Agenda
Minnetonka City Council
Regular Meeting, Monday, July 27, 2015
6:30 P.M.
Council Chambers

1. Call to Order
2. Pledge of Allegiance
3. Roll Call: Ellingson-Bergstedt-Wiersum-Acomb-Allendorf-Wagner-Schneider
4. Approval of Agenda
5. Approval of Minutes
6. Special Matters: None
7. Reports from City Manager & Council Members
8. Citizens Wishing to Discuss Matters Not on the Agenda
9. Bids and Purchases: None
10. Consent Agenda - Items Requiring a Majority Vote:
    A. Resolution approving a conditional use permit for Redstone American Grill at 12401 Wayzata Boulevard
       Recommendation: Adopt the resolution approving the request (4 votes)
    B. Items concerning 500 Milbert Road:
       1) Amendment for a maximum floor area ratio condition; and
       2) Conditional use permit for an accessory apartment
       Recommendation: Adopt the resolution approving the request (4 votes)
11. Consent Agenda - Items Requiring Five Votes: None
12. Introduction of Ordinances: None

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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
13. Public Hearings:

A. Resolution authorizing use of the Community Investment Fund to finance renovation of Ice Arena A

Recommendation: Continue the public hearing and adopt the resolution authorizing use of the Community Investment Fund to finance renovation of Ice Arena A (4 votes)

B. On-sale liquor licenses for Kona Sushi, Inc. (Kona Grill), 12401 Wayzata Boulevard

Recommendation: Continue the public hearing to August 17, 2015 (4 votes)

C. On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for Yum! Kitchen and Bakery, two LLC, 6001 Shady Oak Road

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

D. Temporary on-sale liquor license for The Rotary Club of Minnetonka Foundation, 14350 County Road 62

Recommendation: Hold the public hearing and grant the license (5 votes)

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

Recommendation: Open the public hearing and continue to August 31, 2015 (4 votes)

F. On-sale liquor licenses for Nordstrom, Inc. (Nordstrom Ruscello)

Recommendation: Open the public hearing and continue to August 31, 2015 (4 votes)

G. Off-sale liquor license for Target Corporation, 4848 County Road 101

Recommendation: Open the public hearing and grant the license (5 votes)

14. Other Business:

A. Ordinance amending liquor regulations

Recommendation: Adopt the ordinance (4 votes)
B. Concept plan review for Williston Woods West at 5431 and 5439 Williston Road

Recommendation: Discuss concept plan with the applicant. No formal action required. (4 votes)

C. Sign plan amendment for Ridgedale Center

Recommendation: Adopt the resolution approving the staff-drafted amendment (5 votes)

15. Appointments and Reappointment: None

16. Adjournment
City Council Agenda Item #10A
Meeting of July 27, 2015

Brief Description
Resolution approving a conditional use permit for Redstone American Grill at 12401 Wayzata Boulevard

Recommendation
Adopt the resolution approving the request

Proposal

Redstone American Grill is proposing to locate a restaurant within Ridgedale mall; the existing Redstone restaurant located on the south side of Ridgedale Drive would be relocated to the proposed site. The restaurant would be located on the north side of the mall expansion that is currently under construction. The proposal includes a new exterior entrance, updates to the exterior of the mall, and a new outdoor patio. The proposal requires a conditional use permit.

Planning Commission Hearing

The planning commission considered the request on July 20, 2015. The staff report from that meeting is attached and various plans and documents describing the proposed project may be found on pages A1-A6. At that meeting, a public hearing was opened to take comment. No one appeared at the public hearing.

Following the public hearing, the commission discussed the proposal and had questions about the hours of operation, whether the outdoor patio could be used year-round, and whether there is adequate space in the drive aisle for passenger drop-off and pick-up. The planning commission generally commented that the restaurant use was appropriate for the mall, and they liked the design of the restaurant exterior.

Planning Commission Recommendation

On a 5-0 vote, the commission recommended that the city council approve the proposal, as recommended by city staff. Meeting minutes may be found on pages A12-A13.

Since Planning Commission Hearing

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

Staff Recommendation

Recommend the city council adopt the resolution on pages A7-A11 approving the request, as recommended by the planning commission.
Meeting of July 27, 2015

Subject: Redstone American Grill, 12401 Wayzata Blvd.

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

Originator: Jeff Thomson, Planner
Brief Description  A conditional use permit for Redstone American Grill at 12401 Wayzata Boulevard

Recommendation  Recommend the city council approve the request

Proposal

Redstone American Grill is proposing to operate a restaurant within Ridgedale mall; the existing Redstone restaurant located on the south side of Ridgedale Drive would be relocated to the proposed site. The restaurant would be located on the north side of the mall expansion that is currently under construction. The proposal includes a new exterior entrance, updates to the exterior of the mall, and a new outdoor patio. The proposal requires a conditional use permit. (See pages A1-A6.)

Background Information

On March 7, 2013, the city council approved the master development plan for Ridgedale Mall. The master development plan consists of three phases:

- **Phase 1**: The first phase included construction of an 80,000 square foot addition to Macy’s, updating the exterior of the Macy’s store, as well as parking lot, stormwater and landscaping improvements on the north side of the site. Phase 1 was approved by the city in 2013 and construction is complete.

- **Phase 2**: The second phase consisted of demolishing the existing Macy’s Men’s and Home store, and constructing an addition to the mall and a new 140,000 square foot anchor department store. Phase 2 also includes parking lot, stormwater, and landscaping improvements along the south side of the mall property. Phase 2 is currently under construction.

- **Phase 3**: Phase 3 consists of three new freestanding restaurants on the northwest side of the mall, as well as the final parking lot and landscaping improvements. Phase 3 continues to be a future phase of the master development plan.

The plans for the Phase 2 expansion to the mall included two new sit-down restaurants to be located on the north side of the mall, adjacent to the new north entrance. One restaurant would be located within the existing mall space, and the second would be located within the new mall addition. The city included the restaurant uses in the analysis of parking, traffic, and overall site design. However, the city council did not approve the conditional use permits for the restaurants as it was anticipated that each of
the restaurants were going to provide separate “trade dress” design on the exterior of the mall which would be unique to the actual restaurant tenant. The city determined that the conditional use permits would be reviewed at a later time once the restaurants were identified.

Ridgedale Center has now identified that Kona Grill and Redstone American Grill would be the tenants occupying the restaurant spaces. The planning commission reviewed the CUP for Kona Grill at its previous meeting on June 25th. Redstone has now applied for a conditional use permit for its restaurant, and submitted detailed information.

**Proposed Restaurant**

Redstone American Grill is a full service, sit down restaurant. The proposed restaurant at Ridgedale would be 8,500 square feet in size, and would be located entirely within the mall. The proposal does not include any additions to the building. The proposal includes the following items:

- **Exterior entrance:** The applicant is proposing to construct a new exterior entrance, which would be used as the main entrance into the restaurant. A secondary entrance would be provided from the interior of the mall. The proposed design includes a new tower feature above the entrance. The tower would not add square feet to the restaurant space. It functions as a covered entryway and visual element for the restaurant façade. (See page A4.)

- **Exterior architecture:** The applicant is proposing to provide “trade dress” design on the exterior so that the restaurant has a visual presence on the outside of the mall. The tower features would consist of glass and stone panels with a natural stone veneer along the base. The balance of the exterior storefront consists of metal panels along the top, with predominantly glass doors and natural stone veneer along the bottom. The glass doors are designed to open up on to the outdoor patio to connect with the interior dining room. (See pages A4-A5.)

- **Outdoor patio:** The proposal includes an outdoor dining patio on the north side of the restaurant, which would be used for seasonal dining. The patio would be surrounded by landscaping, and would be enclosed with a combination of fencing and natural boulders. The outdoor patio would also include a large outdoor fireplace. (See page A5.)

**Staff Analysis**

(1) **Conditional use Permit**

Staff finds that the proposed restaurant is reasonable:

- The master development plan for the mall, and the larger vision outlined in the city’s Ridgedale village center study, have always anticipated adding additional restaurants to the mall property. The restaurants increase the
vitality of the mall as a regional attraction, and continue the adaptation and reinvestment in Ridgedale Center.

- The parking demands and traffic associated with the restaurant can be accommodated within the existing site without the need for additional parking or traffic improvements. The restaurants were included in the parking and traffic analysis that were conducted in 2014 for the mall expansion project, and there have been no changes that would adversely impact parking and traffic on the site.

- The proposed exterior design maintains the high quality design and materials that are being used in the other improvements at the mall, including the new Macy’s, Nordstrom, and update of the mall entrances. The materials used – glass, stone, and metal panels – are all used extensively within the current mall updates.

(2) Pedestrian Accommodations

During the review of the Kona Grill, staff noted concerns about the sidewalk width along the edge of the restaurants. The proposed plans for Redstone also include a reduced sidewalk width of six feet along the north side of the patio. Staff is concerned about the reduced width given the goals of the Ridgedale village center study to increase pedestrian accommodations within the larger Ridgedale area. City staff has discussed this concern with the applicant, and the applicant indicated that they would be amenable to revising the patio plans to provide a better pedestrian experience. The tower feature would limit the sidewalk width to six feet at that point, but there is room to decrease the size of the landscape area to increase the width of the sidewalk. This would also allow for additional pedestrian amenities near the mall entrance, such as benches, plantings, and a passenger waiting area. Staff finds that this would be an acceptable solution to address the issue. The sidewalk width is included as a condition of approval, and staff will continue to work with the applicant and the mall to finalize the plans.

Staff Recommendation

Recommend that the city council adopt the resolution on pages A7-A10, which approves the conditional use permit for a restaurant in Ridgedale Center at 12401 Wayzata Boulevard.

Originator: Jeff Thomson, Planner
Through: Susan Thomas, AICP, Principal Planner
**Supporting Information**

<table>
<thead>
<tr>
<th><strong>Project No.</strong></th>
<th>03046.15c</th>
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<tbody>
<tr>
<td><strong>Property</strong></td>
<td>Ridgedale Center, 12401 Wayzata Blvd.</td>
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<tr>
<td><strong>Applicant</strong></td>
<td>Wilkus Architects</td>
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<tr>
<td><strong>Property Owner</strong></td>
<td>Ridgedale Anchor Acquisition, LLC</td>
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**Approving Body**
The planning commission makes a recommendation to the city council, which has final authority to approve or deny the request. (City Code §300.06 Subd. 4)

**Surrounding Land Uses**
- **Northerly:** I-394
- **Easterly:** Crane Lake, zoned PID/Planned I-394 District and guided for open space
- **Southerly:** Mix of institutional, office, residential and hospitality uses, zoned PID and guided for mixed use
- **Westerly:** Mix of bank, retail, restaurant and commercial uses, zoned PID and guided for mixed use

**Planning**
- Guide Plan designation: Mixed Use
- Zoning: PID/Planned I-394 District

**CUP Standards**
The proposal would meet the general conditional use permit standards as outlined in City Code §300.21 Subd.2:

1. The use is consistent with the intent of this ordinance;
2. The use is consistent with the goals, policies and objectives of the comprehensive plan;
3. The use does not have an undue adverse impact on governmental facilities, utilities, services or existing or proposed improvements;
4. The use is consistent with the city's water resources management plan;
5. The use is in compliance with the performance standards specified in section 300.28 of this ordinance; and
6. The use does not have an undue adverse impact on the public health, safety or welfare.

The proposal would meet the specific conditional use permit standards as outlined in City Code §300.31 Subd. 4(b)2(o) for restaurants located on property designated for retail use:

1. Must be in retail multiple tenant centers only and conform to the architecture of a specific center;

   **Finding:** The proposed restaurant would be located in Ridgedale Center, a multiple tenant regional shopping center. The exterior design of the restaurant is incorporated into the design of the mall, and maintains the high quality design and materials that are being used in the other improvements at the mall.

2. Will not be permitted when traffic studies indicate significant impacts on the levels of service as defined by the Institute of Traffic Engineers on the roadway system;

   **Finding:** The traffic associated with the restaurant can be accommodated within the existing roadway system and on-site access and parking areas.

3. Outdoor seating areas will be approved only subject to the following:
   a) must be located in a controlled or 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;

   **Finding:** The outdoor dining area would be fully enclosed by the building, decorative fence, and larger boulders. The only interruption to the enclosure would be a gate within the fence that is required by the building code for fire access.

   b) must be set back at least 200 feet and screened from any adjacent property designated in the comprehensive plan for residential use;

   **Finding:** The proposed outdoor patio is not located near any residential properties.
c) must be located and designed so as not to interfere with pedestrian and vehicular circulation;

**Finding:** The outdoor dining patio would not interfere with pedestrian or vehicular circulation.

d) must be located next to an entrance to the main use;

**Finding:** The outdoor dining patio would be located adjacent to the main entrance to the restaurant.

e) must be equipped with refuse containers and periodically patrolled for litter pick-up;

**Finding:** This is included as a condition of approval.

f) must not have speakers or audio equipment that is audible from adjacent residential parcels; and

**Finding:** The proposed outdoor patio is not located near any residential properties.

g) must meet building setback requirements.

**Finding:** The proposed outdoor patio would meet all setback requirements from property lines.

4. Drive-up windows and related stacking spaces will be approved only subject to the following:
   a) public address systems must not be audible from any residential parcel; and
   b) stacking for a minimum of six cars per aisle must be provided subject to applicable parking lot setbacks.
   c) must be set back at least 100 feet and screened from any adjacent property designated in the comprehensive plan for residential use.

**Finding:** The proposed restaurant does not include a drive-up window.

5. Restaurants or fast-food restaurants with less than 1,200 square feet gross floor area, designed seating capacity not exceeding 25, having no drive-up window and located in retail multiple tenant centers are exempt from the requirements of this section and are considered to be a standard retail use. For tenants with accessory fast-food
restaurants, the 1,200-square-foot calculation will include the total gross area of all restaurants and fast-food restaurants within the tenant space.

**Finding:** The proposed restaurant would exceed 1,200 square feet, so the requirements of the section would apply to the proposal.

**Neighborhood Comments**
The city sent notices to 234 area property owners and received no comments.

**Deadline for Decision**
August 11, 2015
Location Map

Project: Redstone
Applicant: Duane Perry
Address: 12401 Wayzata Blvd
(03046.15c)

This map is for illustrative purposes only.
CONDITIONAL USE PERMIT STATEMENT

DATE: 12 June 2015

TO: Jeffrey R. Thomson
CITY OF MINNETONKA
14600 Minnetonka Blvd.
Minnetonka, MN 55345

REFERENCE: REDSTONE AMERICAN GRILL, TENANT SPACE AT RIDGEALE CENTER

FROM: Duane L. Perry AIA
WILKUS ARCHITECTS, P.A.
15 Ninth Avenue North
Hopkins, MN 55343
952-941-8660

Redstone will be a new 8,500 sf tenant on the northeast side of Ridgedale Center next to the new Nordstrom store. Following the guidelines of the mall, Redstone will be creating a storefront between Nordstrom and the new entry to the mall. General Growth Properties, owner of the mall, has encouraged Redstone to let their brand be expressed on the exterior with an entry element, signage, outdoor patio and landscaping.

The entry element and façade materials are signature elements of Redstone’s brand. The entry element is not an enclosed space or leased space; it is an element for the purpose of identifying and enhancing the entry to create ambiance that reflects the character of Redstone. The patio and landscaping is another essential element of Redstone’s character. A pergola and fireplace help extend the interior finishes and elements to the exterior making the eating experience as rich as the interior. Redstone has developed a standard for extensive landscaping with the use of trees, shrubs and boulders to help extend Redstone’s character and creating a comfortable private experience. Exterior materials are important too. Redstone’s use of natural stone and other finishes are important in portraying quality of materials and attention to detail that is a reflection of the food they serve.
EXISTING MALL FINISHES
NORDSTROM'S FACADE
PRE-FINISHED ALUMINUM STOREFRONT SYSTEM
5' x 5' DARK FINISHED METAL MEDALLION
CAST STONE PANELS WITH INTEGRAL BANDING AND REVEALS
PRE-FINISHED METAL PANEL WITH 2" RELIEF
PRE-FINISHED STEEL Pergola
NATURAL STONE VENEER BLACK BURNISHED CONCRETE BLOCK
EXISTING MALL FINISHES EXISTING MALL ENTRANCE
1'-8" X 1'-8" DARK FINISHED METAL MEDALLIONS - BACK-LIT
NATURAL BOULDERS FOR PATIO ENCLOSURE
3/16" = 1'-0"
Resolution No. 2015-

Resolution approving a conditional use permit for a restaurant at
Ridgedale Center at 12401 Wayzata Boulevard

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

Section 1. Background.

1.01 Redstone American Grill and Wilkus Architects have requested a conditional use permit for a restaurant. (Project 03046.15b)

1.02 The property is located at 12401 Wayzata Boulevard. It is legally described as: TRACT E, REGISTERED LAND SURVEY NO. 1826

1.03 On July 20, 2015, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the planning commission. The planning 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 permit.

Section 2. General Standards.

2.01 City Code §300.21 Subd. 2 lists the following general standards that must be met for granting a conditional use permit:

1. The use is consistent with the intent of the ordinance;

2. The use is consistent with the goals, policies and objectives of the comprehensive plan;

3. The use does not have an undue adverse impact on governmental facilities, utilities, services or existing or proposed improvements;

4. The use is consistent with the city's water resources management plan;
5. The use is in compliance with the performance standards specified in §300.28 of the ordinance; and

6. The use does not have an undue adverse impact on the public health, safety or welfare.

Section 3. Specific Standards.

3.01 City Code §300.31 Subd. 4(b)2(o) lists the following specific standards that must be met for granting a conditional use permit for restaurants located on property designated for retail use:

1. Must be in retail multiple tenant centers only and conform to the architecture of a specific center;

2. Will not be permitted when traffic studies indicate significant impacts on the levels of service as defined by the Institute of Traffic Engineers on the roadway system;

3. Outdoor seating areas will be approved only subject to the following:
   a) must be located in a controlled or 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;
   b) must be set back at least 200 feet and screened from any adjacent property designated in the comprehensive plan for residential use;
   c) must be located and designed so as not to interfere with pedestrian and vehicular circulation;
   d) must be located next to an entrance to the main use;
   e) must be equipped with refuse containers and periodically patrolled for litter pick-up;
   f) must not have speakers or audio equipment that is audible from adjacent residential parcels; and
   g) must meet building setback requirements.
4. Drive-up windows and related stacking spaces will be approved only subject to the following:

   a) public address systems must not be audible from any residential parcel; and

   b) stacking for a minimum of six cars per aisle must be provided subject to applicable parking lot setbacks.

   c) must be set back at least 100 feet and screened from any adjacent property designated in the comprehensive plan for residential use.

5. Restaurants or fast-food restaurants with less than 1,200 square feet gross floor area, designed seating capacity not exceeding 25, having no drive-up window and located in retail multiple tenant centers are exempt from the requirements of this section and are considered to be a standard retail use. For tenants with accessory fast-food restaurants, the 1,200-square-foot calculation will include the total gross area of all restaurants and fast-food restaurants within the tenant space.

Section 4. Findings.

4.01 The proposal meets the general conditional use permit standards as outlined in City Code §300.21 Subd. 2.

4.02 The proposal meets the specific conditional use permit standards as outlined in City Code §300.31 Subd. 4(b)2(o).

Section 5. Council Action.

5.01 The above-described conditional use permit is approved, subject to the following conditions:

1. Subject to staff approval, the property must be developed and maintained in substantial conformance with the following plans, except as modified below.

   • Floor plan dated June 12, 2015
   • Building elevations dated June 12, 2015

2. Prior to issuance of a building permit:

   a) This resolution must be recorded with Hennepin County.
b) The site plan must be revised. The sidewalk along the north side of the restaurant must be increased in width to at least 8 feet, except in the location of the new entrance, where it may remain as shown on the plans. The revised plan should include additional pedestrian amenities near the north entrance to the mall.

c) The exterior building material of the trash enclosure must be dark colored brick or stone.

3. The outdoor patio must be equipped with refuse containers and periodically patrolled for litter pick-up.

4. The city council may reasonably add or revise conditions to address any future unforeseen problems.

5. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.

Adopted by the City Council of the City of Minnetonka, Minnesota, on July 27, 2015.

________________________
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 meeting held on July 27, 2015.

David E. Maeda, City Clerk
A. A conditional use permit for Redstone American Grill at 12401 Wayzata Boulevard.

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

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

Chair Kirk said that he would not vote on the item or ask questions due to a possible perceived conflict of interest since he works for the YMCA.

Knight confirmed with Thomson that the proposed sign would be located on the side of the mall itself.

Rettew asked if the outside eating area would be enclosed in the winter. Thomson answered in the negative. It would be seasonal.

Rettew asked if construction had started already and if that was authorized. Thomson explained that the expansion of the mall is under construction. There is no work occurring for the restaurant tenants. That would not begin until approval of the conditional use permit.

Michael Wilkus, of Wilkus Architects, representing Red Stone Grill, the applicant, stated that:

- He was present to answer questions regarding the conditional use permit.
- No construction has started. He has not applied for a permit yet.
- There would be interior dining that would open to the exterior.

Rettew asked if the boulders would contain the eating area enough to satisfy liquor license requirements. Thomson answered affirmatively. The area would be fully enclosed by tall boulders that would meet the requirement.

In response to Calvert’s question, Thomson explained that pedestrian traffic would not be prohibited, but the sidewalk would narrow to five or six feet wide at one point. There is landscaping near the boulders that might be pulled back to allow two more feet of sidewalk width. Mr. Wilkus stated that the sidewalk to the east in front of Nordstrom’s is five feet wide. He would work closely with staff and General Growth Properties to make the sidewalk wider.
Rettew asked if there are concerns with traffic flow and people being dropped off and picked up in front of the restaurant. Mr. Wilkus explained that the drive is very wide. There would be an island before the parking starts. The applicant is not concerned at all. In this case, the parking is adjacent and massive. There is no food pick up service being offered at this time.

The public hearing was opened. No testimony was submitted and the hearing was closed.

*Odland moved, second by Rettew, to recommend that the city council adopt the resolution on pages A7-A10 of the staff report which approves the conditional use permit for a restaurant in Ridgedale Center at 12401 Wayzata Boulevard.*

*Calvert, Knight, Magney, Odland, and Rettew voted yes. O'Connell was absent. Kirk abstained. Motion carried.*

This item is tentatively scheduled to be heard by the city council at its meeting on July 27, 2015.
City Council Agenda Item #10B  
Meeting of July 27, 2015

**Brief Description**  
Items concerning 500 Milbert Road:

1) Amendment to a maximum floor area ratio condition; and

2) Conditional use permit for an accessory apartment

**Recommendation**  
Adopt the resolution approving the request

**Background**

In 2007, the city adopted a temporary development moratorium. The subdivision of 506 Milbert Road was reviewed as a planned unit development (PUD) because of the moratorium. At that time, the city chose to apply the “McMansion policy” in order to limit the floor area ratio (FAR) of the new home on the vacant lot (500 Milbert Road) to 0.17. The approved maximum FAR corresponded to the highest FAR in the neighborhood at that time. However, since the approval the maximum FAR of the neighborhood floor area ratio has risen to 0.24, likely due to additions and a new home construction.

**Proposal**

The applicant is proposing to construct a new home on the currently vacant property at 500 Milbert Road. The home would include a 950 square foot accessory apartment and would meet all minimum setback requirements. However, at 5,780 square feet in size – including a four car garage and accessory apartment – the home would exceed the maximum FAR established in the 2007 approvals and in the neighborhood. The proposal would have a FAR of 0.26.

**Planning Commission Hearing**

The planning commission considered the request on July 20, 2015. The staff report from that meeting is attached and various plans and documents describing the proposed project may be found on pages A1-A10. At that meeting, a public hearing was opened to take comment. The applicant requested the planning commission consider waiving the McMansion policy because the property is only 30-square feet short of the required lot area. No one else appeared to speak.

Following the public hearing, the commission asked questions and discussed the proposal and generally commented:

- The planning commission discussed their concerns about setting a precedent that would not be in character with existing homes in the neighborhood.
The planning commission discussed the waiving of the McMansion Policy for the property finding that:

1. While the property is similar in lot width, the subject property has a lesser lot depth than other properties along Milbert Road. It is likely the same home could be constructed across the street, on a property with more lot depth, without exceeding the maximum FAR and would not visually change the mass of the home from the roadway.

2. The McMansion Policy is applied only because the property is 30-square feet under the minimum lot area.

Planning Commission Recommendation

On a 5-1 vote, the commission recommended that the city council approve the proposal as proposed by removing the maximum floor area ratio restriction on the property at 500 Milbert Road. Meeting minutes may be found on pages A21-A23.

Since Planning Commission Hearing

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

Staff Recommendation

Recommend the city council adopt the following resolutions associated with the property at 500 Milbert Road:

1) Resolution eliminating the maximum floor area ratio requirement. (See pages A14-A15.)

2) Resolution approving a conditional use permit for an accessory apartment. (See pages A16-A20.)

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

Originator: Ashley Cauley, Planning Technician
Brief Description
Items concerning 500 Milbert Road:

1) Amendment to a maximum floor area ratio condition; and

2) Conditional use permit for an accessory apartment.

Recommendation
Recommend the city council adopt the resolutions

Project No. 15020.15a
Property 500 Milbert Road
Applicant Daniel Maki

Background
In 2007 the city was in a temporary development moratorium as staff drafted several ordinances related to natural resource protection. During the moratorium, only planned unit developments (PUD) were considered. One PUD reviewed during that time was a two-lot subdivision of the property at 506 Milbert Road. As proposed by the then owner, the existing home would remain on the lot at 506 Milbert Road and a new home would be constructed at 500 Milbert Road. (See page A2.)

As the subdivision would result in lots slightly under 22,000 square feet, the city chose to apply the “McMansion policy,” limiting new homes on the lots to a maximum 0.17 floor area ratio (FAR). This FAR corresponded to the highest FAR in the area at that time.

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<thead>
<tr>
<th>ADDRESS</th>
<th>LOT AREA</th>
<th>FAR</th>
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<tbody>
<tr>
<td>506 Milbert Rd</td>
<td>21,995 sq.ft.</td>
<td>3,739 sq.ft.</td>
</tr>
<tr>
<td>500 Milbert Rd</td>
<td>21,970 sq.ft.</td>
<td>3,735 sq.ft.</td>
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Since the 2007 approval, the existing home has remained on the 506 Milbert Road property and the 500 Milbert Road property has remained vacant. While these lots have remained the same over the last eight years, the maximum FAR of the neighborhood has risen to 0.24, likely due to additions and new home construction in the area.
Proposal

The applicant is proposing to construct a new home on the 506 Milbert Road property. The home would include a 950 square foot accessory apartment, which could be accessed both by an exterior door to the home’s front porch and by an interior door to the home’s foyer. The home would meet all minimum setback requirements. However, at just over 5,780 square feet in size – including a four car garage and accessory apartment – the home would have a FAR of 0.26. (See pages A1–A8.) The applicant’s proposal requires:

1) An amendment to the 2007 maximum FAR condition; and

2) A conditional use permit for the accessory apartment.

Staff Analysis

Staff finds the requests to be reasonable:

FAR. Given the situation of lots in the Milbert Road area, and of the subject property itself, two different types of amendments could be considered:

1. CURRENT FAR. Applying specific FARs under the “McMansion policy” has proven to be problematic. The highest FAR in an area/neighborhood can change over time through code-compliant additions and new home construction. In recognizing the dynamic nature of area FAR calculations, staff has recently stopped quoting specific FARs in suggested conditions of approval. Rather, a general condition is included limiting FAR to the maximum of the area at the time of construction.

   In the case of the subject property, the highest FAR in the area is currently 0.24. (See page A9.) As such, it would be fair and reasonable to reestablish the maximum FAR for the property at this 0.24 ratio. This would require that the applicant reduce the total size of the proposed home from 5,780 square feet to 5,340 square feet.

2. ELIMINATE FAR. As approved, the subject property is just 30 square feet below the required 22,000 square foot R-1 minimum lot size. A simple lot line shift at the time of the subdivision would have essentially eliminated the application of the “McMansion policy.” Given this, and that several properties in the surrounding area are smaller than the subject property and do not have FAR restrictions, it would be fair and reasonable to eliminate the FAR restriction on the property. (See page A10.)
APARTMENT: Generally, accessory apartments are consistent with the housing goals of the Comprehensive Guide Plan. They add to the diversity of housing types, sizes, and prices in the community. Specifically, the proposed accessory apartment would meet all minimum conditional use permit standards. These specific standards are outlined in the “Supporting Information” section of this report.

Staff Recommendation

Recommend the city council adopt the following resolutions associated with the property at 500 Milbert Road:

1. Either:
   - Resolution reestablishing a maximum floor area ratio; (See page A12–A13.) OR
   - Resolution eliminating the maximum floor area ration requirement. (See page A14–A15.)

2. Resolution approving a conditional use permit for an accessory apartment. (See page A16–A20.)

Originator: Susan Thomas, AICP, Principal Planner
### Supporting Information

<table>
<thead>
<tr>
<th><strong>Surrounding Land Uses</strong></th>
<th>All properties to the north, east, south and west are zoned R-1, and guided for low density residential.</th>
</tr>
</thead>
</table>
| **Planning**             | Guide Plan designation: low density residential  
Zoning: R-1, low density residential |
| **CUP Standards**        | The proposal would meet the general conditional use permit standards as outlined in City Code §300.16 Subd.2:  
1. The use is consistent with the intent of this ordinance;  
2. The use is consistent with the goals, policies and objectives of the comprehensive plan;  
3. The use does not have an undue adverse impact on governmental facilities, utilities, services or existing or proposed improvements; and  
4. The use does not have an undue adverse impact on the public health, safety or welfare.  
The proposal would meet the specific conditional use permit standards for accessory apartments as outlined in City Code §300.16, Subd. 3(d):  
1. to be created only on property zoned for single family detached dwellings and no more than one apartment to be created in any dwelling;  
   **Finding:** The property is zoned R-1, single family residential. The proposed home would contain just one accessory apartment.  
2. structures in which an accessory apartment is created to be owner-occupied, with the owner residing in either unit on a continuous basis except for temporary absences throughout the period during which the permit is valid;  
   **Finding:** This is included as a condition of approval.  
3. adequate off-street parking to be provided for both units of housing with such parking to be in a garage, carport or on a
paved area specifically intended for that purpose but not within a required turnaround;

**Finding:** The property would have a four-car attached garage and a driveway area that would allow for adequate on-site parking for the both the primary dwelling unit and accessory apartment.

4. may be created by the conversion of living space within the house but not by conversion of garage space unless space is available for a two-car garage on the lot without the need for a variance;

**Finding:** The apartment would be constructed in conjunction with, and integrated into, a new home.

5. an accessory apartment must be no more than 35 percent of the gross living area of the house or 950 square feet, whichever is smaller. The gross living area includes the accessory apartment. The city council may approve a larger area where the additional size would not substantially impact the surrounding neighborhood.

**Finding:** The accessory apartment would be 950 square feet in size, which would represent 22 percent of the living area of the home.

6. exterior changes to the house must not substantially alter the single family character of the structure;

**Finding:** The apartment would be constructed in conjunction with, and integrated into, a new home.

7. no apartment to be created except in compliance with all applicable building, housing, electrical, plumbing, heating and related codes of the city;

**Finding:** As the apartment would be constructed in conjunction with the new home, appropriate permits must be submitted and approved to ensure compliance with current construction codes.

8. to be permitted only where it is demonstrated that the accessory unit will not have an undue impact on adjacent properties and where there will not be a substantial alteration of the character of the neighborhood; and
Finding: Many of the homes on Milbert Road are single-story ramblers constructed several decades ago. As such, the applicant’s new home will be different than many in the area. However, the accessory apartment itself would have no impact on the area, visual or otherwise.

9. all other provisions of this ordinance relating to single family dwelling units to be met, unless specifically amended by this subdivision.

Finding: This condition is met.

Neighborhood Comments

The city sent notices to 43 area property owners and received no comments to date.

Approving Body

The planning commission makes a recommendation to the city council, which has final authority to approve or deny the request. (City Code §300.06 Subd. 4)

Motion Options

The planning commission has the following motion options:

1. Concur with staff's recommendation. In this case, a motion should be made recommending the city council approve the FAR amendment and conditional use permit based on the findings outlined in the staff-drafted resolution.

2. Disagree with staff's recommendation. In this case, a motion should be made recommending the city council deny FAR amendment and/or the conditional use permit. The motion should include findings for denial.

3. Table the request. In this case, a motion should be made to table the item. The motion should include a statement as to why the request is being tabled with direction to staff, the applicant or both.

Pyramid of Discretion

This proposal
Deadline for Decision: September 28, 2015
Location Map

Applicant: Daniel & Elizabeth Maki
Address: 500 Milbert Rd
(15020.15a)
Conditional Use Permit for 500 Milbert Rd

The scope of our project is to construct a home on our half acre lot (22,000 sq. ft.). We are constructing a home with a 950 sq. ft. accessory apartment (mother in law apt) on the first floor because we are having my wife’s retired parents live with us. In addition, we have five children who are high school/ college age. Our home will have 2056 sq. ft. (inside dimensions) on the main floor (including the apt) and 2235 sq. ft. on the second floor. Our main floor in addition to the apartment will be quite typical with a kitchen, living area and a half bath. The second floor will have our four bedrooms and an office along with a family room. The foundation will be on a slab with a 184 sq. ft. unfinished basement to be used as a utility room and storm shelter. Our home will look like an attractive single family home from the exterior and will include a four-car garage (1049 sq. ft.) with living space above two of the garage stalls.

Enclosed with our permit application is a survey with an outline of our intended construction along with our building floor plans and a rendering of all exposures.

We need this space to accommodate our large family and my wife’s parents and we will need the garage space so we can shelter our vehicles as well. We would like to allow Liz’s parents to maintain their independence and privacy as they age while still being available to help if needed. We wanted as few stairs as possible and more natural light in our home so we decided to build mainly up instead of having a large basement area.
SURVEY FOR: DAN MAKI

SURVEYED: June, 2015  DRAFTED: June 9, 2015

LEGAL DESCRIPTION:
Lot 1, Block 1, Ylitalo Acres, Hennepin County, Minnesota.

SCOPE OF WORK & LIMITATIONS:
1. Showing the length and direction of boundary lines of the legal description which we are furnished.
2. Showing the location of existing improvements we deemed important.
3. Setting new monuments or verifying existing monuments to mark the corners of the property.
4. Showing existing site elevations and contours necessary to show elevation differences on the site.
5. While we show a proposed location for this home, we are not familiar with your house plans as you and your builder are. Check our proposed location and set of the house and yard grades carefully to see that they match your plans before construction begins. Also, we are not familiar with local codes and minimum requirements to the local building official and zoning official in this community are. Be sure to show this survey to these officials, or any other officials that may have jurisdiction over the house and its proposed location, and obtain their approvals before beginning construction or planning improvements to the property.
6. Showing elevations on the site at selected locations to give some indication of the topography of the site. We have also provided a benchmark for your use in determining elevations for construction on this site. The elevations shown relate only to the benchmark provided on this survey. Use this benchmark to check at least one other feature shown on the survey when determining other elevators live on this site or before beginning construction.
7. The utilities shown are based on information from surveys, plans, and/or markings and have been combined with observed relations to develop a view of these underground utilities. However, without excavation, the exact location of underground features cannot be accurately, completely, and reliably depicted. Where additional or more detailed information is required, the client is advised that excavation may be necessary. Some law requires underground utilities to be located 48 hours prior to any excavation.

STANDARD SYMBOLS & CONVENTIONS:
* Denotes 1/4" ID pipe with plastic plug bearing State License Number 9235, set, unless otherwise noted.

CERTIFICATION:
I hereby certify that this plan, specification, report or survey was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer and Licensed Land Surveyor under the laws of the state of Minnesota.

Signature: James H. Parker  Typed Name: James H. Parker  Reg. No.: 9235
Date: June 9, 2015

500 Milbert Road
FAR and CUP
JUN - 9 2015
Submitted by Applicant

FOUNDATION PLAN

Daniel Maki
500 Milbert Road
FAR and CUP
FAR within 400 FT perimeter and 1000 FT frontage

Daniel Maki
500 Milbert Road
FAR and CUP
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Resolution No. 2015-

Resolution reestablishing maximum floor area ratio on the property at 500 Milbert Road

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

Section 1. Background.

1.01 By the city’s written “McMansion policy” the city may choose to restrict the size of new homes on subdivisions needing a variance. This restriction is a floor area ratio (FAR) that is no greater than the highest FAR of the homes within 400 feet of the lot on which the new home is to be constructed and within 1,000 feet of the lot on both sides of the same street.

1.02 In 2007, the city council approved YLITALO ACRES, creating the property at 500 Milbert Road. As the new property was undersized, at 21,970 square feet, the city chose to use the “McMansion policy” and included a condition of approval restricting the FAR on the new lot to 0.17. This was the largest FAR in the area at that time.

1.03 Since the 2007 approval, the property at 500 Milbert Road has remained vacant and the highest FAR in the area has risen to 0.24.

1.04 The current owner of 500 Milbert Road, Daniel Maki, is proposing to construct a new house on the vacant lot. The proposed structure, including an attached garage and accessory apartment, would have a total floor area of roughly 5,780 square feet and a FAR of 0.26.

Section 2 Findings.

2.01 The intent of the “McMansion policy” is to ensure homes that require a variance – or homes constructed on a lot that requires a variance – do not have a mass significantly larger than other existing homes in the neighborhood.
2.02 The highest FAR in an area can change over time as code-compliant additions are made or new homes are constructed.

2.03 The highest FAR in the Milbert Road area has risen to 0.24.

Section 3 City Council Action.

3.01 Based on the findings outlined in section 3 of this resolution, the maximum floor area ratio on the property at 500 Milbert Road is limited to the highest FAR of the homes within 400 feet of the property and within 1,000 feet of the property on both sides Milbert Road.

Adopted by the City Council of the City of Minnetonka, Minnesota, on July 27, 2015.

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 meeting held on July 27, 2015.

David E. Maeda, City Clerk
Resolution No. 2015-
Resolution removing the maximum floor area ratio restriction
on the property at 500 Milbert Road

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

Section 1. Background.

1.01 By the city’s written “McMansion policy” the city may choose to restrict the size of new homes on subdivisions needing a variance. This restriction is a floor area ratio (FAR) that is no greater than the highest FAR of the homes within 400 feet of the lot on which the new home is to be constructed and within 1,000 feet of the lot on both sides the same street.

1.02 In 2007, the city council approved YLITALO ACRES, creating the property at 500 Milbert Road. As the new property was undersized, at 21,970 square feet, the city chose to apply the “McMansion policy” and included a condition of approval restricting the FAR on the new lot to 0.17. This was the largest FAR in the area at that time.

1.03 Since the 2007 approval, the property at 500 Milbert Road has remained vacant and the highest FAR in the area has risen to 0.24.

1.04 The current owner of 500 Milbert Road, Daniel Maki, is proposing to construct a new house on the vacant lot. The proposed structure, including an attached garage and accessory apartment, would have a total floor area of roughly 5,780 square feet and a FAR of 0.26.

Section 2. Findings.

2.01 The intent of the “McMansion policy” is to ensure homes that require a variance – or homes constructed on a lot that requires a variance – do not have a mass significantly larger than other existing homes in the neighborhood.
2.02 The property at 500 Milbert Road is just 30 square feet under the city's minimum R-1 lot size of 22,000 square feet.

2.03 There are several properties in the surrounding area that are smaller than the 500 Milbert Road. However, these properties are not subject to a FAR restriction.

Section 3 City Council Action.

3.01 Based on the findings outlined in section 3 of this resolution, the maximum floor area ratio restriction for 500 Milbert Road is removed.

Adopted by the City Council of the City of Minnetonka, Minnesota, on July 27, 2015.

_______________________________________
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 meeting held on July 27, 2015.

__________________________________
David E. Maeda, City Clerk
Resolution No. 2015-
Resolution approving a conditional use permit for an accessory apartment at 500 Milbert Road

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

Section 1. Background.

1.01 The property owner, Daniel Maki, is proposing to construct a home containing a 950 square foot accessory apartment.

1.02 The property is located at 500 Milbert Road Chase Drive. It is legally described as: Lot 1, Block 1, YLITALO ACRES.

1.03 By City Code §300.10 Subd. 4, accessory apartments are conditionally permitted uses within the R-1 zoning district.

1.04 On July 20, 2015, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the planning commission. The planning 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 permit.

Section 2. Standards.

2.01 City Code §300.16 Subd. 2 outlines the following general conditional use permit standards:

1. The use is consistent with the intent of this ordinance;

2. The use is consistent with the goals, policies and objectives of the comprehensive plan;
3. The use does not have an undue adverse impact on governmental facilities, utilities, services or existing or proposed improvements; and

4. The use does not have an undue adverse impact on the public health, safety or welfare.

2.02 City Code §300.16, Subd. 3(d) outlines the following specific conditional use permit standards for accessory apartments:

1. To be created only on property zoned for single family detached dwellings and no more than one apartment to be created in any dwelling;

2. Structures in which an accessory apartment is created to be owner-occupied, with the owner residing in either unit on a continuous basis except for temporary absences throughout the period during which the permit is valid;

3. Adequate off-street parking to be provided for both units of housing with such parking to be in a garage, carport or on a paved area specifically intended for that purpose but not within a required turnaround;

4. May be created by the conversion of living space within the house but not by conversion of garage space unless space is available for a two-car garage on the lot without the need for a variance;

5. An accessory apartment must be no more than 35 percent of the gross living area of the house or 950 square feet, whichever is smaller. The gross living area includes the accessory apartment. The city council may approve a larger area where the additional size would not substantially impact the surrounding neighborhood.

6. Exterior changes to the house must not substantially alter the single family character of the structure;

7. No apartment to be created except in compliance with all applicable building, housing, electrical, plumbing, heating and related codes of the city;

8. To be permitted only where it is demonstrated that the accessory unit will not have an undue impact on adjacent properties and where there will not be a substantial alteration of the character of the
neighborhood; and

9. All other provisions of this ordinance relating to single family dwelling units to be met, unless specifically amended by this subdivision.

Section 3. Findings:

3.01 The proposal would meet the general conditional use permit standards as outlined in City Code §300.16 Subd. 2.

3.02 The proposal would meet the general specific conditional use permit standards as outlined in City Code §300.16, Subd. 3(d):

1. The subject property is zoned R-1, single family residential. The proposed home would contain just one accessory apartment.

2. As a condition of this resolution, the property owner must reside in either the primary dwelling unit or accessory apartment on a continuous basis except for temporary absences throughout the period during which the permit is valid.

3. The property would include a four-car garage and a driveway area that would allow for adequate on-site parking for both the primary dwelling unit and accessory apartment.

4. The accessory apartment would be constructed in conjunction with, and integrated into, a new home.

5. The accessory apartment would be 950 square feet in size, which would represent 22 percent of the living area of the home.

6. As a condition of this resolution, the accessory apartment must comply with all applicable building, housing, electrical, plumbing, heating and related codes of the city.

7. Many of the homes on Milbert Road are single-story ramblers constructed several decades ago. As such, the applicant’s new home will be different than many in the area. However, the accessory apartment itself would have no impact on the area, visual or otherwise.


4.01 The above-described conditional use permit is approved, subject to the
following conditions:

1. Subject to staff approval, the property must be developed and maintained in substantial conformance with the following plans:
   - Floor plans and elevations dated June 9, 2015

2. This resolution must be recorded with Hennepin County prior to issuance of a building permit.

3. The property owner must reside in either the primary dwelling unit or accessory apartment on a continuous basis except for temporary absences.

4. The accessory apartment must comply with all applicable building, housing, electrical, plumbing, heating and related codes of the city.

5. The city council may reasonably add or revise conditions to address any future unforeseen problems.

6. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.

Adopted by the City Council of the City of Minnetonka, Minnesota, on July 27, 2015.

_____________________________________
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 meeting held on July 27, 2015.

__________________________________
David E. Maeda, City Clerk
D. Items concerning 500 Milbert Road.

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

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

Odland asked if the accessory apartment would be more along the lines of a senior suite instead of a duplex. Thomson answered affirmatively. The proposal would be restricted to be an accessory apartment. It could be no larger than one third of the residence.

Magney clarified that the residence is located on 506 Milbert Road and the new address for the accessory apartment would be 500 Milbert Road.

Dan Mackey, applicant, thanked staff and commissioners for their work. The proposal would be a mother-in-law apartment. He prefers the proposal. That would give his in-laws 950 square feet and a 2-vehicle garage. He, his wife, and 5 kids would have a 2-vehicle garage and 3,300 square feet of living space. His house would not have a basement. That is the only reason the exception is needed. The site is 99.9 percent compliant with ordinances. His family has a lot of allergy issues with mold, so the basement would not be constructed. He was available for questions. He has 4 vehicles already. More vehicles would be parked outside if the proposal would not be approved. He hopes the proposed plan will be approved.

The public hearing was opened. No testimony was submitted and the hearing was closed.

Calvert was conflicted. The site comes so close to meeting the requirements. The design appears to be very attractive, but it would be out of character with most of the houses in the neighborhood which are mainly single-story ramblers on the small side. It seems like it would be disproportionate with most houses, although there is a large house across the street.

Odland asked what precedent would be set by approving the proposal. Thomson said that the lot size makes the site unique. It is very close to conformance with ordinance requirements. There is flexibility with the McMansion policy to allow for home designs that would exceed the FAR if it would be compatible with the neighborhood. It would set a precedent in decision making that the FAR could be increased in certain circumstances. He suggested commissioners articulate the reasons for their recommendation in this particular case.
Chair Kirk noted how the second option would impact the design. The proposal would exceed the McMansion policy by 440 square feet which would pretty much be the size of a two-car garage. There would be a small area for the basement. Thomson explained that a full basement with egress windows is not included as square footage in calculating FAR.

Rettew was inclined to support staff’s recommendation. He felt like it would be close enough and would be consistent with the neighborhood character.

Calvert supports the idea of the mother-in-law apartment. She understood the purpose. It would be big compared to the neighboring houses. The property was subdivided at one time to provide a certain type of housing stock which the proposal would no longer be.

Odland noted that the 3,300-square-foot portion of the residence could be reduced.

Rettew was sympathetic since he was in the market for a house. He did not want to make the applicant start from scratch given that the proposal is so close.

Chair Kirk struggled. There are two lots at .24 FAR that are relatively small lots with reasonable size houses. The lots around the subject property are larger and the FAR is half. When new houses are built, a 2-car or 3-car garage and two stories are expected. Whether the unit is used by a family member right now or rented to a non-family member in the future, the residence would provide an affordable rental unit that is needed in Minnetonka. The FAR would be disproportionate with the neighborhood.

Knight stated that the property has a certain frontage width. The houses across the street have a lot more square footage, but do not have any more frontage. Those properties could have just as big of a house on their lot and a far smaller FAR, but the house would look just as big as the proposed one. He questioned penalizing the subject property because it is not as deep as others across the street. He struggled with that.

Knight supports parking the vehicles in a garage. Commissioners concurred.

Knight was concerned that the commission would recommend denial of this proposal, but the next commission would allow a neighbor to do something similar in the future.
Calvert stated a reason to allow the property to go to .26 FAR is because it is such a fine line. There is a 5-foot difference in the lot size. She sympathized with the applicant. Recommending approval because the difference is only 5 feet may be a reference for the future.

Chair Kirk noted that the FAR for the neighborhood would go from .24 to .26. He thought that was almost nothing.

Odland knew of neighborhoods in Minneapolis where the FAR was increased a small amount and the character and affordability of a neighborhood were changed.

Calvert thought it would be nice to have newer homes in that size of housing stock. She is afraid of the creep of the FAR.

In response to Chair Kirk’s question, Thomson suggested commissioners use the provision of the McMansion policy that allows the city to approve a specific house design that would exceed the maximum FAR based on the uniqueness of the lot size and the site’s similar lot width as other properties along Milbert Road. It would not approve any plan with FAR of .26, but only this specific building plan. The lot size is just under the minimum requirement, by 30 square feet, to not have any house-size restriction.

Chair Kirk noted that the site’s increased width and shorter depth make it unique to surrounding properties and the lot size is within 30 square feet of the McMansion policy standards which make the application unique.

Knight moved, second by Rettew, to recommend that the city council adopt the resolution approving a conditional use permit for an accessory apartment (on pages A16-A20 of the staff report) and adopt the resolution eliminating the maximum floor area ratio requirement (on pages A14-A15 of the staff report) associated with the property at 500 Milbert Road.

Calvert, Knight, Magney, Rettew, and Kirk voted yes. O’Connell was absent. Odland voted no. Motion carried.

This item is tentatively scheduled to be heard by the city council at its meeting on July 27, 2015.
City Council Agenda Item #13A
Meeting of July 27, 2015

Brief Description: Resolution authorizing use of the Community Investment Fund to finance renovation of Ice Arena A

Recommended Action: Continue the public hearing and adopt the resolution authorizing use of the Community Investment Fund to finance renovation of Ice Arena A

Background

Minnetonka Ice Arena A was constructed in 1968 and funded by community volunteers who were associated with the Hopkins Youth Hockey Association. Shortly after opening the new ice arena, an architectural flaw required that the new facility be shut down for re-enforcement of the roof support system. To avoid going without a facility during the first year, the decision was made to pipe in an adjacent auxiliary structure which was covered by an air structure or “bubble.”

Once the roof structure was secured, the private group continued to operate both the main structure (now Arena A) and the bubble until they could no longer do so financially. Both sheets of ice were turned over to the city of Minnetonka in 1975. In 1988, the bubble was replaced with a permanent facility now referred to as Arena B.

The existing refrigeration system in Arena A is the original system installed when the facility was constructed in 1968. The system is a “direct” system, which means that the source of cooling is circulation of R22 refrigerant directly into the rink floor. While this method of cooling is efficient in many ways, it has become extremely expensive because of the rising costs of R22 refrigerant. Due to environmental concerns, federal law will phase out the production of R22 refrigerant by the year 2020. As a result, all ice arenas using direct R22 need to replace these systems with an alternative form of cooling or face the risk of not being able to secure or afford R22 needed to operate the system. For most arenas, including Minnetonka, the preferred replacement system is using ammonia to cool glycol which is circulated through the rink floor. Arena B was upgraded to a glycol system in 2003.

The Arena A dasher board system was installed in 1991 and is now in need of replacement, primarily to address safety issues. The existing system consists of heavy and inflexible tempered glass and a board system that does not allow for the degree of flex upon impact that advanced technology now provides.

As adopted by the city council in the 2015 budget, the Arena A refrigeration and dasher board replacement project, totaling $1.7 million, was advanced to the 2015 Capital Improvements Program (CIP) from the initially scheduled year of 2018. An additional $100,000 was previously included in the 2014 budget to fund the preparation of plans and specifications for the project. The project was moved up to 2015 to avoid potentially
costly mechanical breakdowns associated with the aging refrigeration system, as well as to avoid competing with the large number of arenas that will require the same refrigeration conversions in 2018 when the changes in Federal law go into effect.

The project was initially funded from the Special Assessment Construction Fund (SACF) and, as provided in the adopted 2015 budget, staff is proposing that the SACF be paid back by the Community Investment Fund (CIF) as dollars become available in future years. If approved through the required CIF public process, the reimbursement would be incorporated as it is outlined within the 2016-20 Capital Improvement Program.

The city council opened a public hearing to consider use of the CIF on June 22, 2015, and continued the hearing until July 27, 2015 as required by city code.

**Consideration of Expenditure from Community Investment Fund**

In order to use funds from the CIF, the city council must establish six findings based on Minnetonka City Code 230.025. The six findings are described below followed by a discussion of the issues supporting the use of CIF funds to repay the SACF for the required renovation of Ice Arena A.

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIF – Ice Arena A Improvements</td>
<td>$1,700,000</td>
</tr>
</tbody>
</table>

**Finding #1 – The project has sufficient community-wide benefit as determined by a review of its intended users, the degree to which it addresses a community-wide need or problem, and its consistency with other City goals, programs or policies.**

The Minnetonka Ice Arena currently provides 50% of the total ice time available for use by the Minnetonka and Hopkins community. Primary users of the facility include the Lake Minnetonka Figure Skating Club (LMFSC), Minnetonka Youth Hockey Association (MYHA), Hopkins Youth Hockey Association (HYHA), and the boys and girls programs from both Minnetonka and Hopkins High Schools.

Ice arenas A & B are the only community ice arenas that allow for ice related programming outside of traditional hockey programs. All LMFSC programming, as well as the city’s All Season Skating School, public skating sessions, and adult hockey programs rely 100% on ice provided by the Minnetonka Ice Arena.

The Community Investment Fund has been used as the source of funding for two previous ice arena related projects. The first was in 1988 for the construction of Arena B; and the second in 1997 when the Arena A roof was replaced.
Finding #2 – The project to be funded could not occur but for the use of the Community Investment Fund or a tax increase.

Historically, the financial goal of the Minnetonka Ice Arena facility is to operationally break even with revenues supporting expenditures. It has been understood that the operations budget is unable to generate revenues to cover significant capital costs such as the $1.7 million project currently underway.

In 2013 and 2014, the facility fell considerably short of its operating financial goal primarily due to an aging facility and mechanical system. Both of these problem areas are being addressed by the project now underway, which is intended to return the facility back to breaking even financially.

The use of CIF funds is the preferred alternative to an increase in tax rates.

Finding #3 – The Community Investment Fund is not replacing funding from another previously programmed or available source.

The CIF is replacing borrowed funds from the SACF. As a one-time source of funding and as provided in the adopted and amended 2014-2018 CIP, the SACF was initially used to allow the project to be completed in 2015 and save an estimated $275,000 in project costs. In addition, borrowing from the SACF was done to allow time for the CIF to generate funding needed to cover the $1.7 million project cost.

Finding #4 – The project has been included in at least two consecutive formally approved Capital Improvement Programs.

The project has been included in the 2014-2018, 2015-2019 and 2016-2020 adopted and amended Capital Improvement Programs.

Finding #5 – If principal is used, the project has the ability to reasonably repay the funds, and use of the principal does not exceed the equivalent of the last two years’ investment earnings from the Community Investment Fund.

Use of CIF principal funding is not proposed for this project.

Finding #6 – An estimate of the ongoing annual operating and maintenance costs has been made and the source(s) for paying for such costs identified.

Once completed, staff estimates that the ice arena operating budget will be reduced $33,000 annually in the combined areas of utility, refrigeration, and mechanical related expenses.
Subject: Resolution authorizing use of the Community Investment Fund to finance renovation of Ice Arena A

Recommendation

Staff recommends continuation of the public hearing, documenting testimony and adopting the resolution approving use of the Community Investment Fund to finance renovations to Ice Arena A.

Submitted through:
  Geralyn Barone, City Manager
  Corrine Heine, City Attorney
  Merrill King, Director of Finance

Originated by:
  Dave Johnson, Recreation Services Director
RESOLUTION NO. 2015 -

RESOLUTION AUTHORIZING USE OF THE COMMUNITY INVESTMENT FUND TO FINANCE RENOVATION OF ICE ARENA A

BE IT RESOLVED by the City Council of the City of Minnetonka, Minnesota as follows:

Section 1. Background.

1.01. The Ice Arena A refrigeration system is the original R22 refrigerant system installed when the facility was constructed in 1968. Federal law will eliminate the production of R22 refrigerant by the year 2020, requiring Ice Arena A to be retrofit to a new cooling system.

1.02. The Ice Arena A dasher board system was installed in 1991 and is now in need of replacement, primarily to address safety issues. The existing system consists of heavy and inflexible tempered glass and a board system that does not allow for the degree of flex upon impact that advanced technology now provides.

Section 2. Findings of Fact

2.01 The proposed project meets the criteria in City Code Section 230.025 and is an appropriate use of the Community Investment Fund (CIF).

a. Criteria: The project has sufficient community-wide benefit as determined by a review of its intended users, the degree to which it addresses a community-wide need or problem, and its consistency with other city goals, programs or policies.

Findings: The Minnetonka Ice Arena currently provides 50% of the total ice time available for use by the Minnetonka and Hopkins community. Primary users of the facility include the Lake Minnetonka Figure Skating Club (LMFSC), Minnetonka Youth Hockey Association (MYHA), Hopkins Youth Hockey Association (HYHA), and the boys and girls programs from both Minnetonka and Hopkins High Schools.

Ice arenas A & B are the only community ice arenas that allow for ice related programming outside of traditional hockey programs. All LMFSC programming, as well as the city’s All Season Skating School, public skating sessions, and adult hockey programs rely 100% on ice provided by the Minnetonka Ice Arena.

The Community Investment Fund has been used as the source of funding for two previous ice arena related projects. The first was in 1988 for the construction of Arena B; and the second in 1997 when the Arena A roof was replaced.
b. **Criteria:** The project to be funded could not occur but for the use of the Community Investment Fund or a tax increase.

**Findings:** Historically, the financial goal of the Minnetonka Ice Arena facility is to operationally break even with revenues supporting expenditures. It has been understood that the operations budget is unable to generate revenues to cover significant capital costs such as the $1.7 million project currently underway.

In 2013 and 2014, the facility fell considerably short of its operating financial goal primarily due to an aging facility and mechanical system. Both of these problem areas are being addressed by the project now underway, which is intended to return the facility back to breaking even financially.

The use of CIF funds is the preferred alternative to an increase in tax rates.

c. **Criteria:** The Community Investment Fund is not replacing funding from another previously programmed or available source.

**Findings:** The CIF is replacing borrowed funds from the Special Assessment Construction Fund (SACF). As a one-time source of funding and as provided in the adopted and amended 2014-2018 Capital Improvements Program, the SACF was initially used to allow the project to be completed in 2015 and save an estimated $275,000 in project costs. In addition, borrowing from the SACF was done to allow time for the CIF to generate funding needed to cover the $1.7 million project cost.

d. **Criteria:** The project has been included in at least two consecutive formally approved Capital Improvement Programs.

**Findings:** The project has been included in the 2014-2018, 2015-2019 and 2016-2020 adopted and amended Capital Improvement Programs.

e. **Criteria:** If principal is used, the project has the ability to reasonably repay the funds, and use of the principal does not exceed the equivalent of the last two years investment earnings from the Community Investment Fund.

**Findings:** Use of CIF principal funding is not proposed for this project.

f. **Criteria:** An estimate of the ongoing annual operating and maintenance costs has been made and the source(s) for paying for such costs identified.

**Findings:** Once completed, staff estimates that the ice arena operating budget will be reduced $33,000 annually in the combined areas of utility,
refrigeration, and mechanical related expenses.

Section 3. Council Action

3.01 The Minnetonka City Council authorizes expenditures of up to $1,700,000 from the Community Investment Fund to finance the renovation of Ice Arena A and repay the Special Assessment Construction Fund, the fund used to initially cash flow the project.

Adopted by the City Council of the City of Minnetonka, Minnesota, on July 27, 2015.

__________________________
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 July 27, 2015.

__________________________
David E. Maeda, City Clerk
Brief Description  On-sale liquor licenses for Kona Sushi, Inc. (Kona Grill), 12401 Wayzata Boulevard

Recommendation  Continue the public hearing to August 17, 2015

Background

The city has received an application from Kona Sushi, Inc. (Kona Grill) for on-sale and Sunday on-sale intoxicating liquor licenses for use at a restaurant located in Ridgedale at 12401 Wayzata Blvd.

The application was introduced to the council on June 22 and the final action on this request was scheduled for the July 27 council meeting, but there was a delay in receiving information back from the FBI on the fingerprint cards of one of the owners. The fingerprint cards were not legible and we have requested that the applicant submit new fingerprints as part of the background check. The police department requested an extension for more time to complete the background check.

Recommendation

Staff recommends that the city council continue the public hearing from June 22, 2015 to August 17, 2015.

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

Originated by:
  Kathy Leervig, Community Development Coordinator
City Council Agenda Item #13C  
Meeting of July 27, 2015

**Brief Description**  
On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for Yum! Kitchen and Bakery, two LLC, 6001 Shady Oak Road

**Recommendation**  
Continue the public hearing and grant the licenses

**Background**

The city has received applications from Yum! Kitchen and Bakery, two LLC, for on-sale wine and on-sale 3.2 percent malt beverage liquor licenses, for use at the former Pairings restaurant located at 6001 Shady Oak Road. (See page A1).

**Business Ownership**

Yum! Kitchen and Bakery is owned by patticake, inc., which is owned 100% by Patti Soskin. Ms. Soskin also owns Yum! Kitchen and Bakery in St. Louis Park, which has operated since 2005. Ms. Soskin will also serve as the general manager. She resides in Hopkins and meets the metro-area residency requirements of the city’s liquor ordinance. (See page A2).

**Business Operations**

Yum! Kitchen and Bakery is a quick service/fast casual restaurant. Service will include breakfast, lunch and dinner as well as a bakery. The menu will also include beer and wine. The anticipated opening date is in September. The restaurant will provide approximately 80 indoor seats and seating for 80 on the patio. (See page A3). The owner anticipates that almost 40% of volume will be take-out food.

The restaurant will have approximately 60 employees.

Hours of operation will be 7 a.m. to 8 p.m. Sunday through Wednesday and 7 a.m. to 10:00 p.m. Thursday to Saturday.

Projected sales from beer and wine is expected to be approximately 3% based on the St. Louis Park location.

Extensive training is provided to the staff at Yum! Kitchen and Bakery for selling wine and beer. In addition, the point of sale system (POS) requires that a driver’s license is swiped into the system before the transaction is complete verifying the age of the customer. The restaurant in St. Louis Park has had two liquor violations in ten years but none in the last several years. After the last violation, the POS was upgraded to prevent sales to minors.
Application Information

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

The restaurant will continue to use the already issued conditional use permit which is still in effect for the location.

Recommendation

Staff recommends that the city council continue the public hearing from June 22 and grant the licenses.

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

Originated by:
   Kathy Leervig, Community Development Director
LOCATION MAP

Yum! Kitchen and Bakery
6001 Shady Oak Rd.

This map is for illustrative purposes only.
Yum! Kitchen and Bakery
Yum! Kitchen and Bakery, two LLC is a quick service/fast casual restaurant featuring made from scratch and seasonal food. We serve breakfast, lunch and dinner and have an award-winning bakery. Almost 40% of our expected volume will be take-out food.

We offer beer and wine. We provide explicit training on the sale of beer and wine. Our POS requires a driver’s license swipe before any sale of beer or wine. We close at 8 pm Sunday through Wednesday and not later than 10 pm, Thursday- Saturday.

Yum! Kitchen and Bakery, two LLC is a replication of Yum! Kitchen and Bakery, Inc. which has operated in St. Louis Park since 2005. Patti Soskin is the principal operator and has more than 25 years experience in the restaurant industry.

Patti Soskin
Patti Soskin is the 100% owner of Patticake, Inc., which owns both Yum! Kitchen and Bakery, Inc. (St. Louis Park) and Yum! Kitchen and Bakery, two LLC (Minnetonka).

Prior to Yum! Patti was a consultant to Parasole Restaurant Holdings and worked with their Oceanaire, Buca, Chino Latino and Good Earth concepts. Patti has held general management positions with Dayton's Restaurants and Catering, Leeann Chin, Goodfellow's and Pronto Ristorante. Patti also owned Patti’s Restaurant and Bar. Patti currently serves on the Board of Directors of College Possible and was an advisor to Cordon Bleu Culinary Schools.

Patti grew up in St. Paul and received a Bachelor of Science degree from the University of Minnesota. Patti and her husband, Robbie have three children, Jorie 29, Zach 23 and Maddie 22. Patti and Robbie live in Hopkins.
City Council Agenda Item #13D
Meeting of July 27, 2015

Brief Description
Temporary on-sale liquor license for The Rotary Club of Minnetonka Foundation, 14350 County Road 62

Recommendation
Hold the public hearing and grant the license

Background
The city has received an application for a temporary on-sale liquor license from the Rotary Club of Minnetonka Foundation (The Rotary Club) for an indoor/outdoor fundraising event at the Glen Lake Golf and Practice Center, 14350 County Road 62 (see page A1).

The Rotary Club is requesting approval for a fundraising event, on Thursday, September 10, 2015. The Minnetonka Rotary Charity Golf Outing "Birdies and Beers" is a charity event that raises money for the Hopkins/Minnetonka communities. The Minnetonka Rotary believes in "Building Responsible Youth" and most of the money that this event raises goes back into youth programs in our communities.

The Event, including an outdoor activity with intoxicating liquor

The event will take place on Thursday, September 10, 2015 from 1 p.m. to 8 p.m. Events include a 9-Hole Golf Tournament (starting at 2 p.m.), Beer Tasting Event, Silent Auction, and putting and driving contests. Breweries are donating and delivering the beer, and The Rotary Club volunteers are pouring and serving the beer (see pages A2-A4).

Beer tasting, wine, and food will be served both in the clubhouse and on the patio directly outside the clubhouse. The outside drinking area will be roped off, as is required for an outdoor event. All participants will be required to show identification that they are 21-years-of-age or older, and will be required to wear a wristband verifying their age.

Recommendation
The city did not encounter any issues with the event in 2014. Staff recommends the council hold the public hearing and grant the temporary liquor license in connection with a fundraising event, including outdoor events.

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

Originated by:
Kathy Leervig, Community Development Coordinator
Location Map: 14350 County Road 62

Application:  Temporary On-Sale Intoxicating Liquor

Applicant:  The Rotary Club of Minnetonka Foundation
City of Minnetonka

Site Plan

Club House

Outdoor Patio

DISCLAIMER: This drawing is not a legally recorded plat or an accurate survey. It is intended to be only an approximate representation of information from various government offices and other sources. It should not be used for a purpose that requires exact measurement or precision. People who use this drawing do so at their own risk. The City of Minnetonka is not responsible for any inaccuracies contained in the drawing. The City of Minnetonka provides no warranty, express or implied, about the correctness of the information.
July 15, 2015

Dear Neighbor,

This letter is to inform you that the Rotary Club of Minnetonka has made application to the City of Minnetonka for an event at the address of 14350 County Road 62, Minnetonka, at the Glen Lake Golf and Practice Center. You are receiving this letter as fulfillment of the city’s requirement to notify all residences within 400 feet of the facility that the event will include the serving of food and alcohol as described below:

Name of event: Minnetonka Rotary Charity Golf Event

Date of Event: Thursday, September 10, 2015

Time of Event: 1pm to 8pm

Type of Liquor Served: Beer and Wine

Outdoor Activity Planned: Golf

This letter serves as your notice that the city will review this application at a regular City Council Meeting. The tentative date for the public hearing before the council is Monday, July 27th, 2015. The meeting begins at 6:30 pm in the council chambers of the Minnetonka Community Center at 14600 Minnetonka Blvd.

If you have any comments, you may contact Julie Wischnak, Community Development Director, City of Minnetonka at 952-939-8282 or by e-mail to: jwischnack@eminnetonka.com. Your comments must be received by the city on or before July 26th, 2015.

Sincerely,

Chris Rosenlund, President

Minnetonka Rotary Club Foundation

ckrosenlund@earthlink.net
City Council Agenda Item #13E
Meeting of July 27, 2015

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

Recommendation
Open the public hearing and continue to August 31, 2015

Background

The city has received an application from Three Amigos Minnetonka, L.L.C. at 11390 Wayzata Boulevard. Three Amigos Minnetonka, L.L.C. is requesting an on-sale and Sunday on-sale intoxicating liquor licenses for a new Mexican restaurant, Salsa A La Salsa. The site was previously occupied by Romano’s Macaroni Grill, but has been vacant since March 2015. Salsa A La Salsa has three other locations in Minnesota including Minneapolis, Global Market, and Uptown. (See pages A1-A4).

Business Ownership

Three Amigos Minnetonka, L.L.C. is owned by the following three entities:

CSM Lodging Services Inc.  48.45% Owner
CSM Hospitality, Inc.    2.55% Owner
Boneyard Restaurant, LLC  49.00% Owner

CSM Lodging Services, Inc. and CSM Hospitality, Inc, are each owned 100% by Gary S. Holmes, as Trustee of the Gary S. Holmes Revocable Trust. Boneyard Restaurant, LLC is owned by Kamran Talebi (80% owner) & Keyvan Talebi (20% owner).

Business Operations

Salsa A La Salsa is proposing to open a full-service restaurant and bar that provides authentic Mexican cuisine. The restaurant will occupy 7,500 square feet and will also expand to include an outdoor patio. Indoor seating will be for approximately 200 guests and the patio will hold 90 seats. The restaurant will be open for lunch and dinner with the following hours:

<table>
<thead>
<tr>
<th>Dining Room &amp; Patio Hours</th>
<th>11 am – Midnight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday - Thursday</td>
<td>11 am – Midnight</td>
</tr>
<tr>
<td>Friday and Saturday</td>
<td>11 am – 2:00 am</td>
</tr>
</tbody>
</table>

Salsa A La Salsa anticipates that they will hire and train approximately 100 employees. Staff will go through extensive training which will be inclusive of alcohol awareness and serving policies and procedures.
Projected food to liquor ratio will be 70% food and 30% alcohol.

The general manager has not been hired, but will be required to complete the police background check as required by city ordinance.

**Applicant Information**

Application information and license fees have been submitted. The police department’s investigative report on this application is pending and will be forwarded to the council prior to the continued public hearing.

**Recommendation**

Staff recommends that the city council open the public hearing and continue the hearing to August 31, 2015.

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

Originated by:
   Kathy Leervig, Community Development Coordinator
LOCATION MAP

Three Amigos Minnetonka, L.L.C.
(Salsa A La Salsa)
Brief Description  On-sale liquor licenses for Nordstrom, Inc. (Nordstrom Ruscello)

Recommendation  Open the public hearing and continue to August 31, 2015

Background

The city has received an application from Nordstrom, Inc. (Nordstrom Ruscello), at 12401 Wayzata Boulevard. Nordstrom, Inc. is requesting on-sale and Sunday on-sale intoxicating liquor licenses for a new restaurant within the Nordstrom store located at Ridgedale.

Business Ownership

Nordstrom, Inc. is a specialty retailer established in 1901 and currently has 304 stores in 38 states and Canada. Nordstrom, Inc. is a publicly traded company on the NYSE.

Business Operations

Ruscello is a full-service restaurant featuring Mediterranean and Italian-inspired cuisine. The restaurant will occupy approximately 3,200 square feet with seating for 135 guests. (See page A1). The restaurant will be open for lunch and dinner with the following hours:

<table>
<thead>
<tr>
<th>Dining Hours</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday - Thursday</td>
<td>10:00 am – 8:00 pm</td>
</tr>
<tr>
<td>Friday and Saturday</td>
<td>10:00 am – 9:00 pm</td>
</tr>
<tr>
<td>Sunday</td>
<td>11:00 am – 7:00 pm</td>
</tr>
</tbody>
</table>

Ruscello anticipates that they will hire and train 50 employees. Bartenders and servers will participate in an internal training program which includes responsible alcohol service and age verification. In addition, staff is required to take an online certification through the Beverage Alcohol Sellers and Servers Education and Training (BASSET) program. The program is an educational and training tool for servers of alcoholic beverages to serve responsibly and stay within the law. The BASSET Certification Program serves as a preventive measure to discourage over consumption and keep drunk drivers off the roads which will be inclusive of alcohol awareness and serving policies and procedures. Projected food to liquor ratio will be 90% food and 10% alcohol. Karen Ingram has been hired as the general manager and has submitted her application for the police background check as required by city ordinance.
Applicant Information

Application information and license fees have been submitted. The police department’s investigative report on this application is pending and will be forwarded to the council prior to the continued public hearing.

Recommendation

Staff recommends that the city council open the public hearing and continue the hearing to August 31, 2015.

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

Originated by:
Kathy Leervig, Community Development Coordinator
City Council Agenda Item #13G  
Meeting of July 27, 2015

**Brief Description**  
Off-sale liquor license for Target Corporation, 4848 County Road 101

**Recommendation**  
Continue the public hearing and grant the license

**Background**

The city has received an application from Target Corporation for an off-sale intoxicating liquor license, for use at 4848 Co Rd 101. SuperTarget opened in 2001 and currently holds a 3.2% malt beverage liquor license. (See pages A1-A7.)

Target is undergoing a full store remodel which includes an improved grocery area and proposed liquor store. The location of the liquor store would be in the front of the store in the former café area. The liquor store would have a separate entrance with no direct access to the retail store. At about 2,800 square feet in size, the liquor store will be small compared to stand alone liquor stores. The average square footage of Minnetonka liquor stores is approximately 5,100 square feet.

**Business Ownership**

Target Corporation is a publicly held company. No police background check will be performed as the corporation has already been approved for a liquor license.

**Business Operations and History**

The proposed hours of operation for the liquor store will be Monday to Friday, 9 a.m. – 10 p.m., and Saturday, 8 a.m. – 10 p.m. The original 3.2 % liquor license was issued in 2002, and Target has not had any violations of selling to minors at this location. Further, Target has not had any violations statewide since 2008. Although Target does not participate in the Minnetonka Best Practices Program, they have their own in-house program focusing on preventing underage sales. In addition, their point of sale (POS) system has three verification processes in place to determine if the transaction is appropriate.

**Current Off-Sale Liquor Licenses in Minnetonka**

Currently, the city council has granted 14 off-sale liquor licenses in Minnetonka. Eleven of those licenses are for liquor stores selling a full range of liquor items; two are 3.2% malt beverage licenses which are secondary or accessory to another business; and one is for off-sale growler sales at Lucid Brewing whose primary use is production of beer sold elsewhere. One of the two 3.2% malt beverage licenses includes Target. Below is a list of the establishments.
Meeting of July 27, 2015
Subject: 4848 Co Rd 101

<table>
<thead>
<tr>
<th>Establishment</th>
<th>Address</th>
<th>Type of License</th>
<th>Council Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big Top Liquors</td>
<td>12937 Ridgedale Dr</td>
<td>Off-Sale Intoxicating</td>
<td>2009</td>
</tr>
<tr>
<td>Byerly's Wines &amp; Spirits</td>
<td>13081 Ridgedale Dr</td>
<td>Off-Sale Intoxicating</td>
<td>1997</td>
</tr>
<tr>
<td>Glen Lake Wine &amp; Spirits</td>
<td>14704 Excelsior Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>2006</td>
</tr>
<tr>
<td>Haskell's</td>
<td>12900 Wayzata Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>1996</td>
</tr>
<tr>
<td>MGM Wine &amp; Spirits</td>
<td>4795 Co Rd 101</td>
<td>Off-Sale Intoxicating</td>
<td>1994</td>
</tr>
<tr>
<td>Strong Liquor</td>
<td>11048 Cedar Lake Rd</td>
<td>Off-Sale Intoxicating</td>
<td>2007</td>
</tr>
<tr>
<td>Sundial Wine &amp; Spirits</td>
<td>5757 Sanibel Dr</td>
<td>Off-Sale Intoxicating</td>
<td>2005</td>
</tr>
<tr>
<td>The Wine Shop</td>
<td>17521 Minnetonka Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>2006</td>
</tr>
<tr>
<td>Tonka Bottle Shop</td>
<td>17616 Minnetonka Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>1997</td>
</tr>
<tr>
<td>Trader Joe's</td>
<td>11220 Wayzata Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>2008</td>
</tr>
<tr>
<td>US Liquor &amp; Wine</td>
<td>11333 State Highway 7</td>
<td>Off-Sale Intoxicating</td>
<td>2010</td>
</tr>
<tr>
<td>Glenn's 1-Stop</td>
<td>12908 Minnetonka Blvd</td>
<td>3.2% Malt Beverage</td>
<td>2004</td>
</tr>
<tr>
<td>Target Store T-1356</td>
<td>4848 Co Rd 101</td>
<td>3.2% Malt Beverage</td>
<td>2001</td>
</tr>
<tr>
<td>Lucid Brewing</td>
<td>6020 Culligan Way</td>
<td>Off-sale growlers</td>
<td>2014</td>
</tr>
</tbody>
</table>

City Council Policy 6.1

City Council Policy 6.1 establishes standards and criteria that the city council will apply in its consideration of on and off-sale liquor licenses. The council discussed amending the policy related to granting off-sale licenses during the July 1 study session and gave final approval at the July 13 council meeting. The policy was slightly modified to the following:

Off-sale establishments provide intoxicating liquor that will be consumed in environments that are not monitored. An increase in the number of those outlets increases the access to liquor, contributes to public safety concerns, and detracts from the desired image of the city. Accordingly, the city council determines that the 12 off-sale intoxicating liquor licenses existing as of March 22, 2010 are generally adequate to serve the city. However, the council reserves the right not to issue any license even if the number falls below 12. Despite this maximum number, the council will consider, but not necessarily approve, additional off sale intoxicating liquor licenses only if the council finds in its sole discretion that the business:

a. offers a distinctive specialty service, or
b. is a complementary part of a business that would add positively to the experience of living and working in the city; or

c. is part of a village center that is not currently served.

In consideration of the proposed liquor license for Target, the city would not exceed the maximum number determined in 2010 by converting Target’s 3.2% malt beverage license to a full liquor license. With this approval, the number of full off-sale liquor stores would increase to twelve, while keeping total off-sale liquor licenses at 14. The change in license would allow Target to expand its liquor sales as an approved use by the city.
Recommendation

Staff recommends that the city council continue the public hearing from May 18 and grant the off-sale liquor license to Target Corporation, 4848 Co Rd 101.

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

Originated by:
   Kathy Leervig, Community Development Coordinator
LOCATION MAP

Target, 4848 Co Rd 101
March 18th, 2015

Members of the Minnetonka City Council  
City of Minnetonka  
14600 Minnetonka Boulevard  
Minnetonka, MN 55345

Dear Members of the City Council

Target is excited to be reinvesting in Minnetonka during our planned multi-million dollar remodel of the Target store located at 4848 County Road 101. This remodel will bring to life several of the exciting strategies our CEO has recently presented to the press, which includes a new focus on grocery that will deliver a more compelling and appealing shopping experience to our guests. As part of that remodel, Target is interested in making this Minnetonka store one of the first Target stores in Minnesota with a separate-entrance liquor store. Target respectfully requests the Council’s support and approval for the attached liquor license application. I would like to provide you with more information on alcohol sales at Target, and why we feel that our proposed liquor store meets the established criteria for approval of an off-sale liquor license.

Alcohol at Target

Target’s alcohol business is established and growing. We have sold alcohol in our stores since 1996, and we currently have over 1,300 stores that sell alcohol in 37 states. We have a history of responsible alcohol sales and have many processes in place to safely and securely sell beer, wine and spirits. We strive to surprise and delight our guests by carrying well-known national brands along with locally relevant items.

We began testing a separate-entrance liquor store at our Otsego location in 2014 due to requests from our Minnesota based guests. We have found that guests visiting our Target Wine & Spirits store in Otsego feel that it delivers what they expect from Target. Guests appreciate the store’s clean look and feel, and view how it is organized as a point of differentiation from other local liquor stores. Most appreciate the convenience to shop “while I am there” and saw it as an extension of their regular Target shopping trip. It’s clean, organized, and has a great modern design with high end touches, which adds to the appeal, and makes it kid friendly for busy moms.
Alcohol will be a Small, Complimentary part of Target that has Regional Reach

Target’s proposed liquor store meets the criteria for issuing off-sale licenses in the City of Minnetonka’s City Council Policy 6.1 as the new liquor store will be a small, complimentary part of a remodeled business that would add positively to the experience of living, working and shopping in Minnetonka. Policy 6.1 also allows the City Council to approve an off-sale license for stores that are part of a redevelopment project in a regional center that is not currently served. The store is, as a regional center, drawing regular guests from as far as Minnetrista and Medina.

Small, Complimentary part of a major remodel

Target prides itself on offering a convenient, one-stop shopping experience for our guests by providing an extensive mix of products that meet their needs. At about 2,000 square feet in size, the liquor store will be small compared to stand alone liquor stores and will have a heavily edited assortment that will be focused on key items. Our selection includes well-known national brands, local favorites and exclusive items like our award-winning and affordable Wine Cube. The addition of alcohol would complement our newly remodeled grocery and general merchandise assortment to further meet all the needs of our guests.

Regional Reach

Based on the data we have, we know that a majority of guests come from throughout the western suburbs to shop at our County Road 101 store. To better serve this broad guest base, we are investing in a multi-million dollar full store remodel aimed at meeting our guests’ needs, which includes a better grocery experience and the proposed liquor store. Target guests appreciate the ability to make one stop to get everything on their list, so we expect the Target liquor store to have the same regional pull as our existing retail store.

Target is a Responsible Seller of Alcohol

Target takes the responsibility that comes with selling alcohol very seriously. We have had zero violations at our County Road 101 store since we began selling 3.2 beer in 2002. Statewide, Target has not had any liquor violations since 2008. While this store is not currently participating in the Minnetonka Best Practices Program, our processes outlined below align with many of those best practices.

Team Member Training

Team members are required to complete a comprehensive internal alcohol training program and must pass a training examination with a score of 90% or greater. This required in-house training program focuses on preventing underage sales, verifying valid identification, handling intoxicated guests, and cashier liability for illegal sales. Unique state and local restrictions are included in the training.
Point of Sale Security

Target's POS (point of sale) system is programmed to assist cashiers when processing alcohol transactions. Only registers located in the separate liquor store will process alcohol sales. When an alcohol product is scanned, there are 3 verifications to ensure that selling requirements are followed: (1) if a cashier is below the legal selling age of 18, the system will not process the transaction; (2) the POS system will only allow the sale of alcohol if it is within local legal selling times; and (3) the system requires that the cashier either enter in a birthdate, or scan or swipe an appropriate identification (ID) to determine if the guest is old enough to purchase the alcohol product. Target policy is to request an ID from the purchaser regardless of age.

In summary, Target is very excited for our remodel plans for our Target store on County Road 101 in Minnetonka. We believe this reinvestment will support our ongoing efforts to deliver a convenient, one-stop shopping experience for our guests. The inclusion of a small, but complementary, assortment of beer, wine and spirits will create additional choice and convenience for our guests and your constituents. Target looks forward to your review and approval of our request. Upon review, please do not hesitate to contact me directly at 612-761-5959 or at jonathan.redberg@target.com if you have any questions or need additional information regarding our application.

Thank you for your consideration.

Jonathan Redberg
Business Analyst – Licensing
T1356 Minnetonka, MN\ Proposed Plan

Capacity Summary:
- 2835 Total SF
- 240 Total LF
- 300 SF Beer Cave
- 9 beer doors
Minnetonka exterior is not finalized, but will be similar to other locations.
Off Sale Liquor License Locations

Location

This map is for illustrative purposes only.
Policy Number 6.1
Standards and Criteria for the Issuance of Liquor Licenses

Purpose of Policy: This policy establishes standards and criteria that the city council will apply in its consideration of on and off-sale liquor licenses. Further, this policy describes city council expectations for establishments holding liquor licenses within the city.

Introduction
This policy applies to all establishments having on or off-sale liquor licenses in the city of Minnetonka.

Standards
It is expected that all establishments holding liquor licenses will be operated in accordance with the following standards:

- **Type of Establishment**
  The proposed liquor license should be considered in terms of the type of establishment being proposed and the propriety of having the establishment at the proposed location. On-sale liquor licenses will only be issued to establishments whose primary business is the sale of food. Consistent with this objective, city ordinance requires that at least 50% of the gross sales receipts of the establishment be from the sale of food.

- **Cooperation and Liaison with the City**
  Liquor license holders are encouraged to interact and work in cooperation with the city staff regarding any problems, concerns, or questions relating to the operation of their establishments. Liquor license holders are also encouraged to participate in any public health or safety programs that are offered by the city.

- **Material Alterations of Establishments**
  As required by ordinance, liquor license holders must report any internal changes to the establishment that materially enlarges, expands, reconfigures, or alters the site of the area connected with the consumption of liquor or the type of service offered by the establishment. Such changes must be reported to the community development director for review by the city council prior to beginning any alterations and before building permits can be issued.

  Material alterations include changes such as creation of a sit down bar or lounge area, expansion in size of the bar or lounge area, addition of a dance floor or entertainment area, or any other changes that alter the site or services offered in an establishment. This provision is not meant to include decorative or housekeeping improvements, or minor remodeling that does not affect the type of service offered by the establishment.

- **Conditioning Authority**
  The city council or staff may, upon the issuance or renewal of a liquor license,
impose reasonable conditions upon the license to promote the provisions of this policy.

Criteria
The city council will consider the following criteria prior to issuing liquor licenses:

• **Off-Sale Licenses**
  Off-sale establishments provide intoxicating liquor that will be consumed in environments that are not monitored. An increase in the number of those outlets increases the access to liquor, contributes to public safety concerns, and detracts from the desired image of the city. Accordingly, the city council determines that the 12 off-sale intoxicating liquor licenses existing as of March 22, 2010 are generally adequate to serve the city. However, the council reserves the right not to issue any license even if the number falls below 12. Despite this maximum number, the council will consider, but not necessarily approve, additional off sale intoxicating liquor licenses only if the council finds in its sole discretion that the business:
  a. offers a distinctive specialty service, or
  b. is a complementary part of a business that would add positively to the experience of living and working in the city; or
  c. is part of a village center that is not currently served.

• **Land-Use/Zoning**
  The proposed liquor license must be consistent with the Guide Plan and zoned appropriately. It is expected that liquor establishments will be located in existing and planned commercial areas of the city. The liquor license application will be considered in conjunction with the site plan review.

• **Traffic**
  The proposed liquor license will be considered in terms of traffic generated by the establishment and the effect of such traffic on the surrounding street system. It is expected that liquor establishments will be located in areas able to accommodate the additional traffic generated by the liquor operation. The cost of an additional traffic analysis that might be required because of unusual circumstances with the location of the establishment will be paid by the applicant. This cost is not considered a part of the investigation or license fee.

• **Parking**
  The proposed liquor license will be considered in terms of the amount of parking needed for the establishment. It is expected that adequate on-site parking will be provided to accommodate all customers and employees. To determine whether adequate parking exists, the council will use the zoning ordinance as a guideline, and may consider other factors such as: the nature of the establishment, the type of development in which it will occur, the amenities (dance floor, entertainment, etc.) which will be offered by the establishment, and any other matter which might affect the parking requirements.
• **Proximity to Schools, Churches, Youth Oriented Facilities, etc.**

The proposed liquor license should be considered in terms of proximity of the establishment to schools, churches, and youth related and other public facilities. It is expected that liquor establishments will be located in areas that minimize the impact on such facilities.

City staff will submit a written report examining each of these criteria to accompany an on or off-sale liquor license application at the time of consideration by the city council.

Adopted by Resolution No. 84-7533
Council Meeting of July 23, 1984

Amended by Resolution No. 2003-077
Council Meeting of August 25, 2003

Amended by Resolution No. 2010-030
Council Meeting of March 22, 2010

Amended by Resolution No. 2015-055
Council Meeting of July 13, 2015
City Council Agenda Item #14A
Meeting of July 27, 2015

Brief Description: Ordinance amending liquor regulations

Recommended Action: Adopt the ordinance

Background

City staff has prepared an ordinance amending several sections of the city code related to liquor licenses. The recommended changes are prompted by changes to state liquor laws and administrative improvements identified by staff. The council introduced the ordinance at its meeting on July 13, 2015.

Changes to Liquor Laws

Several changes to the ordinance are prompted by legislative amendments made in 2015 and prior years:

- Nonsubstantive, numbering changes related to brew pubs, small brewers and taprooms. (2015 legislation)
- Authorization of new licenses for (1) Sunday off-sale of growlers by brew pubs and small brewers; (2) off-sale of liquor by microdistilleries; (3) temporary on-sale of liquor by microdistilleries and establishing fees for those licenses. (2015 legislation)
- Establishing hours for Sunday off-sale of growlers, at 10 a.m. to 8 p.m.
- Authorizing temporary on-sale licenses to small brewers. (2005 legislation)
- Removing the requirement that a licensee who holds both an on-sale wine license and an on-sale 3.2 malt liquor license must have food sales equal to 60% of gross receipts, if the licensee wants to sell intoxicating malt liquor on-sale without obtaining an additional license. (2014 legislation) (The licensee remains subject to the city’s license requirement to maintain 50 percent of gross receipts from sale of food.)
- Amending the allowed bases for suspending or revoking a liquor license (2014 legislation).

Administrative Improvements

City staff has proposed the following changes to improve the application process:

- Clarifying when individuals with an ownership interest must provide personal information for a criminal background investigation.
- Updating terminology to include common forms of business entities, such as limited liability companies.
• Revising the residency requirement from the seven-county metropolitan area to a specified distance of 75 miles within Minnetonka city hall. This change includes St. Cloud within the allowed residency area.
• Adding application requirements from other cities’ ordinances, specifically, adding a requirement to submit a business plan that describes hours of operation, server training, security, noise, and other business operation issues that address potential impacts of the business on neighbors and licensing and law enforcement resources.

Fees

Fees are established for the new licenses authorized by the ordinance. The fees are set at the maximum allowed by state law.

Recommendation

Adopt the ordinance.

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

Originated by:
   Corrine Heine, City Attorney
Ordinance No. 2015-

An Ordinance related to liquor licensing; revising application procedures; authorizing the issuance of licenses for on-sale brew pub, on-sale microdistillery cocktail room and off-sale microdistillery; authorizing Sunday off-sales of growlers; amending sections 600.010, 600.020, 600.035, 600.040, 600.070, 600.080 and 710.005 of the Minnetonka City Code

The City of Minnetonka Ordains:

Section 1. Section 600.010, subdivision 5 of the Minnetonka City Code, related to definitions for liquor license regulation, is amended to read as follows:

5. “Person” means any individual, partnership, association, corporation, limited liability company, or club or other organization.

Section 2. Section 600.020, subdivision 3 of the Minnetonka City Code, related to persons eligible for liquor licenses, is amended to read as follows:

3. No license may be issued if, in the case of an individual, the licensee representative of the applicant, as specified in this subdivision, does not satisfy the residency requirements of this subdivision. The specified representative must be a natural person and must be, in the case of an individual applicant, the individual; in the case of a partnership applicant, the managing partner; and in the case of a corporate or other applicant a resident of the twin cities; in the case of a partnership, the managing partner is not a resident of the twin cities; or in the case of a corporation, the manager or assistant manager with the authority to receive legal process, is not a resident of the twin cities. The specified representative must reside within 75 miles of city hall. The required residency must be established by the time the license is issued and must be maintained throughout the existence of the license and all renewals. The time for establishing residency for good cause, may, for good cause, be extended by the council. For the purposes of this paragraph, the twin cities means the seven-county metropolitan area defined by Minn. Stat. § 473.121, subd. 2.

Section 3. Section 600.035 of the Minnetonka City Code, related to intoxicating liquor licenses, is amended to read as follows:

600.035. Intoxicating Liquor Licenses.
The city council may grant the following types of intoxicating liquor licenses.

1. “On-sale intoxicating” licenses may be issued only to hotels, clubs, and restaurants. A license may be issued to clubs and congressionally chartered veterans organizations if they have been in existence for at least three years and liquor sales will only be to members and bona fide guests. A restaurant that holds an on-sale intoxicating liquor license may also operate under a caterer’s permit issued by the Minnesota commissioner of public safety, if the operation is in accordance with state law.

2. “On-sale wine” licenses may be issued to restaurants for the sale of wine not exceeding 14 percent alcohol by volume and for consumption on the licensed premises only in conjunction with the sale of food. An on-sale wine license may only be issued to a restaurant that has seating for at least 25 guests at one time.

3. "On-sale brewer taproom" licenses may be issued only to the holder of a brewer's license issued by the state under Minn. Stat. § 340A.301, subd. 6, clause (e), (i) or (j). The license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer, subject to the requirements of this section and Minn. Stat. § 340A.301, subd. 6b. All provisions of this section that apply to an on-sale intoxicating liquor license apply to an on-sale brewer taproom license unless the provision is explicitly inconsistent with Minn. Stat. § 340A.301, subd. 6b. and in accordance with Minn. Stat. § 340A.26.

4. “On-sale brew pub” licenses may be issued only to a brew pub in accordance with Minn. Stat. § 340A.24.

5. "On-sale microdistillery cocktail room" licenses may be issued only to the holder of a microdistillery license issued by the state of Minnesota and in accordance with Minn. Stat. § 340A.22.

6. "On-sale culinary class" license may be issued to a business establishment that is not otherwise eligible for an on-sale intoxicating liquor license and that, as part of its business, conducts culinary or cooking classes for which payment is made by each participant or advance reservation required. The license authorizes the licensee to furnish to each participant in each class, at no additional cost to the participant, up to a maximum of six ounces of wine or 12 ounces of intoxicating malt liquor, during and as part of the class, for consumption on the licensed premises only. All provisions of city code section 600 that apply to on-sale
intoxicating liquor licenses apply to licenses issued under this section, except section 600.055 and other provisions inconsistent with this section.

75. “Off-sale intoxicating” licenses may be issued only to exclusive liquor stores and will permit “off-sales” of intoxicating liquor and 3.2 percent malt liquor. As an incident to these sales, ice, soft drinks and all forms of tobacco may also be sold.

86. "Off-sale brew pub malt liquor" licenses may be issued only to the holder of an on-sale brew pub license, in accordance with Minn. Stat. § 340A.24, a brewer who holds a state license issued under Minn. Stat. § 340A.301, subd. 6, clause (d) and a city-issued on-sale intoxicating liquor license for a restaurant operated in the place of manufacture. The off-sale brew pub malt liquor license authorizes the off-sale of malt liquor produced and packaged on the premises. The license is subject to the requirements of this section and Minn. Stat. § 340A.301, subd. 7(b).

97. "Off-sale small brewer malt liquor" licenses may be issued only to a brewer who holds a brewer license issued by the Minnesota commissioner of public safety, in accordance with Minn. Stat. § 340A.2840A.301, subd. 6, clause (e), (i) or (j). The license authorizes the brewer to sell, at off-sale, malt liquor that has been produced and packaged by the brewer at its licensed premises in 64-ounce containers commonly known as "growlers" or in 750 milliliter bottles. The license is subject to the requirements of this section and Minn. Stat. § 340A.301, subd. 6d.

10. “Off-sale microdistillery” licenses may be issued only to a microdistillery in accordance with Minn. Stat. § 340A.22. The license authorizes the microdistillery to sell, at off-sale, one 375 milliliter bottle per customer per day of product manufactured on-site, subject to the requirements of § 340A.22.

118. A license for “Sunday sales” at on-sale may be issued only to a hotel or restaurant to which an “on-sale” license has been issued. A license for Sunday sales at off-sale may be issued only to a brewer that holds an off-sale brew pub malt liquor license or an off-sale small brewer malt liquor license, and Sunday off-sales may only be made between the hours of 10:00 a.m. and 10 p.m. No Sunday sales license is needed for “on-sale wine” licensees. Except in the case of “on-sale wine” licensees, no Sunday sales of intoxicating liquor may be made without a license for Sunday sales.

The stricken language is deleted; the underlined language is inserted.
129. A “consumption and display permit” may be issued to an organization that complies with the requirements of Minn. Stat. § 340A.414 and that has obtained a permit from the commissioner of public safety. No business establishment or club that does not hold an on-sale intoxicating liquor license may directly or indirectly allow the consumption and display of alcoholic beverages or knowingly serve any liquid for the purpose of mixing with intoxicating liquor in the city without first obtaining a permit from the city.

1340. “Temporary on-sale licenses” may be issued only to (a) a club or charitable religious, or other nonprofit organization that has been in existence for at least three years or (b) a brewer who manufactures fewer than 3,500 barrels of malt liquor in a year, in connection with a social event sponsored by the organization holding the temporary license. The licenses are subject to the same conditions listed in 600.030(35) except that the time period may not exceed four consecutive days. The insurance requirements of Minnesota Statutes section 340A.409, subdivisions 1 through 3a, apply to a temporary license issued to a brewer under this subdivision. The number of temporary licenses issued may not exceed the number of temporary licenses established by state law.

1444. “Temporary consumption and display permits” may be issued for one day to nonprofit organizations in conjunction with social events sponsored by the organization in the city. No more than ten temporary permits may be issued in one year. The permits are subject to the same conditions listed in 600.030(35).

1542. “Temporary off-sale wine licenses” may be issued to allow for the off-sale of vintage wine at an auction. The wine must be at least five years old and of a brand and vintage that is not commonly being offered for sale by any wholesaler in Minnesota. No more than 600 cases of wine may be sold at any auction, and each license may not exceed three consecutive days.

1643. Exemption. A person who holds an on-sale wine license and an on-sale 3.2 percent malt liquor license, and whose gross receipts are at least 60 percent attributable to the sale of food, may sell intoxicating malt liquors at on-sale without an additional on-sale license.

Section 4. Section 600.040 of the Minnetonka City Code, relating to liquor license applications, is amended to read as follows:

600.040 License Application.
Every person desiring a liquor license or permit under this ordinance must file with
the director of community development a verified written application in the form prescribed and approved by the commissioner of public safety of the state of Minnesota. In addition to the information required on the prescribed application form and information required by any other officer or office of the state of Minnesota, the application made to the city must include the items listed below. A person must not make a false statement or material omission in a license application. Any false statement or material omission is grounds for denying or revoking a license.

1. If the applicant is a natural person:
   a. the true name, place and date of birth, street residence address, and phone number of the applicant;
   b. the name of the business if it is to be conducted under a designation, name, or style other than the name of the applicant and a certified copy of the certificate of assumed name required by state law;
   c. whether the applicant is the owner and operator of the business and if not, who is;
   d. whether the applicant has ever used or been known by a name other than his/her true name, and if so, what was the name, or names, and information concerning dates and places where used;
   e. whether the applicant is married or single. If married, giving all the information about said spouse as is required about the applicant by subdivisions 1 and 6 through 10 of this section, the true name, place and date of birth and street address of applicant's spouse;
   f. street address at which applicant has and spouse have lived during the preceding ten years;
   g. kind, name and location of every business or occupation applicant or spouse has been engaged in during the preceding ten years;
   h. names and addresses of applicant's and spouse's employers and partners, if any, for the preceding ten years.
   i. whether the applicant or spouse has ever been convicted of a violation of any state law or local ordinance, other than a non-alcohol related traffic offense. If so, the applicant must furnish information as to the time, place and offense for each conviction;
   j. whether the applicant or spouse has ever been engaged as an employee or in operating a saloon, hotel, restaurant, café, tavern or other business of a similar nature. If so, applicant must furnish information as to the time, place and length of time;
   k. whether the applicant has ever been in military service. If so, the applicant must, upon request, exhibit all discharges;

12. whether the applicant is a natural person, corporation, partnership, limited
liability company, unincorporated association or other business entity;
213. If the applicant is other than a partnership natural person,
— a. the names and address of all partners and all information concerning each
partner as is required of an individual applicant as above;
— b. the name(s) of the managing partner or partners and the interest of each
partner, or partners in the business owners, stockholders or partners thereof,
giving all the information about said owners, stockholders or partners as is required
about the applicant by subdivisions 1 through 15 of this section. This subdivision
13 does not apply to a corporation whose stock is publicly traded on a stock
exchange. The requirement to provide additional information on owners does not
apply to persons who, together with spouses, parents, siblings, children, affiliated
trusts or parent or subsidiary business organizations, own less than a 10 percent
interest in the entity for which the information is required to be provided;
14. If the applicant is other than a natural person, the name(s) of its officers, giving
all the information about said officers as is required about the applicant by
subdivisions 1 through 11 of this section and a certified copy of the minutes of the
meeting setting forth the officers;
15. If the applicant is other than a natural person, the state in which the applicant
was organized and a true copy of organizational documents applicable to the form
of organization, such as certificate of incorporation, articles of incorporation,
partnership agreement, articles of organization or
— c. a true copy of the partnership agreement and a copy of the certificate of
assumed name required by state law;
3. If the applicant is a corporation or other organization:
— a. name, and if incorporated, the state of incorporation,
— b. a true copy of the certificate of incorporation, articles of incorporation or
association agreements;
— c. the names of the manager or proprietor or other agent in charge of, or to
be in charge of the premises to be licensed, giving all information about that person
as is required in the case of an individual applicant; and
— d. a list of all persons who, single or together with their spouse or a parent,
brother, sister or child of either of them, own or control an interest in the corporation
or association in excess of five percent, together with their addresses and all
information as is required for an individual applicant.
4. For all applicants:
— A. the floor number and street number where the sale of alcoholic beverages
is to be conducted and the rooms where the beverages are to be sold or
consumed. An applicant for an “on-sale” license must submit a floor plan of the
dining room, or dining rooms, which will be open to the public, must show
dimensions and must indicate the number of persons intended to be served in each

The stricken language is deleted; the underlined language is inserted.
of the rooms. Whenever the application for an "on-sale" license is for premises either planned or under construction or undergoing substantial alteration, the application must be accompanied by a set of the preliminary plans showing the design of the proposed premises to be licensed. If the plans are on file with the department of community development, no further plans need to be filed;  

—B18. information regarding the financial status of the applicant, including the amount of the investment that the applicant has in the business, land, building, premises, fixtures, furniture, or stock in trade, and proof of the source of the money. The director may require the applicant must to submit a certification that the applicant is the real party in interest, is financially solvent, and has sufficient capital to responsibly operate the licensed establishment. The certification must be on the city's approved form and issued by an independent, licensed or certified professional such as a lawyer or accountant;  

—C19. a list of responsible natural persons, including the names of owners, managers and assistant managers, who may be notified or contacted by state or city employees in case of emergency. These listed persons must be residents of the twin cities metropolitan areas as defined by Minn. Stat. § 473.121, subd. 2; reside within 75 miles of Minnetonka city hall;  

—D20. for each manager and assistant manager with responsibility for service of liquor, the following information must be provided:  

(1a.) complete personal information requested on the city's form;  

(2b.) two sets of fingerprints and a driver's license or state-issued photographic identification card; and  

(3c.) such other information as the director may require.  

—E21. a business plan which shall include the following information:  

a. Hours of operation for the licensed premises, including a listing of hours and days of the week when live entertainment, dancing, or amplified music is allowed and/or provided;  

b. A copy of the menu and a listing of the hours each day of the week that food from the menu is available;  

c. Description of the alcohol server awareness program training that the applicant will provide to all staff;  

d. Description of the type of entertainment, if any, that the applicant intends to offer on the premises and where on the premises the entertainment activity will be provided;  

e. A security plan that describes the security features, including personnel and equipment, that the applicant will employ and how they will be utilized;  

f. Description of how the applicant will maintain the orderly appearance and operation of the premises with respect to litter, graffiti and refuse control; and
g. A sound and noise management plan that describes the purpose and location of sound equipment and the hours and days of the week that amplified music will be provided;

h. Such other reasonable and pertinent information as the city council may require. An applicant shall promptly notify the licensing official, in writing, of any amendment to the submitted business plan.

22. Other information which the director deems appropriate.

Section 5. Section 600.060, subdivision 2.c, related to application procedure, is amended to read as follows:

c. For temporary licenses, the public hearing will be held in accordance with section 600.030(35).

Section 6. Section 600.070, subdivision 16, relating to changes in managers, is amended to read as follows:

16. Change in Managers. For each new manager or assistant manager employed after the license is issued, a licensee must make the offer of employment contingent upon the city's approval. Each licensee must notify the director of community development within ten days after any new manager or assistant manager begins employment. This notification must include the information required in section 600.040(4)(d)(20). Failure to provide complete and timely information will subject the licensee to the penalties provided in this code and to potential denial of a renewed license. The director may cause an investigation of the new managers and may disapprove the employment of these personnel by notice to the licensee in writing. The licensee may appeal this decision to the city council by placing a request in writing to the city clerk within ten days after the issuance of the notice. A failure to request an appeal waives the licensee's ability to contest the director's decision. After the appeal period has expired without an appeal, or the city council has upheld the director's decision upon an appeal, no manager who has been disapproved may operate in that capacity upon the licensed premises.

Section 7. Section 600.070, subdivision 17, clause b of the Minnetonka City Code, relating to restrictions on transfers of licenses, is amended to read as follows:

b. Corporations and other organizations. Transfer of 25 percent or more of the ownership interest in stock of a corporation or other organization or of a controlling interest thereof, whichever is less, is deemed a transfer of the license of a business.
organization corporate licensee, except for a corporation whose stock is publicly traded on a stock exchange or which is wholly owned by a corporation whose stock is publicly traded on a stock exchange. If a complete application for a new license is submitted to the city within 20 days after the transfer of corporate ownership takes place, a corporate licensee may continue to operate under the current license, but only while the new license application is pending. Each day a licensee operates under the license after a transfer has taken place without complying with this is a separate violation.

Section 8. Section 600.080 of the Minnetonka City Code is amended to read as follows:

600.080. Suspensions and Revocations. The council may either suspend for up to 60 days or revoke any liquor license or impose a civil fine not to exceed $2,000.00 for each violation, or any combination of these sanctions, upon a finding that the licensee or an agent or employee of the licensee has failed to comply with any applicable statute, regulation or ordinance relating to alcoholic beverages or the operation of the licensed establishment, or failed to comply with a lawful license condition imposed by the city or agreed to by the licensee. No suspension or revocation will take effect until the licensee has been afforded an opportunity for a hearing pursuant to Minn. Stat. §§ 14.57 to 14.70.

Section 9. Section 710.005, subdivision 17 of the Minnetonka City Code, related to fees for liquor licenses, is amended to read as follows:

17. liquor licenses 600
    intoxicating liquor
    club, on-sale
    under 200 members $300.00
    between 201 and 500 members $500.00
    between 501 and 1000 members $650.00
    between 1001 and 2000 members $800.00
    between 2001 and 4000 members $1,000.00
    between 4001 and 6000 members $2,000.00
    over 6000 members $3,000.00
    consumption & display $550.00
    culinary class $100.00
    off-sale $380.00
    off-sale microdistillery $380.00
    off-sale small brewer or brew pub $380.00
Section 16. A violation of this ordinance is subject to the penalties and provisions of Chapter XIII of the city code.

Section 17. This ordinance is effective 30 days after publication.

Adopted by the city council of the City of Minnetonka, Minnesota, on __________, 20__.

Terry Schneider, Mayor

Attest:

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

Date of introduction: July 13, 2015
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 true and correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota, at a meeting held on *

David E. Maeda, City Clerk
City Council Agenda Item #14B
Meeting of July 27, 2015

Brief Description

Concept plan review for Williston Woods West at 5431 and 5439 Williston Road

Action Requested

Discuss concept plan with the applicant. No formal action required.

Proposal

Lakewest Development has submitted concept plans for redevelopment of the properties at 5431 and 5439 Williston Road. The properties were previously part of the Kraemer’s redevelopment project that went through concept plan review earlier this year. Lakewest Development is no longer pursuing a multi-family residential apartment project on the larger development site.

Lakewest’s current plan is to purchase the former Kraemer’s hardware site, remodel the existing building, and reuse the building for another commercial tenant. The two residential properties to the north are proposed to be developed into six, detached, villa homes. The home sites would be served by a private street from Williston Road. The proposal would be consistent with the properties’ existing low density residential land use designation. If the project were to move forward, it would require a rezoning and subdivision applications. (See pages A1-A7.)

Review Process

Staff has outlined the following review process for the proposal. At this time, a formal application has not been submitted.

- **Neighborhood Meeting.** The developer held a neighborhood meeting on July 9th. There were 10 people that attended the neighborhood meeting, and the discussion items included:
  - Driveway access location and traffic safety on Williston Road
  - Off-street parking accommodations for residents and guests
  - Type of housing, size, and prices for the villa homes
  - Grading and tree impacts

- **Planning Commission Concept Plan Review.** The planning commission reviewed the concept plans at its meeting on July 9th. (See minutes on pages A8-A10.) The planning commission had the following questions and comments:
  - Why is the development proposed as a PUD rather than an R-1A zoning?
    Staff responded that the proposed lot sizes are less than the minimum lot
size in the new R-1A zoning district. Therefore, a PUD would be the appropriate zoning district if the development were to move forward.
  - Tree preservation and buffering are important considerations of any development of the site.
  - The planning commission asked the applicant about proposed house size, footprint, and prices.
  - The planning commission was concerned about the amount of off-street parking.
  - The PUD district requires that the development provide a public benefit. The planning commission thought that diversity of housing type and natural resources preservation were potential public benefits of the development, but the applicant will need to clearly outline the public benefit as part of a formal application.

- **City Council Concept Plan Review.** The city council Concept Plan Review is intended as a follow-up to the planning commission meeting and would follow the same format as the planning commission Concept Plan Review. No staff recommendations are provided, the public is invited to offer comments, and council members are afforded the opportunity to ask questions and provide feedback without any formal motions or votes.

**Staff Recommendation**

Staff recommends the city council provide comment and feedback to assist the applicant with future direction that may lead to the preparation of more detailed development plans.

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

Originator:  
Jeff Thomson, 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.

City Roles and Responsibilities

- **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.

- **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 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: Williston Woods West
Applicant: Lakewest Development
Address: 5431 & 5439 Williston Rd.
Williston Woods West

Minnetonka, MN

APPLICATION FOR
CONCEPT PLAN REVIEW

June 26, 2015
INTRODUCTION
Lakewest Development is pleased to submit this application for concept plan review to create 6 villa homes at 5431 and 5439 Williston Road (PID # 3311722110012 and 3311722110013). We anticipate that these high-end owner occupied villas will be a great addition to the neighborhood.

CONCEPT PLAN REVIEW
Lakewest Development is requesting feedback from the City to create 6 detached villa homes served by a private drive. The subject property is currently zoned R-1, and is guided Low Density Residential in the Comprehensive Plan. Lakewest has been working with City planning staff to create a plan for a development that provides lower density residential than the formerly proposed multi-family residential project on the site.

These parcels are no longer a part of the multi-family development that was proposed on the Kraemers Hardware store site. The plans do show an outlot adjacent to the Kraemers site. If future redevelopment of the Kraemers site occurs, the outlot will be incorporated into that plan. Placement of the outlot reduces irregularity of the lot lines, providing a more traditional parcel.

The proposed development is being proposed with an intent to provide a transition between single-family residential to the north and the more intensive commercial uses to the south. The lots were designed to primarily comply with the R-3 (Medium Density Residential) zoning district. However, Lakewest is requesting PUD flexibility for side, front, and rear setbacks and units being served by a private drive.

Section 300.22 of Minnetonka’s City code says that PUD flexibility may be granted if it would result in one of the following public benefits:

a) Greater preservation of existing natural resources, in number or quality, than would otherwise be provided under non-PUD development;
b) Provision of affordable housing;
c) Provision of a housing type or target housing price that is desirable to the city;
d) A mix of land use types;
e) Development that is compatible with existing, surrounding development type and intensity that is no longer allowed in other existing zoning districts; or
f) Greater energy conservation through building and site design than would otherwise be achieved under non-PUD development;
g) Other public benefits as recognized by the city.

The proposed development would provide several public benefits identified in the Code. The design of the site minimizes tree loss on site by providing a smaller building footprint and minimizing non-pervious surfaces through the use of a private drive. Reducing the setbacks allows for additional trees to be saved.

The development provides high-quality housing that would be desirable to many types of residents -- from young to old. The villa style home helps keep densities low while providing a transition from single family residential to the high-intensity commercial uses along Excelsior. The proximity of the homes to the commercial amenities on Excelsior provides more opportunities for future residents to walk to nearby shops.

Lakewest is excited to provide a high-quality housing development in the City of Minnetonka. We welcome feedback on the concept plan from Planning Commission on July 9, 2015 and City Council on July 27, 2015.

CONTACT INFORMATION
This document was prepared by:
Mary Matze, Planner
Landform
105 South Fifth Street, Suite 513
Minneapolis, MN 55401

Any additional questions regarding this application can be directed to Reid Schulz at rschulz@landform.net or 612.638.0245.
9. **Other Business**

**A. Concept plan review for Williston Woods West at 5431 and 5439 Williston Road.**

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

Thomson reported. He recommended that the planning commission provide comments and feedback to assist the applicant with future direction that may lead to the preparation of more detailed development plans.

Reid Schulz, of Landform Professional Services, on behalf of Lakewest Development, the applicant, stated that:

- John Fletcher of Lakewest Development was also present to answer questions.
- The area was previously part of Kraemer’s Hardware Store.
- The proposal is for a PUD of six villa-type, detached townhomes.
- The PUD would allow flexibility with the lot widths in order to save the trees around the perimeter of the site.
- There would be a private drive with two locations off of Williston Road.
- The proposal would try to keep lot square footages above 10,000.
- There would be no land use reclassification. The density requirements would be met.
- A lot of high-priority trees would be preserved on the back half of the property and buffer the parking lot.
- He met with neighbors and will incorporate the concerns provided.
- He appreciated staff’s time and for working with him.
- Generally speaking, the neighbors seemed pretty receptive to the proposal. The proposal would provide a transition from commercial uses to single-family transitional houses.
- He and Mr. Fletcher were available for questions.

Chair Kirk asked why a PUD would be better than R-1A zoning. Thomson explained that the proposed lots would be smaller than the R-1A standard of 15,000 square feet.

Odland asked if grading could impact the trees’ roots. Mr. Schulz said that a specialist performed a tree inventory and the grade differential was considered. By pushing clustered units closer to the road, it would locate the houses on level
ground and minimize the amount of grading. He was concerned with preserving the trees. Stormwater management would still need to be considered. The trees are as important to the development as they are to the neighbors and the city.

Chair Kirk asked if there are additional high-priority trees. Mr. Schulz answered affirmatively. There are an additional 35 high-priority trees. The cluster constitutes a large majority of the high-priority trees on the site.

Magney asked for the size of the proposed houses. Mr. Schulz said that has not been determined yet. He estimated that each house would have a 2,000-square-foot footprint depending on the style. He will be looking for feedback from commissioners and the city council. Those details would be refined when a builder is secured and elevations identified.

Magney confirmed with Mr. Schulz that there is an existing retaining wall. The proposal would probably have some type of retaining wall to protect the trees.

Odland asked for a sketch of the proposal in relation to the current structures. An illustration was provided. Odland said it helped to see the open area. She suggested saving as much of the buffer as possible.

Chair Kirk noted that additional parking could be accommodated on the west side of the curved drive and each of the driveways would be deep enough to fit a couple vehicles. It appears that there would be enough room for snow removal and garbage cans partially due to the shared driveways. Mr. Schulz said that staff pointed out concerns with private drives. There would be off-street parking for six vehicles. Most of the driveways would be able to accommodate four vehicles and the garages would be able to hold two vehicles. There are areas that could be expanded to provide additional parking, but it is a balance of parking space and tree preservation.

Chair Kirk confirmed with Mr. Schulz that there would be an access agreement on lots six and one.

Chair Kirk invited the audience to provide comments. No one chose to speak.

Magney liked what he saw. He was a little concerned with parking, but he liked it better than the large, multi-housing plan previously proposed.

Odland stated that the proposal would be a better fit in the neighborhood and would preserve the tree line. She agreed that the parking could be better, but it is the best plan presented so far.
Chair Kirk thought that the proposal had one unit too many for the area. He imagined that each house would be fairly large compared to the lot size. The proposal does a great job of combining lots one and two and lots three and four by orienting the driveways together. There would be enough room for snow storage, but it seems very tight. The homes would be very close together. That is not, necessarily, in keeping with the neighborhood. He has seen developments with houses this close before and it does end up seeming crowded, but he understood what is trying to be done. The proposal is much more empathetic to the neighborhood than extending a larger building into the space and is a better fit. Williston Road is a collector street. The use on the east side is business retail. The proposal is a good fit for these particular parcels. He agreed that the design is pretty solid.

Thomson explained that the ordinance relates the use of a PUD to the public benefit it would provide. Natural resource preservation is a public benefit. He asked if commissioners felt there would be enough public benefit to justify the use of a PUD. Chair Kirk noted that the application includes a list of reasons to allow a PUD. He struggled a little with mixed-use housing types and the amount the units would probably cost. Mr. Fletcher stated that a builder has not yet been selected. He anticipated the houses would be priced in the $600,000 to $850,000 range. Ideally, there would be 1 builder for all 6 lots. There would be 2 to 3 housing types.

Chair Kirk noted that diversified housing stock is a priority. Minnetonka is lacking newly constructed single-family houses. These units would not meet affordability requirements. Mr. Fletcher stated that he would classify the houses as step up or step down housing.

Chair Kirk felt that conserving the trees and the buffer would be a worth-while cause. The developer may benefit more from the buffer than anyone to provide buyers a better view.

Chair Kirk noted that the concept plan would be reviewed by the city council July 27, 2015.
City Council Agenda Item #14C
Meeting of July 27, 2015

Brief Description       Sign plan amendment for Ridgedale Center

Recommendation        Adopt the resolution approving the staff-drafted amendment

Proposal

Kona Grill and Redstone American Grill have submitted applications to open restaurants in Ridgedale Center. As part of each of the applications, the applicants are requesting exterior signage that does not comply with the requirements of the sign plan for Ridgedale Center. Both the Kona Grill and Redstone American Grill applications require an amendment to the existing sign plan for Ridgedale Center which would (1) allow for taller wall signs for each of the restaurant tenants, (2) allow a second sign for Kona Grill, and (3) allow signs which are located outside of the tenants’ leasing area.

Planning Commission Hearing

The planning commission considered the request on July 20, 2015. The staff report from that meeting is attached and various plans and documents describing the proposed project may be found on pages A1-A6. At that meeting, a public hearing was opened to take comment. No one appeared at the public hearing.

Following the public hearing, the commission asked questions and discussed the proposal. The planning commission thought that increasing the size of the restaurants’ wall signs was reasonable, given the size of the mall, distance from the roadways, and size of the department stores signs. The planning commission concurred with the applicants’ plans and staff’s recommendation to increase the maximum sign height to 42 inches for restaurants.

The planning commission also agreed with the staff recommendation to not allow a second wall sign for Kona Grill. They thought that the existing sign plan allowed for adequate signage for the restaurant, and were concerned about all of the restaurants adding additional signs.

The planning commission also discussed the applicants’ request to place the restaurant wall signs above the tenant space, and on the mall façade. City staff does not recommend approval of this requested change. In general, the planning commission supported placing the signs in the location proposed by both Kona Grill and Redstone. However, the planning commission was concerned about making the sign plan standard too lenient that it would either allow restaurant tenants to place their sign as high up on the mall façade as possible, or encourage restaurant tenants to design much larger and taller building elevations for the sole purpose of placing a sign higher up on the tenant space.
The planning commission discussed several options for the sign location issue, including (1) maintaining the existing sign plan which requires the sign to be located with the tenants’ leasing space, (2) amending the sign plan to allow the sign to be placed on the mall façade as long as the top of the sign does not extend beyond the top of the tenants’ exterior façade, or (3) amending the sign plan to allow the sign to be placed on the mall façade only upon review and approval of the planning commission, and city council if applicable. Ultimately, the planning commission thought that the third option would provide flexibility while allowing the planning commission and city council to review the unique circumstances of the individual restaurants.

Planning Commission Recommendation

On a 6-0 vote, the commission recommended that the city council approve the sign plan amendment to (1) increase the maximum height of the restaurant tenants' wall signs, (2) deny the amendment to allow a second sign on a single building elevation, and (3) approve the sign plan amendment to allow restaurant tenants to locate wall sign outside of the their leased area, only upon review and approval by the planning commission and city council. Meeting minutes may be found on pages A11-A16.

Since Planning Commission Hearing

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

Staff Recommendation

Staff continues to recommend the city council adopt the resolution on pages A7-A10 which approves the sign plan amendment to increase the maximum height of the restaurant tenants’ signs, but denies the amendments to permit a second sign, and to locate signs outside of the tenant’s leased space.

If the city council concurs with the planning commission recommendation, the following would be added to the resolution:

3. Restaurants that have frontage on the mall exterior are allowed exterior signs according to the following standards:

   a) Maximum of one wall sign per exterior elevation.

   b) The total height of the sign must not exceed 42 inches.

   c) The sign must be located within the tenant's leased space, unless an alternative location is approved by the planning commission or city council, based on the unique characteristics of the tenant space or building design.
Through:   Geralyn Barone, City Manager
          Julie Wischnack, AICP, Community Development Director

Originator:   Jeff Thomson, Planner
MINNETONKA PLANNING COMMISSION  
July 20, 2015

**Brief Description**  
Sign plan amendment for Ridgedale Center

**Recommendation**  
Recommend the city council approve the staff-drafted amendment

---

**Proposal**

Kona Grill and Redstone American Grill have submitted applications to open restaurants in Ridgedale Center. As part of each of the applications, the applicants are requesting exterior signage that does not comply with the requirements of the sign plan for Ridgedale Center. The planning commission reviewed the conditional use permit and sign plan amendment for Kona Grill at its last meeting on June 25th. At the meeting, the planning commission recommended approval of the CUP. However, the planning commission tabled action on the sign plan amendment. The planning commission wanted to review the sign proposals for both of the restaurants together. Redstone American Grill has now submitted their proposed signs. Both the Kona Grill and Redstone American Grill applications require an amendment to the existing sign plan for Ridgedale Center. (See pages A1-A6.)

**Existing Sign Plan**

The original sign plan for Ridgedale Center was approved by the planning commission in June 1986. In March 2015, the planning commission approved a new sign plan for the mall. The new sign plan rescinded the previous requirements, and adopted new standards for exterior signs based on the new exterior signs related to the expansion and remodeling of the mall.

The existing sign plan allows for exterior signs to identify the mall and three types of tenants: anchor department stores, restaurants located adjacent to an exterior entrance, and freestanding tenants. Tenants that are interior to the mall are not allowed exterior signs. The current sign plan allows restaurants with exterior frontage to have one exterior wall sign per building elevation with a maximum height of 30 inches.

**Proposed Signs**

Kona Grill is proposing to have two exterior signs. The first would be a wall-mounted sign that would be 42 inches in height. The proposed sign has been reduced in size from the previous proposal that the planning commission reviewed. The size has been reduced to be consistent with the size of the proposed Redstone wall sign. The second sign would be located at the base of the tower, and would include “Kona Grill” in a vertical alignment. (See pages A3-A4.)
Redstone is proposing one exterior wall sign. The proposed sign would consist of the Redstone American Grill in a stacked configuration. The sign would have a total height of 42 inches. Redstone was originally proposing a taller sign, but they reduced the size of the sign based on feedback from city staff. (See page A5–A6.)

The Kona Grill and Redstone signs would both be mounted above each of the restaurant’s tenant space, and on the exterior of the mall rather than to the restaurant façade. The applicants have revised the signs from the previous proposals. The signs would be located lower on the mall than the previous proposal. The signs would be placed at the same height on the building elevation, and the top of the signs would align with the tower features of each of the restaurant’s exterior. (See page A3.)

**Staff Analysis**

Staff recognizes that Ridgedale Center is a unique destination in the community and has a need to provide varying signs beyond what the standard sign ordinance would allow. These unique visibility needs are recognized in the existing sign plan that was reviewed and approved by the planning commission earlier this year. Under the existing sign plan, the anchor department stores and restaurants with exterior frontage are the only tenants that are allowed signs on the exterior of the mall. Staff continues to find that allowing exterior signs for Kona Grill and Redstone is reasonable, and staff supports an increased size of the signs from 30 inches to 42 inches.

However, staff is concerned about the location of the proposed signs. It is standard practice throughout the community, and also at Ridgedale Center, that exterior signs for a tenant must be located within the leased space of that tenant. The reason for this requirement is based on the purpose of the sign ordinance – to allow signs which provide tenant identification and wayfinding. Signs that are located within the tenant space and are integrated into the design of the tenant space provide more instinctive identification. The proposed signs are not integrated into the tenant’s exterior façade, and would be unnecessarily high on the building.

In addition, staff does not support the second wall sign for Kona Grill. The current sign plan does not allow any tenant to have more than one wall sign on a building elevation. Tenants that have more than one elevation are allowed one sign on each elevation. Restaurant tenants that have only one exterior building elevation are, therefore, only allowed one sign. Staff does not support the expansion of the sign plan to allow tenants more than one sign per elevation.

As such, staff is recommending that the sign plan for Ridgedale Center be amended to increase the maximum height for restaurant signs from 30 inches to 42 inches. The staff recommended changes would not allow the Kona Grill and Redstone signs in the proposed location. Rather, they would need to be placed within the restaurant’s exterior building façade.
Staff Recommendation

Recommend that the city council adopt the resolution on pages A7-A10 which approves a staff-drafted amendment to the sign plan for Ridgedale Center at 12401 Wayzata Boulevard.

Originator: Jeff Thomson, Planner
Through: Susan Thomas, AICP, Principal Planner
### Supporting Information

<table>
<thead>
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<th><strong>Project No.</strong></th>
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<tr>
<td><strong>Property</strong></td>
<td>Ridgedale Center, 12401 Wayzata Blvd.</td>
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<tr>
<td><strong>Applicant</strong></td>
<td>Wilkus Architects</td>
</tr>
<tr>
<td><strong>Property Owner</strong></td>
<td>Ridgedale Anchor Acquisition, LLC</td>
</tr>
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**Approving Body**

Typically the planning commission makes a final decision on sign plan requests. However, in the case of a sign plan review that is part of an application that is reviewed by the city council, the planning commission makes a recommendation and the city council makes the final decision. Since Kona Grill and Redstone American Grill have both applied for conditional use permits, the planning commission makes a recommendation to the city council, which has final authority to approve or deny the request.

<table>
<thead>
<tr>
<th><strong>Surrounding Land Uses</strong></th>
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<tbody>
<tr>
<td>Northerly: I-394</td>
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<tr>
<td>Easterly: Crane Lake, zoned PID/Planned I-394 District and guided for open space</td>
<td></td>
</tr>
<tr>
<td>Southerly: Mix of institutional, office, residential and hospitality uses, zoned PID and guided for mixed use</td>
<td></td>
</tr>
<tr>
<td>Westerly: Mix of bank, retail, restaurant and commercial uses, zoned PID and guided for mixed use</td>
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</tr>
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</table>

**Planning**

Guide Plan designation: Mixed Use
Zoning: PID/Planned I-394 District

**Sign Plan Review Standards**

City Code Section 300.30 Subd. 9(h) states that the city may approve a sign plan with differing requirements. Factors which will be used in determining if an individual sign plan will be considered include the following:

1) The development includes a high rise (greater than 3 story) structure;

2) The development includes multiple structures and/or substantial site area;
3) The development includes mixed uses;

4) A sign plan is uniquely adapted to address the visibility needs of a development while remaining consistent with the intent of this section to direct high quality signage; and

5) The sign plan includes permanent sign covenants which can be enforced by the city.

**Motion Options**

The planning commission has three options:

1) Concur with staff’s recommendation. In this case a motion should be made to approve the staff-drafted sign plan amendment.

2) Disagree with staff’s recommendation. In this case a motion should be made either: (1) denying the staff drafted amendment; or (2) approving the applicants' preferred amendment. In either motion should include findings for associated with the action.

3) Table the request. In this case, a motion should be made to table the item. The motion should include a statement as to why the request is being tabled with direction to staff, the applicant or both.

**Neighborhood Comments**

The city sent notices to 234 area property owners and received no comments.

**Deadline for Decision**

August 11, 2015
Location Map

Project: Redstone
Applicant: Duane Perry
Address: 12401 Wayzata Blvd
(03046.15c)
This conceptual design is based upon a preliminary review of entitlement requirements and on unverified and possibly incomplete site and/or building information, and is intended merely to assist in exploring how the project might be developed.

KEY NOTES

1. ROOF OVERHANG
   OIL RUBBED BRONZE FINISH
2. WOOD PRINT ACM PANEL
3. HANGER STYLE DOOR
   OIL RUBBED BRONZE W/ TEMPERED GLAZING
4. LIMESTONE TILE
5. SOLID METAL PANEL
   BURNT SIENNA COPPER FINISH
6. BIFOLDING GLASS PARTITION
   OIL RUBBED BRONZE W/ TEMPERED GLAZING
7. SOLID AND PERFORATED METAL PANELS
   BRONZE FINISH
8. BACKLIT TRANSLUCENT FIBERGLASS PANEL
   (BEYOND)
9. 42" TALL ILLUMINATED CHANNEL
   PRIMARY SIGNAGE
10. RECESSED ILLUMINATED CHANNEL
    PEDESTRIAN SIGNAGE
SIGN PLAN REVIEW STATEMENT

DATE: 12 June 2015

TO: Jeffrey R. Thomson
CITY OF MINNETONKA
14600 Minnetonka Blvd.
Minnetonka, MN 55345

REFERENCE: REDSTONE AMERICAN GRILL, TENANT SPACE AT RIDGEDALE CENTER

FROM: Duane L. Perry AIA
WILKUS ARCHITECTS, P.A.
15 Ninth Avenue North
Hopkins, MN 55343
952-941-8660

Redstone will be a new 8,500sf tenant on the northeast side of Ridgedale Center next to the new Nordstrom store. Following the guidelines of the mall, Redstone will be creating a storefront between Nordstrom and the new entry to the mall. General Growth Properties, owner of the mall, has encouraged Redstone to let their brand be expressed on the exterior with an entry element, signage, outdoor patio and landscaping.

Redstone, at all their locations, use signage to inform people who they are. Their approach to signage is to be tasteful and to be seen. There will be small make lit medallions at each side of the entry and a larger medallion above the entry. The main sign on the exterior is positioned for balance and visibility. In the context of the overall mall façade, from Nordstrom to Macy’s, Redstone is a small storefront. Redstone needs to be seen from the distance of the edge of the property to even to the highway beyond. From those distances the signage needs to be positioned in a high enough to not get lost from all other lighting along the building. During the day the signage will be a silver color to be in contrast to the material behind it. At night the signage would be back-lit with halo lighting. In either case the signage will be proportioned to look correct in the over all composition of the mall’s façade.
Resolution No. 2015-

Resolution amending the existing sign plan for
Ridgedale Center at 12401 Wayzata Boulevard

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

Section 1. Background.

1.01 Kona Sushi Inc. and Wilkus Architects have requested an amendment to the existing sign plan for Ridgedale Center at 12401 Wayzata Boulevard.

1.02 Under the existing sign plan, restaurants with frontage on the mall exterior are allowed wall signs not exceeding 30 inches in height. The requested amendment would increase the maximum height to 42 inches.

1.03 On July 20, 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 the city council approve the sign plan amendment.

Section 2. Findings.

2.01 Ridgedale Center includes a mix of commercial uses, including retail, restaurant, automotive, and anchor department stores.

2.02 The site has unique visibility needs compared to other commercial properties. Ridgedale abuts three major streets, Wayzata Boulevard, Ridgedale Drive, and Plymouth Road, and has visual frontage from I-394. The site also has seven separate vehicle access points from these public streets. In addition, the site is a regional destination which anchors the larger Ridgedale area regional center.

Section 3. City Council Action.
3.01 The requested sign plan amendment is hereby approved. The amended
sign plan is outlined in EXHIBIT A of this resolution.

Adopted by the City Council of the City of Minnetonka, Minnesota, on July 27, 2015.

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 meeting held on July 27, 2015.

David E. Maeda, City Clerk
EXHIBIT A

RIDGEDALE SIGN PLAN

Exterior signs for Ridgedale Center must meet all of the requirements of the city’s sign ordinance, except for the following:

1. The mall is allowed exterior signs according to the following standards:
   a) The signs must not exceed the following number, height, and size:

<table>
<thead>
<tr>
<th></th>
<th>Quantity (max.)</th>
<th>Height (max.)</th>
<th>Copy and graphic area (max.)</th>
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<tbody>
<tr>
<td>pylon sign</td>
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<td>85 ft.</td>
<td>480 sq. ft.</td>
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<tr>
<td>monument signs</td>
<td>4</td>
<td>8 ft.</td>
<td>40 sq. ft.</td>
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<tr>
<td>directional signs</td>
<td>9</td>
<td>8 ft.</td>
<td>20 sq. ft.</td>
</tr>
<tr>
<td>entrance towers</td>
<td>4</td>
<td>N/A</td>
<td>225 sq. ft.</td>
</tr>
</tbody>
</table>

   b) There may be no additional freestanding or pylon signs than identified above. All freestanding signs must include the name of the shopping center only, and must not include individual tenant identification. Directional signs must include only directional messages.

2. Anchor department stores that exceed 100,000 square feet in size are allowed exterior signs according to the following standards:
   a) Maximum of one wall sign per exterior elevation.
   b) The total height of the sign must not exceed 8 feet.
   c) The total length of the sign must not exceed 25% of the lineal footage of the surface to which it is affixed.

3. Restaurants that have frontage on the mall exterior are allowed exterior signs according to the following standards:
   a) Maximum of one wall sign per exterior elevation.
   b) The total height of the sign must not exceed 42 inches.

4. Freestanding buildings are allowed exterior signs according to the following standards:
a) Maximum of one wall sign per exterior elevation.

b) The total height of the sign must not exceed 5 feet.

c) The total length of the sign must not exceed 75% of the lineal footage of the surface to which it is affixed.

5. All other tenants are not allowed exterior signs, including temporary business signs.
B. Sign plan amendment for Ridgedale Center.

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

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

In response to Chair Kirk’s question, Thomson clarified that Kona submitted an application, Redstone submitted a separate application, and General Growth Properties has agreed to both of the applications.

Chair Kirk noted that there are two approvals to consider. One is to increase the size from 30 inches to 42 inches which staff supports and the second is the sign location. Staff’s recommendation is to locate the sign somewhere on the trade dress of the store even though that may exceed the one-story space. Thomson agreed. Thomson explained that staff did not want to include anything in the covenant that would dictate where the sign would have to be located, because the applicant may locate the sign within the building’s elevation.

Odland asked if another tenant could be impeded. Thomson said that is what staff is trying to prevent. There would be tenants behind the wall, but they would face the mall interior. Those mall tenants are not allowed to have signs on the exterior of the building in that space, but it could be used for a “Ridgedale” sign in the future.

Rettew asked for the allowed maximum size of department store signs. Thomson answered that signs may be up to 8-feet tall. Nordstrom’s signs are 5.5 feet to 6 feet. Macy’s sign was approved to be 12 feet in height by the city council.

Rettew asked if this would set a precedent for businesses not in the mall. Thomson answered in the negative. All restaurants in the center would be treated the same, but the proposal would not apply to any other restaurant in Minnetonka not located in Ridgedale Center. General Growth Properties has approved the proposal.

Odland confirmed with Thomson that Bar Louie could not add an additional sign on the façade of the Ridgedale Center structure in addition to what is already there.

Chair Kirk noted that Kona Grill is requesting approval of a second sign for which staff is recommending denial. Thomson pointed out an illustration of the proposed vertical sign at the base of the tower structure. Chair Kirk noted that if
that sign would be approved, then that would potentially allow Bar Louie to apply for a second sign at the same elevation.

Calvert and Thomson reviewed the amount of space between the top of the parapet to the overhang.

Chair Kirk asked how high a tenant could build a tower to accommodate a sign. Thomson said that staff wants to balance that carefully. Staff wants the sign within the building elevation, but does not want the sign location to drive the design of the exterior of the building. Staff would not want to see the facades of the restaurants to extend 35 to 40 feet to allow the sign to be taller. The towers are reasonable and provide a function by identifying the entrance to the space.

Odland asked if something would identify the entrance to Redstone outside of the center. Thomson said that once a patron enters the mall, then both entrances for Red Stone and Kona Grill would be right there. It is possible the sign would lead patrons to think an entrance is located on the exterior of Kona Grill, where there is none.

Knight asked if restaurants are allowed to stay open later than the mall. Thomson answered that restaurants are allowed to stay open later. Knight was curious how patrons would access Kona Grill if the mall doors would be locked. Thomson invited the applicant to address the question.

Rettew asked if light pollution would be a concern. Thomson said that was looked at. The application would comply with ordinance requirements. The sign and lights would face a large parking lot and Interstate 394.

Michael Wilkus, on behalf of the applicant, stated that:

- He has worked closely with staff on lowering the sign and providing the correct character for the mall elevation.
- All of the other restaurant signs are located above their space. Red Stone would not project above the first floor space, except for the tower. Big Bowl and Bar Louie signs are above their spaces. The imposing mall façade gives the applicant the opportunity to balance having the proposed signs higher.
- He supports the way finding. The parking lot is large and the sign must be seen from a long ways away. Redstone does have to rent space in the second floor area.
- The Redstone sign would be tastefully done. There would be no glaring, bright lights. The sign would be lit from behind to create a
halo effect.

- He provided a letter from General Growth in support of the application.

Rettew asked for the benefits of locating the sign on the mall façade. Mr. Wilkus said the sign would be quite a bit lower on Red Stone property. The proposal would be done tastefully. Elevation is the main reason.

Rettew questioned what would be done if the application would not be allowed. Mr. Wilkus did not know. Mr. Wilkus worked closely with Kona Grill who worked hard to create a balanced elevation and placed their sign at 42 feet above the ground elevation also.

The public hearing was opened. No testimony was submitted and the hearing was closed.

Knight liked seeing development of the restaurants on the outside of the building. It turned the center from a rather mundane, big-box building to a lively site. He liked the proposal and supports the sign location and size as requested by the applicant.

Rettew agreed. He did not have a problem with the size. He did not understand how putting the sign on the restaurant façade would increase way finding. Having the sign higher would increase way finding. The restaurants want their signs visible from Interstate 394. If the owners of Ridgedale support the proposal, then it would be fine with him. This site is distinguished from other sites. He was on the fence regarding the second sign. He agreed with the applicant in regard to sign location and size.

Magney concurred in regard to the height. The brown color would set it apart from the rest of the mall. He agreed with staff’s recommendation for the second sign. He opposed the second sign. He was fine with the application’s proposed size and location.

Odland noted that the Kona Grill space would be nondescript. She questioned if starting the trend would lead to visual pollution down the road. She supports staff’s recommendation.

Chair Kirk felt putting the sign on the mall box without limitations could be dangerous. He did not want the mall to turn into a billboard. He would have to see a limitation thrown into the mix that would require the applicant to build something that did not have a human scale as it got into the parking lot. It takes a
45-foot building and reduces it to 25 feet and eventually down to 10 feet. He did not want to create a situation where every restaurant builds a 35-foot tower in order to put a sign on it. The visibility from the top of the parapet of the mall would be more visible from Interstate 394. He suggested including limitations. He suggested looking at reducing the height of the sign to a reasonable elevation to not allow the big boxes that enclose the mall itself, besides the anchor stores, to become billboards.

Calvert agrees. The Macy’s sign is enormous for the facade. It has a billboard feel. There would be congruity between the Nordstrom’s sign, the Red Stone sign, and the Kona Grill sign in tone, color, and fonts. It seems tasteful. She is conflicted. If the signs would be located on the restaurant façade, it would detract from the design. Each sign permit is reviewed on a case by case basis. She wants to keep signs consistent and not constantly change the regulations for signs on the mall walls.

Chair Kirk commented on how Ridgedale Center has changed since 1980. It is alright for commissioners to consider changes while maintaining control.

Knight said that his understanding is that the top of the sign could not be above the top of the restaurant facade. He asked if another restaurant would be constructed opposite Chipotle, then would the city have design control on how tall the tower could be. Thomson answered affirmatively. Knight noted that would limit where a sign could be located for a new restaurant. The proposal looks nice. The signs are proportional. He could not image that General Growth Properties would allow a big, tall tower. He liked the proposal.

Chair Kirk asked if there would be a height limitation for a tower. Thomson noted that it could be a design consideration of the conditional use permit. The conditional use permit could find a tower out of scale with the mall. Chair Kirk noted that the commission could recommend approval of the application with the condition that the top of a sign could not exceed the height of a tower governed by conditional use permit review.

Odland noted the importance of anchor tenants. She questioned if restaurants would be allowed to have signs on the center facade, then would other retailers want signs on the center facade also. She wants to make sure every Ridgedale tenant would have the same rules to abide by.

Calvert visited Eden Prairie Center. Thomson provided examples of signs for restaurants at other malls.
Rettew was not as concerned with setting a precedent. Ultimately, those applications would be reviewed by the planning commission. The interests of the center and the city are aligned. Aesthetics is important to the owner. He asked what limitations would make Chair Kirk comfortable with the proposal. Chair Kirk was not sure he was ready to create limitations. He was referring to the tower in his original comments about the height of the tower being the limit on the height of the sign so that it would not creep up to the top of the box behind it. Thomson said that is an option. Staff always considers possible future tenants. Restrictions must be able to be equally enforced. Requiring a sign to be no taller than the tower’s elevation or a requirement to center a sign within the mall facade would be enforceable. A specific dimension from ground level would not be enforceable.

Rettew confirmed with Thomson that Kona Grill’s tower and Redstone’s tower would not be equal in height.

Odland stated that locating the signs on the actual business would negate that problem, keep the playing field level, keep in character with the neighborhood, and keep the center a classy place.

Rettew also wants to keep the area beautiful. The proposed design looks better than it would on the building.

Odland thought staff took everything into consideration including future uses and treating each similar use the same. She supports staff’s recommendation.

Chair Kirk noted that the proposed store fronts would not accommodate a 42-inch sign very well. He received a consensus with commissioners that going from 30 inches to 42 inches would not be a problem and the second Kona sign would not be supported. The placement and height need to be discussed.

Rettew stated that, technically, the applicant could locate the sign at the top of the 35-foot tower which is higher than the proposal. Thomson stated that the sign would be allowed on the tower, but it was not clear if the sign would be considered within the tenant space if it would be mounted on the roof of the new structure.

Knight likes the looks of the fronts of both of those buildings. Hopefully, the applicant would have some design style and not put the sign on top of the roof. He thinks the applicant is better than that.
Rettew moved, second by Calvert, to recommend that the city council adopt the resolution on pages A7-A10 of the staff report which approves a staff-drafted amendment to the sign plan to increase the size to up to 42 feet and not allow a second sign for restaurants at Ridgedale Center at 12401 Wayzata Boulevard.

Calvert, Knight, Magney, Odland, Rettew, and Kirk voted yes. O’Connell was absent. Motion carried.

Odland moved, second by Magney, to recommend that the city council adopt the resolution on pages A7-A10 of the staff report which approves a staff-drafted amendment to the sign plan option 3 that allows signs for restaurants only to be located outside the tenant space subject to review by the planning commission, based on the unique circumstances of the restaurant and its building design for Ridgedale Center at 12401 Wayzata Boulevard.

Calvert, Knight, Magney, Odland, Rettew, and Kirk voted yes. O’Connell was absent. Motion carried.

This item is tentatively scheduled to be heard by the city council at its meeting on July 27, 2015.