the heels of the Highland Bank project.

Schneider said the real challenge was the city’s regulation didn’t clearly state what could or could not be done. The property was zoned and guided commercial. It was about finding the right cooperative long term solution that everyone could be proud of. This would take some work.

Wagner said his thoughts were similar to Schneider’s. When thinking about where higher density would go in the city it was on this side with a hotel because the city was underserved by the hotel market particularly the caliber needed given the corporate headquarters in the area. There

TCF Bank
Concept Plan
1801 Plymouth Road
currently was no property for this to occur. He agreed TCF could probably move ahead with what was in the concept plan because there was no ordinance prohibiting splitting the lot. He felt having more lots long term was worse for the city than having fewer lots. Looking at the one acre property, he didn't think the use was the best use, but at the end of the day the city did not own the property.

Allendorf said he didn’t think splitting the property and putting two one story buildings on it was consistent with what the residents want or what the property deserves. The reason he mentioned putting a park on the property was at least it was something people could understand. He could understand TCF wanting to upgrade the existing building but he could not understand two one story buildings.

D. Professional services agreement for the Shady Oak Site Redevelopment Study

Wischnack gave the staff report.

Wagner said he supported the agreement.

Acomb said she had some concern with engagement given the upcoming holidays. She was happy to see inclusion of the development roundtable that had been beneficial in the past.

Bergstedt said the schedule was aggressive but he hoped it was a schedule that could be kept to. While he was comfortable with the decision to purchase the property, he was uncomfortable with the city being a landlord for any longer than necessary.

Schneider said the primary peak time was when somebody breaks ground for the light rail. He thought the consultant and the engagement process were good. His only reservation was ensuring there was heavy emphasis that due diligence was done to determine what the right market was.

Allendorf agreed with Bergstedt's comments. He said staff had learned that being a landlord meant much more than hiring a property management company. He said the city should have some idea of what the value of the property should be to the city. The tendency would be to look at a development on paper and go out to the development community who knew the city owns the property, and therefore wouldn't necessarily bid the highest price. He said the city should determine the value and let the development community know that this was what the city believed the market value for the property was, and stick to the value.
2016 CONCEPT (#2)
Ideally enough room would be left for a right turn lane so traffic does not back up. He didn’t think the volume of traffic would require it.

Allendorf said he thought that intersection currently works well. He asked if there was a safety need to take out the current alignment. Manchester said it would be a safety improvement. Reconfiguring the intersection would force drivers to stop. He didn’t think it was 100 percent necessary to reconfigure but he would recommend it as part of the project due to the safety improvement.

Schneider said the intersection was a little awkward for drivers going south because it was easy to forget the traffic from the east could right along. He questioned if there was an issue for drivers going east on Oakland Road turning north, causing traffic to back up who want to proceed south. He suggested studying a right turn lane with a stop sign to avoid the situation of cars turning left causing traffic to back up.

Wiersum said he could see the perception of making a safety improvement to make sense but he questioned if there was an actual safety issue. Were there accidents occurring? He said solving problems that are perceived but not real does not lead to an improvement.

Randy Niewenhuis said he lived off Tudor Road and travels the road south every day. He said he could see a potential conflict but he has not seen any problems.

Wagner moved, Wiersum seconded a motion to adopt resolution 2016-006 receiving the feasibility report, ordering the improvements in, authorizing preparation of plans and specifications, and authorizing easement acquisition for the 2016 Street Reconstruction, Oakland Road area Project No. 16402. All voted “yes.” Motion carried.

C. Concept Plan for redevelopment of the TCF Bank site at 1801 Plymouth Road

Thomas gave the staff report.

Mike Kraft with Mike Kraft Architects, 1442 98th Lane, Coon Rapids, said after the initial concept plan review, he went back to TCF and gave careful consideration to all the council comments. He acknowledged that some people wanted a larger building on the property but the property was owned by a corporation that uses small buildings. In order to create something large enough to accommodate the parking, it would require bringing together three competing banks. This would be extremely challenging. At the initial review a question was asked how committed
TCF was to the look of the building. He said TCF was pretty committed to the look. It was developed as something that accommodates their new brand and looks to appeal to the next generation of bank customers. After hearing the council comments work was done so the proposed plan hopefully would not only be approved, but would also be well received and accepted. He noted the amount of white and red on the building was dramatically reduced. The revised plan also creates a stronger presence toward Cartway Lane.

Wiersum asked if the look of this building was the one TCF planned to use in other parts of the country or if the plan was to try it out in the area TCF was headquartered before using it in other parts of the country. Was this the template to be used elsewhere or was it something that would be tried and then tweaked before being used in other parts of the country? Kraft said this was the look that would be implemented nationally.

Wagner said staff shared pictures of other projects in the Chicago area. Those buildings had a different look. He said he feared that like in the restaurant industry where companies try out different concepts in certain areas that get tweaked before going national, this was what TCF was doing with this building. Kraft said that was not the intent.

Allendorf asked Kraft to go over the specific changes that were made since the initial concept plan review. Kraft said the changes primarily included the design of the canopy as it comes up and across the building. Instead of being a white metal canopy with a lot of red on it, it now would be three different pieces including the wall facing Cartway Lane. The white was eliminated in favor of a smaller scale surface treatment. The entry tower’s use of white has also been toned down. Another change was from the columns at the end of the canopy to a wall at the end. Allendorf said what he saw was a change in materials but the building was the same height. The tower too had different materials but was of a similar height. The main bank building was less dense. This was inconsistent with the direction the council provided during the initial review, which was for more mass and more density.

Schneider said he previewed the plan before it was included in the council packet. He agreed there were some improvements but it probably didn’t address the concerns the council expressed. The building looked less like a Kentucky Fried Chicken and more like a colorful bank building. Since this was one of the premiere entrances to Ridgedale, and with all the investments being made by Nordstrom and the other mall tenants to make things look first class, it would be nice if this building complemented and matched that versus making a statement for TCF’s brand. He said he understood it would be difficult for the city to prescribe the height of the
building but he thought coming up with a building that had a little more class to it and looked more compatible was fairly important. He thought the Chicago area design came fairly close. He said it looked like a millennial coffee shop that included a bank. He didn’t think the revised plan was sufficient to have the council think that although it wasn’t what it wanted, the building still was something the council could be proud of.

Wiersum said there was a unique set of circumstances. He said very few, if any, of the council members were TCF’s target audience for the new logo and look. A younger consumer was being targeted with a banking product that had dramatically changed over time. The issue was given the location, the council was looking for more substance, a more solid bank structure that was similar yet different to what currently exists. There was a density issue and what needs to be in a bank today versus what needed to be in a bank in the past. He thought the revised concept was improved but was not meaningfully changed. He said when no variances were needed the council’s tools were limited. What really needed to happen was working collaboratively to figure out if the city could get something of a greater substance for the location that still met the need of TCF. He saw a really inconsistency between the substance issue and what TCF needs.

Allendorf said much had been said about the TCF building but a companion problem was the Solomon building in terms of mass and density and having something substantial on the property. When the property is broken up into two pieces, it is inconsistent with the city’s vision for the piece in total. He recognized what went on the property couldn’t be as substantial as the six story Highland Bank, but he questioned if the two building concept could be reconsidered.

Bergstedt said he appreciated the revised concept plan. It was marginally better. He said a formal application could be submitted but as others had said, he thought some of the existing TCF buildings in the Chicago area would fit so much better on this site. One of the cornerstones of the Highland Bank approval was the vision for density. To take one of the premier quadrants in the city and put two small buildings, no matter what they looked like, just didn’t feel right. He said TCF could either abandon the prototype and look at something else to satisfy the council or submit the prototype in an application to see where things end up.

Wagner said the visioning process for the area included a lot of council discussion about the goal of wanting to stack the density closer to the mall and then tier it down going further away. He said there were some residents who probably would be OK with a one story building on the property because there would be less traffic. There was going to be traffic in the area regardless based on the vision. If the council was committed to
the vision then maybe a different approach was needed of creating an overlay district. The owners of the neighboring properties might want to do the same thing as TCF. This might be something the council has to wrestle with given the reality of the size of the properties.

Schneider said the council anticipated it was a 10-20 year vision as opposed to a two year vision. He agreed with not wanting to see tweaks to the concept plan but rather either having the plan submitted formally or having major changes made.

15. Appointments and Reappointments: None

16. Adjournment

Bergstedt moved, Wiersum seconded a motion to adjourn the meeting at 7:55 p.m. All voted "yes." Motion carried.

Respectfully submitted,

[Signature]

David E. Maeda
City Clerk
I wanted to add my comments to the March 14th city council meeting regarding TCF’s 3rd concept plan. I attended the bank’s open house for residents which took place this past winter and I can say that I like this drawing much better than the original. The initial concept drawing reminded me of what the KFC’s of the 1980s looked like with the bold white and red siding. This plan, which incorporates more neutral/softer earth tones, I feel will fit in better with the community and look more sophisticated. I realize the bank wishes to add its signature colors of gold & maroon but their more modern take is basically mustard yellow and ketchup red. Those colors belong only to Crayola, toddlers & food condiments not as siding on a financial institution, such as a bank. Naturally, the city has no say in how a private corporation wishes to market itself to the public but as a resident, this is how I feel.

I do think it was a wonderful decision on part of the bank to invite members of the public and the neighborhood in particular to view their concept plans. This is a very nice way to harmonize the community.

Audra Johnson
Attorney-at-Law

CONFIDENTIAL COMMUNICATION
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Thank you for sending out the TCF Plans. The main thing I keep noticing is the many buildings going on with space for retail stores. Like the planned apartment buildings currently going up - I noticed the condos that have gone up in Wayzata with all the vacant retail space on ground floor that stands empty. Around the cities I've noticed the same issue. It makes me wonder if these developers make room for stores but do they already have the shoppes to go in there or is this just for presentation to city council? After all the effort Ridgedale Mall has gone to revamp, will this proposed retail space take business away from them?

Regarding the design that has been presented - it makes one wonder if Minnetonka has considered establishing a architectural design code so going into the future there isn't a mix match of designs. For example, does the library carry the standard of acceptable design with color of bricks or design used?

Please forward this to Councilman Dick Allendorf for upcoming March 14 meeting. Thank you.
Mary McKee
3842 Baker Road
Minnetonka

Sent from Windows Mail
Brief Description: Resolution approving Opus Area Bridge improvement layout and authorizing easement acquisition

Recommended Action: Adopt the resolution

Introduction

Over the past many years, the city has continued to review the condition of the infrastructure in the Opus area. At the council study session on March 18, 2013, a variety of improvements were discussed and identified as future projects following a detailed review of this area.

The Opus roadway system analysis in 2013 completed a high level review to analyze three primary infrastructure components: streets, bridges and trails. Within each of these infrastructure components, improvements were identified as needing to be done as a result of future redevelopment, as well as a result of the future Southwest LRT through this area. The analysis best prepared the city for the significant public and private investments in Opus, identifying potential roadway improvements, circulation changes, access improvements, and capacity considerations for future development. It also strategically analyzed the capacity, routing, and structural stability of the overall Opus area transportation and infrastructure systems.

The 22 bridges within the Opus area are currently structurally sound. The bridges were however analyzed to simply determine if state bridge bonds could be used as a funding source to help pay for Opus bridge replacements when needed. The study essentially reviewed each bridge and determined if it would qualify for state bridge bond funding if it were to be replaced. State bridge bond funding can potentially be used to pay 80-100% of the construction cost to replace each bridge if it meets certain criteria.

Although a package of items are identified in the adopted 2016-2020 Capital Improvement Program (CIP) for infrastructure in the Opus area related to LRT, only the replacement of ten bridges and the reversal of traffic on Red Circle Drive are being brought to council at this time. Additional items will be brought as stand-alone projects in the future.

Background

The Opus Area Bridge Improvement project is proposing the replacement of ten bridges currently rated as deficient. These bridges allow grade separation for pedestrian trails through this area. On February 9, 2015, council authorized a resolution prioritizing a bridge replacement program for these ten bridges. Locations of the bridges may be
seen on the attached map. These bridges are currently safe for motorists, however at this classification are eligible for state funding. The city has applied for funding, however due to the review timeline, will not know if the application is successful until early summer. Dependent on the outcome, project scope and funding will be evaluated.

Currently, Red Circle Drive has a hazardous weave movement for traffic entering and exiting the Opus area. Traffic safety within this weave movement will continue to deteriorate as traffic increases due to the Southwest LRT and future redevelopment. The 2013 study concluded that a good option exists to remedy this situation; changing the flow of traffic on Red Circle Drive as vehicles enter the Opus area. This change would also require changing the traffic flow on Yellow Circle Drive, as well as the replacement of two bridges that would likely qualify for bridge bond funding, and are included in the ten bridges proposed for replacement.

Schedule

To minimize traffic impacts to the area during construction, the timing of these improvements is largely dependent on the coordination with the Southwest LRT project. It is recommended the improvements are completed concurrently due to the detours needed for the Southwest LRT and the difficulty to maintain access on the one-way road network in Opus. City staff has continued to meet with the Southwest Project Office to discuss the timing of both projects. The proposed completion schedule is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Red Circle Drive reversal and bridge replacements</td>
</tr>
<tr>
<td></td>
<td>Bren Road West bridge replacement</td>
</tr>
<tr>
<td>2017-2019</td>
<td>Remaining bridge replacements</td>
</tr>
</tbody>
</table>

In an effort to accommodate the Southwest LRT construction schedule, staff is currently requesting approval of the Opus Bridge Area layout and authorization to acquire the necessary temporary and permanent easements for the proposed improvements. The improvements on Red Circle Drive and Bren Road West must be completed in 2017 to maintain traffic operations and coordination in the area during the Southwest LRT construction. If the application for state bridge funding is not successful, staff will reevaluate the project scope and schedule of the remaining 7-bridge replacements, including easement acquisition timing.

Funding

The table below shows the anticipated budget and funding necessary for the entire project over five years, including replacement of 10 bridges and reversal of Red Circle Drive. The 2017-2021 CIP to be presented to council in April will propose changes from
the previous as the scope is further defined. If the city is not able to secure state funding
with bridge bonds, the project scope and funding will be reevaluated. The CIP will be
amended to incorporate additional state aid monies as well as other needed changes
upon reevaluation. Funding for undergrounding utilities, lighting and trails will be part of
the additional items brought forward to council in the future.

<table>
<thead>
<tr>
<th></th>
<th>Budget Amount</th>
<th>Proposed Funding</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs</td>
<td></td>
<td>$10,330,000</td>
<td></td>
</tr>
<tr>
<td>Engineering and Administration</td>
<td></td>
<td>$590,000</td>
<td></td>
</tr>
<tr>
<td>Easement Acquisition</td>
<td></td>
<td>$1,100,000</td>
<td></td>
</tr>
<tr>
<td>State Bridge Bonds (unfunded)</td>
<td>$3,000,000</td>
<td>$3,155,000</td>
<td></td>
</tr>
<tr>
<td>State Aid Fund</td>
<td></td>
<td>$1,510,000</td>
<td></td>
</tr>
<tr>
<td>Street Improvement Fund</td>
<td>$10,000,000</td>
<td>$4,925,000</td>
<td></td>
</tr>
<tr>
<td>Utility Fund</td>
<td>$1,500,000</td>
<td>$1,500,000</td>
<td></td>
</tr>
<tr>
<td>Storm Water Fund</td>
<td>$200,000</td>
<td>$930,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Budget</strong></td>
<td>$14,700,000</td>
<td>$12,020,000</td>
<td>$12,020,000</td>
</tr>
</tbody>
</table>

**Recommendation**

Adopt the attached resolution approving the layout and authorizing easement
acquisition for the Opus Area Improvements Project No.14470.

Submitted through:
  Geralyn Barone, City Manager
  Will Manchester, Director of Engineering

Originated by:
  Phil Olson, Engineering Project Manager
BE IT RESOLVED by the City Council of the City of Minnetonka, Minnesota as follows:

Section 1. Background.

1.01. The City of Minnetonka has prepared the Opus Area Bridge and Red Circle Drive Improvements layout for the replacement and reconstruction of these improvements.

1.02. The City of Minnetonka has reviewed pertinent data infrastructure including city bridges and roadways requiring improvements, replacement, rehabilitation, or removal.

1.03. The City of Minnetonka has identified those bridges that are high priority and that require replacement, rehabilitation, or removal within the next five years.

Section 2. Council Action.

2.01. The Opus Area Bridge and Red Circle Drive Improvements layout for the replacement and reconstruction of these improvements is hereby approved.

2.02. The deficient bridges, as indicated on Opus Area Improvements Concept Layout dated February 23, 2016, are high priority and the city council of the City of Minnetonka intends to replace, rehabilitate, or remove these bridges as soon as possible when funds are available.

2.03. The City of Minnetonka does hereby request authorization to improve replace, rehabilitate, or remove such bridges and street improvements.

2.04. The city attorney and the city engineer are hereby authorized to acquire necessary easements by negotiation or condemnation.

Adopted by the City Council of the City of Minnetonka, Minnesota, on March 14, 2016.

______________________________
Terry Schneider, Mayor
ATTEST:

David E. Maeda, City Clerk

ACTION ON THIS RESOLUTION:

Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on March 14, 2016.

David E. Maeda, City Clerk
OPUS Area Improvements
CONCEPT LAYOUT
February 23, 2016

LEGEND
- Proposed Roadway
- Proposed Bridge
- Proposed Bituminous Path
- Proposed Retaining Wall

Existing Right of Way

Hennepin County, Minnesota
Legend

- Bridge Replacement (Full Project)
- Bridge Replacement (Concurrent with SWLRT)
- Red Circle Drive Reversal

This map is for illustrative purposes only.
City Council Agenda Item #14E
Meeting of March 14, 2016

Brief Description: 2016 Assessment Report

Recommended Action: Receive the report

Background

The assessing division has completed its work on the 2016 property assessment, and a report on the assessment results is enclosed for council review. Staff will present a brief summary of this report and 2016 property tax information at the March 14, 2016 council meeting, to afford the council the opportunity to ask questions.

Hennepin County started mailing property tax statements for 2016 the week of March 1st. City staff will begin mailing market value notices to property owners on March 15, with the 2016 market value information for property taxes payable in 2017.

Recommendation

Staff recommends the council receive the 2016 report. No formal action is required of the council.

Submitted through:
  Geralyn Barone, City Manager
  Merrill King, Finance Director

Originated by:
  Colin Schmidt, SAMA, City Assessor
The Assessing Division can be reached at 952-939-8220 or assessor@eminnetonka.com
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Cover photo courtesy of:
Theislandresidences.com
Summary

- The total estimated market value for Minnetonka in assessment year (AY) 2016 is $8.73 billion, a 3.6 percent increase from $8.43 billion in AY 2015. Approximately 70 percent of the total market value comes from residential property, while 30 percent comes from commercial, industrial, and apartment properties. The table below outlines the growth, including new improvements, in the market by major property classifications:

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Average Growth Change</th>
<th>Total Change (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-family Residential</td>
<td>2.3%</td>
<td>$107.4</td>
</tr>
<tr>
<td>Lakeshore</td>
<td>5.8%</td>
<td>$13.3</td>
</tr>
<tr>
<td>Townhouses</td>
<td>5.2%</td>
<td>$23.2</td>
</tr>
<tr>
<td>Condominiums</td>
<td>2.9%</td>
<td>$11.6</td>
</tr>
<tr>
<td>Commercial</td>
<td>1.0%</td>
<td>$15.5</td>
</tr>
<tr>
<td>Industrial</td>
<td>2.1%</td>
<td>$6.4</td>
</tr>
<tr>
<td>Apartments</td>
<td>19.8%</td>
<td>$111.4</td>
</tr>
<tr>
<td>Other Property Types</td>
<td>9.0%</td>
<td>$20.2</td>
</tr>
<tr>
<td><strong>Total Change</strong></td>
<td><strong>3.7%</strong></td>
<td><strong>$308.9</strong></td>
</tr>
</tbody>
</table>

- Comparisons with other cities for AY 2016 indicate most of the western suburban cities are adjusting residential properties by +0.13% to +4.4%. With an overall estimated average of +1.9% for the area. Minnetonka’s residential adjustment of +1.4% is slightly below the average of neighboring communities.

- The volume of sales in the city in 2015 is up twenty-six percent from last year. This follows an eleven percent decrease in 2014, and is starting to exceed pre-recession volume levels.

- Apartment growth was very strong this year. Values increased over 12 percent (excluding new construction), while the total value change was 19.8 percent (including new construction). This strong apartment growth is occurring metro wide.

- Commercial and industrial growth remained stable over the past year at .2%.

- Assessment staff closed 168 tax court cases in 2015 compared with 203 in 2014. Staff continues to reduce the number of open appeals while also improving the ratio of stipulated value to original value.

- There was $109.8 million in new construction throughout 2015, versus $66.7 million in 2014. The large increase was due to new residential and apartment projects. There are a number of projects still under construction or planned for 2016, so new construction is not currently projected to slow down any time soon. The main commercial project that had an impact on the 2016 market value was the Ridgedale/Nordstrom project.
• The majority of the 9% growth of “Other property types” was due to an increase in land values throughout the city. This category includes vacant land, utility property, railroad and other miscellaneous property types.

2016 Assessment from a Historical Perspective

The 2016 property assessment is complete. Property owners will receive a Notice of Estimated Market Value in March. The 2016 property assessment applies to property taxes payable in 2017 and reflects market conditions between October 2014 and September 2015. With values finalized, we have a clear picture of the overall movement in the real estate market.

Minnetonka has typically experienced steady growth in the market value of real property since the early 1990’s. The City of Minnetonka was not immune to the economic downturn that impacted real estate values throughout the entire Twin Cities metro area and most of the nation. The peak of market values previously occurred during the 2007 and 2008 assessment years. As depicted in the chart below, the 2009 assessment saw market decline which continued through the 2013 assessment. With a 3.7 percent increase in the 2016 assessment, the total estimated market value of real estate in Minnetonka is at $8.73 billion dollars, establishing a new high, just above the peak of $8.54 billion dollars in assessment year 2008.

*The Minnetonka data and statistics used in this report are based on the 2016 assessment approved by Hennepin County on February 19, 2016. The data and statistics may not specifically match the 2016 Hennepin County Assessment Report due to the time of year they are calculated or the methodology used in calculating the statistics.
The previous decline in the overall market value of the city came from both the residential and commercial sectors. In the residential sector, the median value reached bottom in AY 2013, with a median value of $273,200. This represented a 16.4 percent decrease from the previous peak in AY 2007 value of $326,700. As the chart below shows, to date values have increased 18.4 percent since then.

The commercial markets began to stabilize in AY 2011. After some strong growth in AY2013 and 2014 it again stabilized in AY 2016 with values increasing by one percent. On the other hand, apartment values have experienced significant growth since AY2010 and in AY2016 the total value for this sector in Minnetonka realized a 19.8% gain.
Tax Capacity

The property tax capacity of a city is structured by state law and is used to determine property taxes each year. The total tax capacity is divided among property classes to determine the distribution of the property taxes paid by class. Tax capacity is a function of market value; when the proportions of value by property class within a jurisdiction change, the tax capacity changes. Single-family residential property represents the majority of the total tax capacity in Minnetonka, followed by commercial/industrial, multi-family, and other classes of property. Even though apartment value growth outpaced the growth of residential and commercial values, the tax capacity remains similar to last year because of the proportionally greater size of the residential and commercial markets.

Assessment year 2014 saw a relatively low tax capacity for commercial properties, the lowest level since AY 2007. This corresponded to the highest residential tax capacity since assessment year 2009. The 2016 assessment saw these rates return to more typical levels from the previous few years. Notably, apartments are still seeing their largest tax capacity since 2002. Overall, the amount of tax capacity continues to trend to the commercial properties.
The Residential Market

In Minnetonka, roughly 96 percent of the 19,749 taxable parcels are residential. The assessing staff uses city-wide comparisons of similar styles, quality, and classes of homes in making the annual property assessment. As described below, this comparison results in the same market value adjustments being made to like properties throughout the city. For example, an average-sized, three-bedroom rambler in the northeastern part of the city is valued based on the actual sale prices of similar ramblers throughout the city, rather than solely by the sale prices of different types of homes in its geographic area.

This system can be applied to all styles of houses (rambler, two-story, etc.) and allows the appraiser a range of judgment in setting the quality class for a particular house. When the quality class has been determined based on the physical characteristics of the home, the appraiser applies a prescribed dollar rate to the square footage of the house. The appraiser also adds or subtracts other dollar adjustments depending upon the specific features and characteristics of the house. Adjustments are also made to the land or location, positive or negative, to reflect the market value of the property. This technique is similar to appraisal techniques used in the private appraisal industry.

Most single-family properties are grouped into geographic districts for the purpose of conducting the periodic physical appraisal of properties. Quality features are re-examined at that time, along with other characteristics of the house. During the revaluation process, staff continually looks for markets within the geographic districts that can be studied individually to improve accuracy.

Staff uses the LOGIS property data system (PDS) computer-aided mass appraisal (CAMA) system to determine the market value for each residential property. This PDS system allows the appraisal staff to revalue each residential property individually on an annual basis. By revaluing both land and improvements on an annual basis, it adds to the accuracy and equity of the assessment process.

Recent Changes

The LOGIS consortium continues to make updates as needed. Searching capabilities and data analysis continue to be improved allowing the appraisers to do their work in a more timely fashion. LOGIS is currently in the process of developing an application for electronic notebooks and other mobile devices to increase productivity in the field.

Residential Sale Data

While a larger sample set generally provides greater precision in calculating the market value, staff carefully considers all factors that could affect current market conditions and make adjustments accordingly. While on average, all residential sub-markets increased in value, not every parcel changed the same amount. Because of all of the factors that affect market value, some parcels increased in value above the average, while some increased at a much lower rate. A small percentage of parcels declined in value, typically due to changes in a particular submarket or parcel specific characteristic changes during quintile and/or permit reviews.
As illustrated below, the sales volume of single family residential properties increased by 40 percent for AY 2014 (sales occurring in 2013). For AY 2015 (sales occurring in 2014), the number of sales fell 11 percent. Despite the decline in AY 2015, the increased number of sales in AY 2016 represent a higher total sales volume than pre-recession years. This indicates that single family residential sales returned to its more typical level for the Minnetonka market.

When the sales are compared by different ranges of sale prices, it becomes clear that the increase in sales since the economic recovery has been driven in large part by higher value homes. As the charts below show, five percent of the sales had a sales price of less than $200,000. The majority of sales (49 percent) had a sales price between $200,000 and $350,000. This is down from around 54 percent during the recession. Thirty-three percent of sales had a sales price between $350,001 and $600,000, and 12 percent had a sales price greater than $600,000. The two higher priced strata of sales combine to account for 45 percent of sales over the study period, compared to just 36 percent in assessment year 2013. This indicates that not only have the number of sales returned to pre-recession rates, but also generally the distribution of home sales by value.

Another notable take away from this sales analysis is an evident long term trend shows the increase in the sale of homes less than $200,000. Virtually non-existent 8-10 years ago, such homes now account for 5% of the home sales.
In the residential market, the largest percent increase in values occurred in the townhome market. Single-family residential and the condo market showed modest gains. Staff believes this is due to the aging of the Minnetonka community and that demographics show an increasing desire to live in a maintenance free property.

Residential market data throughout neighboring jurisdictions are encouraging as well. After conferring with assessing offices throughout the west metro, residential real estate increased in the range of 0.13% to 4.4%. Minnetonka's increase of 1.4% is just below the average of neighboring jurisdictions at 1.9%.
New construction in the residential market has picked up significantly and will continue to do so over the next few years. The biggest project is Legacy Oaks, the former Jondahl property, which is being developed into single family, townhomes, and condominiums. These parcels increased in value approximately $8.5 million over the last year. Some of the townhomes and single family homes have been completed, while many more are still under construction along with the condominium buildings. There are a number of smaller developments still in the early stages of planning or construction that should be completed within the next year, continuing the residential new construction trend.

For the fourth calendar year in a row, the number of foreclosures is down. As shown in the graph below, the number of foreclosed sales in Minnetonka peaked in 2008. A large number of foreclosures remained through 2011 before steeply declining. Starting in 2012, the number of foreclosure sales began to approach pre-recession levels, and 2015 saw the lowest number of foreclosures since 2006. With the increases in value over the last two years, fewer homes have negative equity, so the rate of foreclosures should remain stable in the near future.
The Apartment Market

The apartment market led all property types with an overall growth of 19.8%. The apartments make up just over 11% of the property value of all housing in Minnetonka. This compares to 9.7% from last year.

The fundamental indicators for apartment properties showed a solid multi-family market in 2015. Vacancy rates remained very low, market rents continued to increase, and interest rates remained historically low.

The apartments in Minnetonka received an average increase of 12% (not including new construction) for the 2016 assessment. Minnetonka experienced one apartment sale in November of 2014, Stratford Wood, a Class B, good quality apartment complex located in the southwestern part of Minnetonka, just south of Highway 7. The Stratford Wood sale included two apartment buildings, 42 townhomes, and a clubhouse.

Four new market rate apartments are in progress or are nearing the end of construction which will add a cumulative number of nearly 500 units to the City. The first is the Carlson Island Apartments, which is located in the heart of Carlson Center, at the interchange of I-394 and I-494, and is on an island in the middle of the Carlson Center Lake. It is a 174-unit Class A, luxury Apartment complex with 5 stories above ground and two levels of underground parking. The second is The Overlook (Tonka on the Creek), located at the southwest quadrant of Hwy 169 and Minnetonka Boulevard. This development will consist of 100 units. The third is 1700 Plymouth (formerly Highland Bank), located on Plymouth Road across from Ridgedale. This project will be 115 apartments over retail space. The fourth is At Home Apartments, located at 5709 Rowland Road. This will be a 4-story, 106-unit development.

A few others to look for in 2016 impacting values in 2017 by adding another 619 units are: The Music Barn Apartments, a 27-unit complex located on Shady Oak Road; Cherrywood Pointe, a 99-unit senior rental on Plymouth Road; Applewood Pointe, an 89-unit senior cooperative on Minnetonka Boulevard; Zvago, a 54-unit cooperative on Stewart Lane; and currently, a concept plan is in place for a 350-unit apartment building on Bren Road East.
According to Colliers, over 5,500 apartment units were added to the Twin Cities market in 2015, with an elevated delivery schedule to continue into 2016 based on proposed and under-construction projects. Occupancy metro-wide is robust, with vacancy under 3.0% despite the heavy number of deliveries. Many local developers and owners anticipate upward pressure on that 3.0% marker later this year.

The Commercial Market

While only four percent of the assessed parcels in Minnetonka are commercial or industrial, these property types have historically comprised a significant share of the tax base. For assessment year in 2016 (taxes payable in 2017), their share is just over 36 percent. This is up from 34 percent for the 2015 assessment.

The primary commercial sectors in Minnetonka are office, retail, industrial, and hotel. The chart below shows the makeup of the commercial market.
Changes in market values for these real estate sectors vary due to a number of factors. The different sectors within commercial real estate typically move together, but they can move at different rates depending on demand within the sector. Also the quality and location of the buildings can play an important role in changes in value. Commercial real estate can be more sensitive to socio-economic trends as the general outlook of real estate investors is based on the anticipation of relatively shorter term gains. After the weakened commercial market reflected in the 2009 and 2010 assessments, the assessed values from 2011 to 2013 were stable. Both AY 2014 and AY 2015 saw strong growth in the office and retail sectors, with the industrial market seeing more moderate gains. AY 2016 saw a more stable market with less growth.

| COMMERCIAL MARKET VALUE CHANGE BY SUBMARKET AND ASSESSMENT YEAR |
|-----------------|---------|---------|---------|---------|---------|---------|---------|
| Office          | -4.1%   | 0.2%    | 0.1%    | 0.3%    | 4.9%    | 9.6%    | -2.2%   |
| Industrial      | -1.9%   | -0.9%   | -0.1%   | 1.1%    | 3.4%    | 0.4%    | 1.5%    |
| Retail          | -1.2%   | 0.1%    | 1.8%    | 0.0%    | 3.0%    | 1.7%    | 2.1%    |

Office Market

Continuing the trend from last year, companies are decreasing their overall physical footprints. This reduction is not always reflective of decreasing employee counts, but rather it involves the effort to reduce their real estate occupancy levels and costs, create more collaborative spaces, and respond to changing work styles. Instead of considering the cost per square foot of real estate, businesses are often looking at the cost per employee, as the change in office space design is proving to have more
efficient floor plans than traditional spaces. This space efficiency bias has contributed to continued demand for multitenant Class A (the highest quality) office space while reducing the demand for the Class A single tenant space.

In 2015, the City saw a split in the Class A values. Overall, Class A values were down 4.7% due to the reduction in values of single tenant buildings. Despite the small number of Class A single tenant buildings, the proportion of value involved significantly affects the growth of the entire sector as can be seen by the -2.2 percent overall value change in office buildings. Multitenant Class A properties remained strong with no change in value. Because of the continued demand for Class A space for 2015, the Class B properties increased 4.1% as tenants began to move. Class C remained fairly stable, increasing only 3.3%.

![Change in Value by Quality Class - Office](image)

There were seven office market transactions in Minnetonka that were included in the analysis for the 2016 valuation. These included the sale of:

- 5900 Rowland Road
- 9800 Bren Road
- 130 Cheshire Lane
- 16180 Highway 7
- 10301 Wayzata Boulevard
- 6133 Blue Circle Drive
- 6000 Clearwater Drive

The new construction in the office sector for 2015 was mostly limited to tenant improvements and the remodeling of existing buildings. The Cargill office campus is in the middle of a significant renovation which should add considerable value for the 2017 assessment.

As we look into 2016, we expect a similar trend with new construction. There are no new significant office projects in process at this time although prospects of a new 801 Tower at Carlson Center has been reported in the news. The lack of speculative development combined with tenant demand for custom spaces could spur additional build-to-suit development, most likely along the 394 Corridor.
Industrial Market

Minnetonka is part of the Southwest Industrial sub-market and according to CBRE Properties Research, this market segment saw more leasable space available on the market. The overall vacancy rate for 2015 was up slightly to 11.7 percent compared to 10.7 percent in 2014.

Some Industrial sales transactions in Minnetonka this past year include:

- 6035 Baker Road
- 10701 Red Circle Drive
- 6012 Blue Circle Drive
- 14850 Deveau Place
- 11111 Bren Road

It appears the City is experiencing signs of stability in this market with an increasing absorption rate and slightly decreasing vacancy rate. Landlords with less functional space, lower ceiling heights and inferior locations, will continue to offer aggressive rates to attract tenants. As the properties age and the community evolves, the City will likely continue to see redevelopment and creative changes in use of its industrial properties. Functional and well located industrial properties are still in demand by investors.

Retail Market

According to Colliers International, overall absorption rates are positive, and vacancy rates are down in the retail property market. The overall vacancy rate in the southwest market is 2.7 percent, which is the lowest vacancy rate in the Twin Cities. The Ridgedale Trade Area has a vacancy rate of 0.5 percent, also the lowest in the Twin Cities. Ridgedale is followed by the Eagan Town Center trade area with a vacancy of 1.1 percent and Southdale Trade Area with a vacancy of 1.5 percent.

Because of the low vacancy rates in Minnetonka, values are stable or increasing along with increasing rents. Minnetonka does not have significant proportion of value in class A retail; the vast majority of retail space is class B and class C. Although these retail segments have seen an increase in value over the past two years, this growth is modest.

![Change in Value by Quality Class - Retail](image-url)
The biggest news in retail this year was the opening of the new Nordstrom department store at Ridgedale. The new addition to Ridgedale Mall is nearly complete. There are a few new tenants but the majority will open in 2016.

Referring again to Colliers International, local experts expect the vacancy to stabilize and increasing rental rates at prime space in the Twin Cities urban core and inner-ring suburbs. After dipping during the last recession, consumer confidence has increased to a five-year high. Consumers report some increased confidence in job prospects and the economy. In addition, the metro home prices have reached a five-year high. These trends all bode well for retailers.

In 2015, the hotel sector saw the completion of the Marriott Southwest remodel. This segment in Minnetonka saw strong growth of 10.4 percent.

The average growth of seven adjacent cities surveyed for the 2016 assessment was 2.5%. During the period, Minnetonka commercial growth was .14%, which is at the low end of the other communities. St. Louis Park and Edina saw the highest commercial growth of our neighboring cities at 6.7% and 5.5%, respectively.

<table>
<thead>
<tr>
<th>COMMERCIAL MARKET ADJUSTMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jurisdiction</td>
</tr>
<tr>
<td>Edina</td>
</tr>
<tr>
<td>Bloomington</td>
</tr>
<tr>
<td>St. Louis Park</td>
</tr>
<tr>
<td>Minnetonka</td>
</tr>
<tr>
<td>Eden Prairie</td>
</tr>
<tr>
<td>Plymouth</td>
</tr>
<tr>
<td>Maple Grove</td>
</tr>
<tr>
<td>Average</td>
</tr>
</tbody>
</table>

**Serving the Public**

The purpose of the assessment process is to make an accurate estimate of the market value of each parcel of property, every year. As assessors, we uphold the Uniform Standards of Professional Appraisal Practice, which state that “An appraiser must promote and preserve the public trust inherent in appraisal practice by observing the highest standards of professional ethics”. The assessing office takes pride in serving the City of Minnetonka not only as public employees, but as appraisers striving to provide impartial, objective, and independent values.

In order to serve the public, there are many quality control processes in place. These quality checks include verifying data during property visits, using statistics to check the accuracy and equitability of our assessment, and working with taxpayers during a review or an appeal.
Property Data

The Minnetonka assessing division maintains a record of every real estate parcel in the city, including its size, location, physical characteristics, and condition. This record is verified and updated every five years during re-inspection, permit inspections, and when a physical review is requested by the property owner. This information is electronic, allowing statistical comparisons of properties by type and location.

It is important to know that assessors use a mass appraisal process for valuing residential property. Mass appraisal uses different techniques than the appraisals used by banks, mortgage companies and others. The mass appraisal system used in Minnetonka involves the comparison of thousands of properties with the residential sales of homes throughout the city.

While differences exist between individual fee appraisals and mass appraisals, they are based on the same fundamental theories of value. Furthermore, any appraisal is only as good as the data the appraiser has available. One primary difference between individual appraisals and mass appraisal is that the individual appraiser typically views the interior of the home. This provides the appraiser with a better sense of the quality and condition of the home, and makes it easier to compare multiple homes. We encourage citizens to work with the assessment staff to view the interior of homes whenever possible, providing for a fair assessment for all.

Sales Data

Having the local assessment system operate effectively requires as much information about the local real estate market as possible. The assessing division makes a record of all property sales, using the Certificate of Real Estate Value (CRV) filed with the State of Minnesota for each property sale. When necessary, appraisers call the buyers or sellers in a transaction to gain more information about the circumstances of the sales.

In all cases, the sales information collected by the assessing division is closely scrutinized. Evidence that suggests a forced sale, foreclosure, a sale to a relative, or anything other than an arms-length transaction requires the sales to be discarded from the sales study. This is important, because the real estate sales information constitutes the database for the statistical comparisons necessary to make the property assessment.

Sales Ratio Standard

The accuracy of the assessing division’s estimated market values is measured by the sales ratio, which is simply the assessor’s estimated market value divided by the actual selling price. For example, a house having its estimated market value assessed at $285,000 and an actual selling price of $300,000 results in a sales ratio of 95 percent ($285,000 / $300,000 = 0.95). For all jurisdictions in the state, the accepted range for the median sales ratio measurement is 90 to 105 percent. In other words, the median (or midpoint) of the sales ratios for all properties sold should fall within 90 to 105 percent. Minnetonka’s 2016 assessment results in a sales ratio of 95.1 percent.

With some changes to the sales ratio methodology set by the Department of Revenue, the median target ratio has a range to allow for slight variations if necessary. A sales ratio of slightly less than 100 percent is desirable in order to avoid having many properties valued at more than their actual market value. If the median sales ratio were at 100 percent, it would mean that half the properties were
assessed at less than market value and half were higher. On the other hand, a sales ratio of 95 percent means half the properties are below 95 percent of actual market value, while the other half remain above that 95 percent threshold. Therefore, the acceptable range is 90 to 105 percent, with a target of approximately 95 percent.

A measure of the equity of the property assessment is the coefficient of dispersion (COD). The COD measures the average deviation from the median or midpoint. The more closely the assessor’s values are grouped around the midpoint, the more equitable the assessment. This is true because relatively few properties have been valued too high, or too low, compared to actual selling prices. For older or heterogeneous areas like Minnetonka, a coefficient of dispersion between five percent and fifteen percent is deemed acceptable with a lower COD indicating a more uniform assessment. Minnetonka’s 2016 assessment reflects a coefficient of dispersion of 7.2 percent.

Review Process

The review process is a key aspect of the mass appraisal system. Because some properties receive statistic-based adjustments to market value, the review allows the assessing staff the opportunity to individually examine certain properties. Where there is evidence a property has been overvalued or valued inequitably, its market value can be readjusted to an appropriate amount.

The Appeals Process

The property appraisal system depends upon an effective opportunity for appeals by individual property owners. Minnetonka’s assessment procedures provide this opportunity through inquiries to and reviews by the assessing staff, and formal appeals to the Local Board of Appeal and Equalization, County Board of Appeal and Equalization, and Minnesota State Tax Court.

Key steps in the market value appeals process are:

1. **Staff Review** – It is important for anyone having questions about their market value or the assessment process to contact the assessing staff. The large majority of property owners’ concerns can be resolved through this administrative review.

2. **Local Board of Appeal and Equalization (LBAE)** – The Local Board of Appeal and Equalization will meet on April 11 and April 25, 2016. Staff will attempt to provide complete information regarding each property that is the subject of appeal. This process is greatly helped if property owners contact the assessing division in advance of the meeting if they intend to make an appeal. The Minnetonka City Council appoints local real estate professionals as advisors to the LBAE. A property owner who is not satisfied with the assessing staff’s review may make an appeal to the board. Property owners can reach the assessing division by phone at 952.939.8220 or by email at assessor@eminnetonka.com. Property owners are requested to contact the assessing division by April 1, 2016, in order to notify staff of their intent to appeal.

3. **County Board of Appeal and Equalization (CBAE)** – Property owners may appeal the decision of the LBAE to the County Board of Appeal and Equalization which meets on June 13, 2016. The property owner must appeal to the Local Board first in order to appeal to the County
Board. Owners must call in advance to get on the agenda. The deadline for making an appointment with the CBAE is May 18, 2016, and the number to call is 612.348.7050.

4. **State Tax Court** – Property owners may appeal the decision of the CBAE to the State Tax Court. Petitions regarding the 2016 Assessment must be filed by April 30, 2017. Petitioners may choose to appeal directly to the Minnesota Tax Court, and it is common practice for commercial/industrial property owners to take this approach due to the complexity of the issues. For more information, contact the Minnesota Tax Court at 651.296.2806.

In order to provide a more complete understanding about the appeals process, the assessing staff has posted information on the City of Minnetonka website to assist property owners. Staff may be contacted at 952.939.8220.

**Appeal History**

In Assessment Year 2013, there were changes instituted by the Minnesota Department of Revenue with regards to the way changes to the assessment were handled. All changes to property values of parcels that sold during the sales period were required to go before the Local Board of Appeal and Equalization. Previously these values could be changed without going to the Local Board, provided that they were made prior to ten days before the Local Board. The new requirements increase transparency and discourage misuse of the appeals process.

Below is a recap of recent results of market value inquiries and appeals. As shown, the number of properties involved has been a relatively small number of the total parcels in the city. Approximately one-half of a percent of the total number of parcels had changes to the values after the assessment. The overall number of appeals to the local boards increased due to the administrative changes made by the Department of Revenue beginning in 2013.

<table>
<thead>
<tr>
<th>LOCAL BOARD APPEAL HISTORY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Parcels</strong></td>
</tr>
<tr>
<td>20,526 20,518 20,545 20,555 20,570 20,633 20,639</td>
</tr>
<tr>
<td><strong>Staff Inquiries</strong></td>
</tr>
<tr>
<td>780 700 625 600 500 454 378</td>
</tr>
<tr>
<td><strong>Staff Reviews</strong></td>
</tr>
<tr>
<td>Change/No Change</td>
</tr>
<tr>
<td>405 300 302 316 324 371 227</td>
</tr>
<tr>
<td>155/300 125/175 145/157 146/170 87/237* 83/288 75/152</td>
</tr>
<tr>
<td><strong>Appeals to LBAE</strong></td>
</tr>
<tr>
<td>Change/No Change</td>
</tr>
<tr>
<td>8 9 5 2 24* 65 39</td>
</tr>
<tr>
<td>1/7 5/4 4/1 1/1 22/2 61/4 34/4</td>
</tr>
<tr>
<td><strong>Appeals to CBAE</strong></td>
</tr>
<tr>
<td>Change/No Change</td>
</tr>
<tr>
<td>0 1 2 1 0 2 0</td>
</tr>
<tr>
<td>0 1/0 2/0 1/0 N/A 2/0 N/A</td>
</tr>
</tbody>
</table>

*Administrative change instituted by Minnesota Department of Revenue*
Tax Court

In the past seven years, over $7.3 billion in tax petitions on Minnetonka properties have been filed with the Minnesota Tax Court. These petitions require a substantial amount of time and resources to resolve. Many of these cases may remain on the tax court calendar for multiple years. During the interim, the property owners must continue to pay taxes. If a reduction in value is stipulated, typically years after the initial petition is filed, they receive a refund plus interest.

CITY OF MINNETONKA VALUE UNDER PETITION

Commercial Petition Activity

As anticipated, the large number of petitions filed on the 2014 values for commercial, industrial, and apartment properties continued. As the commercial market continues to strengthen, staff expects a reduction in the number of petitions filed and a continuing reduction in the value under petition. As the chart above shows, this has been the trend over the past two years.

Residential Petition Activity

While there have always been fewer residential than commercial petitions filed, the number of residential petitions continues to decrease. Often homeowners file on their property because they have missed the LBAE and CBAE process. Many of Minnetonka’s cases are stipulated to an agreed value with the staff appraisers. Like negotiations with commercial properties, development of judicial-ready appraisals for tax court is critical.

The charts below show the distribution of tax court petitions based on the number of petitions, as well as the value of those petitions. Although the vast majority of cases are commercial, apartment petitions do make up a substantial amount of value under appeal.
Despite the large amount of value under petition, the assessing staff is tackling the issue head on and improving the office processes with measurable results. The number of closed cases for the 2015 calendar year is down 17%. This decrease is due to the aggressive and proactive attitude staff toward resolving tax court petitions. The goal is to resolve cases sooner to ease the scheduling burden and ultimately reduce any refunds given back to the petitioners.

As the graph below shows, this aggressive posture of closing cases has not sacrificed quality or lead to greater reductions in property values. The line in the graph below represents the percent of value retained on an appeal. If staff stipulates a $1,000,000 property to $900,000, the City retained 90% of the value, giving back 10%. The goal of the assessing division is to minimize the amount of value given back. As the line graph shows, staff continues to reduce the amount of value given back which translates into fewer refunds.
Public Information and Citizen Relations

The city provides public information in a number of ways to keep Minnetonka residents informed about the market value process, methods for appeal, and current property tax rates. Staff regularly updates the city’s web page with current information and annually posts the assessment report on the City of Minnetonka website. Information regarding the Property Tax Refund, the Senior Citizens Property Tax Deferral, as well as information on foreclosure prevention counseling can be found on the City’s website.

The assessing division staff uses several methods to ensure that all who contact the city about market values or property taxes receive a prompt, courteous response. A record-keeping system tracks inquiries about market values to see that those inquiries are appropriately guided through the review process. Every property owner that requests a staff review of their market value receives a response from the city assessing staff.

The assessing staff has worked diligently to provide clear information to property owners about a property tax system that is complex and often difficult to understand. Each spring, assessing staff sends introductory letters to residents in reappraisal neighborhoods. These have been well received by property owners and help increase the number of reappraisals the assessing division is able to conduct in these neighborhoods.

<table>
<thead>
<tr>
<th>DATE</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 16</td>
<td>Informational articles mailed as part of the March Minnetonka Memo</td>
</tr>
<tr>
<td>February 29</td>
<td>City Council appoints advisors to the Local Board of Appeal and Equalization</td>
</tr>
<tr>
<td>March 2</td>
<td>County Auditor's target date for mailing 2015 property tax statements</td>
</tr>
<tr>
<td>March 14</td>
<td>City Council receives the 2015 Assessment Report</td>
</tr>
<tr>
<td>March 15</td>
<td>City Assessor's target date for mailing the 2015 value notices</td>
</tr>
<tr>
<td>April 1</td>
<td>Property owners are requested to file a formal appeal to appear at the Local Board of Appeal and Equalization</td>
</tr>
<tr>
<td>April 11 + April 25</td>
<td>Local Board of Appeal and Equalization</td>
</tr>
<tr>
<td>April 30</td>
<td>Last day for property owners to file State Tax Court petitions for the 2015 assessment (payable 2016)</td>
</tr>
<tr>
<td>June 13</td>
<td>Hennepin County Board of Appeal and Equalization</td>
</tr>
</tbody>
</table>
Appendix: Statutory Requirements

General

Minnesota law establishes specific requirements for the property tax system, including the assessment of property (M.S. Chapter 273). Starting with the 2011 pay 2012 assessment, the homestead credit was eliminated and replaced with the homestead market value exclusion. The homestead market value exclusion reduces the taxable market value for each eligible property instead of providing a direct credit against the taxes owed. Because the exclusion is a reduction in the value subject to tax, it also affects tax rates of all properties. Since this change, there is no state paid credit and the entire local property tax levy is funded by property taxpayers in the jurisdiction. The law now requires the following:

1. All real property is to be valued at market value, which is defined as the usual or most likely selling price. Special qualified exclusions such as the homestead market value exclusion and the veteran’s exclusion are subtracted from the market value to arrive at the taxable value.

2. Property is classified according to state law, and the tax capacity is calculated based on the following tax capacity rates.

   **Tax Capacity Rates for Property Taxes Payable in 2017**

<table>
<thead>
<tr>
<th>Classification</th>
<th>First $500,000 of value</th>
<th>Amount over $500,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Homestead:</td>
<td>1.00%</td>
<td>1.25%</td>
</tr>
<tr>
<td>Rental Housing:</td>
<td>1.00%</td>
<td>1.25%</td>
</tr>
<tr>
<td>4 or more units</td>
<td></td>
<td>1.25%</td>
</tr>
<tr>
<td>Commercial/Industrial Preferred:</td>
<td>1.50%</td>
<td>2.00%</td>
</tr>
<tr>
<td>Seasonal Residential:</td>
<td>1.00%</td>
<td>1.25%</td>
</tr>
</tbody>
</table>

3. The tax capacity is multiplied by the tax rate (the total of county, school, city and miscellaneous levies) to determine the amount of property tax.

4. Finally, any credits, such as those for agricultural preserve, are then subtracted to yield net taxes due.

The annual property assessment focuses on the very first step of this process – establishing an estimated market value for each parcel of property. Market values are assessed locally by the city or township assessor, if there is one, or by the county assessor. The work of the local assessor is
monitored by the county assessor, whose work in turn is monitored by the Minnesota Department of Revenue. The Minnesota Department of Revenue is authorized by law to adjust the property assessment to help ensure county-wide and state-wide equalization of property assessments.

As a result, Minnetonka and other Hennepin County cities must regularly report to the county assessor, who has established the standard that local property assessments reach at least 95 percent target ratio of actual market values to sale prices. At times, local assessments have been adjusted by the county assessor or the State of Minnesota to meet this standard.

State law also requires that each individual property be inspected by the assessor at least once every five years. As a result, Minnetonka and other cities set up rotating appraisal schedules to ensure that this requirement is met.

Veterans Exclusion

The 2008 State legislature amended the homestead law that provides a market value exclusion for all or a portion of property owned and occupied as a homestead by a military veteran who has a service-connected disability of 70 percent or more (M.S. 273.13 subd. 34). To qualify, a veteran must have been honorably discharged from the United States armed forces and must be certified by the United States Veterans Administration as having a service-connected disability. A veteran who has a disability rating of 70 percent or more qualifies for a $150,000 market value exclusion, and must reapply annually, if not considered permanent.

A veteran, who has a total (100 percent) and permanent disability, qualifies for a $300,000 market value exclusion. To receive this valuation exclusion, a property owner must apply to the assessor by July 1 of the assessment year. The exclusion is a one-time application, and the property continues to qualify until there is a change in ownership. If a disabled veteran qualifying for a valuation exclusion predeceases the veteran’s spouse, and if upon death of the veteran, the spouse holds the legal or beneficial title to the homestead and permanently resides there, the exclusion carries over to the benefit of the veteran’s spouse for eight additional assessment years or until such time as the spouse remarries, sells, transfers, or otherwise disposes of the property, whichever comes first.

For the 2016 assessment year, there were 66 properties in Minnetonka that received this exclusion, totaling $15,806,400 in value being excluded for taxes payable in 2017.

This Old House

Since 1993, state law has provided for a deferral of a portion of the market value added to older homes through new improvements (M.S.273.11 subd. 16). Since its inception, the “This Old House” law underwent many revisions. The law was phased-out beginning with the 2003 assessment, and no additional properties can be enrolled in “This Old House.” The last version allowed deferrals for:

- 50% of the first $50,000 of improvements to homes over 45 years old.
- 100% of the first $50,000 of improvements to homes over 70 years old.
- Total market value of the property must have been less than $400,000 at the time the permit was issued.
In the fall of 2002, the Minnetonka assessing division staff notified all eligible property owners that had building permit activity of this change, and reminded them that the projects needed to be complete as of January 2, 2003, the sunset date.

For the 2016 assessment, 40 properties still have qualifying improvement amounts totaling $163,300 that will be deferred. Properties that had previously qualified and received a deferral will remain in the program until their 10-year exemption is complete.

With the 2016 assessment year, all properties that were eligible for the This Old House program in 1993 are in either a two or five year phase-in. For properties with exclusions over $10,000, the excluded value is phased in over a five-year period, at 20 percent per year. For improvements less than or equal to $10,000, the excluded value is phased back in over two years, at 50 percent per year. All excluded value will be phased in by assessment year 2017.