Agenda

City of Minnetonka

Study Session

Monday, March 21, 2016

6:30 p.m.

The Minnehaha Room

1. Glen Lake Study
2. Shady Oak Road Redevelopment
3. Strategic planning process
4. Adjournment

The purpose of a study session is to allow the city council to discuss matters informally and in greater detail than permitted at formal council meetings. While all meetings of the council are open to the public, study session discussions are generally limited to the council, staff and consultants.
City Council Study Session Agenda Item #1
Meeting of March 21, 2016

Brief Description  Glen Lake Study

Background

Over the past decade, a significant amount of change has taken place in the Glen Lake neighborhood. In 2014, the city initiated a series of new efforts to examine and plan for potential future changes in the neighborhood. The first of those efforts occurred in the summer of 2014 when the city collaborated with Glen Lake neighbors in a focused study of the former Kraemer’s hardware store redevelopment. In the fall of 2014, the City initiated a second step in the process that included the facilitation of a series of meetings to help assemble a neighborhood planning study specific to the northwestern intersection of Williston Road and Excelsior Boulevard.

In 2015, to further the planning efforts and provide for wider neighborhood study, the city engaged Hoisington Koegler Group, a planning and design firm. They were retained to assist in a process that examined the broader Glen Lake neighborhood. Key elements of this planning phase included: a common vision for future change in the area; exploration of park, open space and trail opportunities; aesthetic improvements; and overall future land use guidelines with development scenarios. The neighborhood process included a series of meetings with hands-on opportunities for involvement by area residents and business persons.

Summary of Public Meetings

- July 23, 2015 - kick-off the neighborhood planning process. The discussion included a summary of activities to date, the purpose of the current study, goals and a specific schedule of meetings.

- August 13, 2015 – educational session. Presentations included:
  - Commissioner Jan Callison, Hennepin County Board Chair
    Topic – Hennepin County Home School
  - Liz Stout, Minnetonka Water Resources Engineer
    Topic – Water quality, watershed information and history of the area (water related)
  - Dave Johnson, Minnetonka Recreation Department Director
    Topic – Activity Needs Analysis, Glen Lake park/trail park investments

- August 18, 2015 – Interactive work session – two meetings held. Residents and business owners worked on potential scenarios for redevelopment.
• January 20, 2016 – Development scenarios were presented. The meeting reviewed concepts (see attached pages 1-10) for the potentially redevelopable parcels. It was noted, in detail, that the concepts were not necessarily supported by property owners and did not indicate a specific development proposal.

• More information about the public process can be found at: http://eminnetonka.com/current-projects/planning-projects/1140-glen-lake-study. The most recent comments from the January neighborhood meeting are attached on pages 11-14.

Next Steps

When the final report is completed, staff will present the information at an open forum at the planning commission meeting (expected in April). The city will again invite the neighborhood to provide input. The report will then be presented to the city council for review and “acceptance” as has been done with other village center studies.

Discussion Question:

• Does the council have any comments about the development scenarios?

Submitted through:
Geralyn Barone, City Manager

Originated by:
Julie Wischnack, AICP, Community Development Director
Sites Identification and Analysis

- Public Realm
- West Area
- Central Area
- East Area
- Hennepin County Site
Public Realm

- Roadway improvements
- Intersection improvements
- Pedestrian enhancements
- Improved lighting
- Bike lanes
- Public art
West Area

- No current development interest
- Single-family detached and attached options
- Access alternatives
Central Area

- Development interest expressed, no specific plans
- Preserve slope areas
- Single-family detached and attached options
- Expanded options to the south
East Area

- No current development interest
- Two sites, two options for each
- Trail connections alternatives
- Extension of Woodhill
Hennepin County Site – Resources

- Access and views to Glen Lake and wetland complex
- Developable portion of site is flanked by woodland preserve and golf course
- Two existing access points into site with potential third access from Highway 62
Hennepin County Site
- Buildable Areas
  - West area approximately 41 acres
  - East area approximately 38 acres
Hennepin County Site - Roadways

- Primary loop road connects site north and south to Eden Prairie Rd. and Highway 62
- Secondary road system provides access for local residents
Hennepin County Site

-Park, Trail & Open Space

• Linked park and open space network
• Loop trails system with connections to greater Glen Lake Neighborhood, natural resources and existing regional trail
• Preserves wildlife corridors through natural resource areas
• Potential lake access point(s)
• Potential for wetland restoration
Hennepin County Site Concept

- Housing oriented to natural resources, parks, and open space
- Open space improves access to lake and woodland preserve
- Single-family housing primarily on east side, conservation/traditional style development
- MDR/HDR on west site, capitalize on existing open space access and views
- Villa homes oriented to existing wetland
MEETING NOTES

March 16, 2016

Establishing a Long Term Vision for the Glen Lake Neighborhood

Glen Lake Neighborhood Meeting
January 20, 2016 6:00-7:30pm
Minnetonka Community Center

Attendees:

<table>
<thead>
<tr>
<th>ATTENDEE</th>
<th>NOTE</th>
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<tbody>
<tr>
<td>Dick Allendorf</td>
<td>Councilmember</td>
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<td>Geralyn Barone</td>
<td>City Manager</td>
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<td>Annette Bertelson</td>
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<td>Wanita Cardi</td>
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<td>Nygel Dey</td>
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<td>Bob Ellingson</td>
<td>Councilmember</td>
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<td>Eilene Flemming</td>
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<td>Karen Foot</td>
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<td>Bill George</td>
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<td>Sharon Gibbons</td>
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<td>Dewey Hassig</td>
<td>Senior Advisory Board</td>
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<td>Joan Hiller</td>
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<td>Emily Johanneck</td>
<td>Lakeshore Weekly News</td>
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<td>Paul Joppa</td>
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<td>Susan and Carl Klein</td>
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<td>Peggy Kvam</td>
<td>Park Board</td>
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<td>Kathy Lewandowski</td>
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<td>Michael Noonan</td>
<td>Hennepin County</td>
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<td>David and Peter Olson</td>
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<td>Esther Rupp</td>
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<td>Helen and Bob Seurs</td>
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<td>Jim and Susan Stroebel</td>
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<td>Jan Tellen</td>
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<td>Carl Tuma</td>
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<td>Amy and Kevin Weber</td>
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Public Realm Improvements – Option A

- More public art locations to provide neighborhood identity
- Pedestrian and bike improvements needed on Woodhill Road
- Punching Woodhill Road across Excelsior Boulevard is a bad idea
• Pedestrian and bike improvements needed on Eden Prairie Road
• Need a new restaurant in the south strip mall (containing Kraemer's)
• Placing public art on the old Kraemer's Hardware site not needed
• Impossible to make left hand turns onto Eden Prairie Road during rush hour, need better traffic signal coordination
• Currently an overabundance of large senior only buildings (7 listed)
• Need bike lanes up both sides of Excelsior Boulevard as well as up Williston Road
• We like the sidewalks on the south side of Excelsior Boulevard, need more like it on other neighborhood streets
• There is a need for more upscale retail and appropriate retail adjacent to daycare
• Need restaurants in current retail buildings
• Would like to see clean, passive water features, potentially those that support wildlife
• Hard to access Kraemer shopping area by foot/bike
• Improve the aesthetic to create a destination
• Improve access to shopping
• More parking needed everywhere
• Consider the impact to wildlife that adding lighting to Kinsel Park would have
• Parking on curve of Beacon Hill Road, can that be shared with The Glen
• Is there going to be too much light pollution from new lighting if its added to Kinsel Park
• Would Steward be a one-way street?

West Project Area – Option A
• Worried townhomes are going to add more senior only housing
• Are the wetland setbacks enough in the scenarios?
• Prefer the townhome option (2)
• Need townhomes in the $250-450,000 range for balance
• Where does guest parking occur in both scenarios?
• Would like to see a high density of housing in this option
• More walking paths around wetland area
• Prefer the access intersection in this option
• Prefer the option that preserves the most green space
• Trail access and density are ok

West Project Area – Option B
• Scenarios may require additional traffic control for Glendale Street
• Planning needs to be compatible on both sides of the street
• Add community gardens to this concept
• Are Minneapolis size lots appropriate for Minnetonka?
Central Project Area – Option A

- Need a larger buffer on Eden Prairie Road
- 50-60’ Lots small/close for the neighborhood, market needs larger lots
- Too much intensity will create too much lighting, worried about wildlife impacts in and around Glen Lake
- Access to the private drives is problematic on both concepts

Central Project Area – Option B

- Trail or sidewalk connection to Eden Prairie Road from the end of the cul de sac
- Worried about the displacement of neighborhood wildlife (turkey, deer, woodpecker, eagles, waterfowl etc.) Where will they go when their habitat is removed
- Density is too high in either concept, the lots in both are too small for the area
- Density of the ‘Compact Residential’ is too high
- All of these pieces don’t fit together, don’t see an overall grand vision

East Project Area – Option A

- Eliminate 5 SF Lot and replace with a small park to provide access and views of Glen Lake
- Regarding lot 5, is there a concern about buffering the wetland, is this ‘buildable’ lot appropriate (3)
- Flip building footprint to the east away from townhomes
- Stop light would be needed at new intersection
- Improve walkability and add landscaping along Excelsior Boulevard. More greening needed along Kraemer strip mall
- Would like to see a small boardwalk into the lake off the trail connection in between lots 4 and 5
- Lot 5 is too close to lake
- Worried about water quality impacts development will have on lake
- Concerned about the increased traffic development would create
- Concerned about traffic at the new proposed intersection on Excelsior
- Too much hard surface in this option, but do like the opportunity to share parking with the Golden Nugget
- Would like to see a comprehensive picture of all the potential trail connections with private property barriers indicated
- Trails in this option runs through private property

East Project Area – Option B

- Some of these units would be a tough sell with no views of the lake
- Units 1-4 might make a good location for townhomes
- Restaurant visible from Excelsior is needed, prefer the more attractive parking configuration compared to the golden nugget
• Potential for housing and restaurant/retail underneath?
• Crossing safety concern at new intersection
• Too much grading needed to make this work
• Golden Nugget has loud fan noise on east side of building
• Lots 9-10 are too wet to develop, would prefer a park or trail connection
• Would like to see a small boardwalk into the lake off the trail connection in between lots 4 and 5
• Too many units in this option
• Restaurant will need to have adequate parking
• Is the wetland disruption caused by the boardwalk worth the public benefit?

Hennepin County Site

• Try to find a balance between development and park and open space, need to preserve the existing habitat, as its already limited
• Remember what happened to Wing Lake
• Must have a walking trail around the lake
• The economy, market, and environmental impacts of the proposed development will determine the final development scenario
• More trail connects with limited development
• City needs to develop a plan to purchase the land
• Relocate Optimist Field / Gilliam Ball Field, others
• Redevelop Optimist Fields to commercial
• Is there an option to put retail on this sit?
• Trail system needs to be connected to parks
• Add a small zoo to one of the parks
• Like Centennial Lakes, develop recreational options
• 800 units seems very high, but the proximity to Gatewood Elementary School and access to transportation are good elements
• This much development will kill the lake
• Avoid doing another grass lawn choked development and make it a focus on intentional green living and planting
• Remember what happened to Birch Lake
• Way to many units, with all the other proposed housing we should keep this area wild, save the trees
• Maybe too much density
• Could this be a site for a college or university expansion
• How much of this land could the city buy from the compiled park dedication fees from recent development
City Council Study Session Agenda Item #2
Meeting of March 21, 2016

Brief Description  Shady Oak Road Redevelopment

Background

In March of 2015, the city purchased the properties at 4312 Shady Oak Road and 4292 Oak Drive Lane. The properties were purchased as a result of Hennepin County’s Road project on Shady Oak Road. The city continues to lease the properties and currently has 6 tenants in the commercial building and 1 tenant in the home.

During the discussion of the purchase of the property (October 13, 2014), staff had presented an outline for the redevelopment of the properties. The following schedule was presented:

<table>
<thead>
<tr>
<th>Proposed Timetable</th>
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<tbody>
<tr>
<td>July 2015-January 2016</td>
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<tr>
<td>Redevelopment scenarios with neighborhood engagement</td>
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<td>July 2015-July 2016</td>
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<tr>
<td>Work with tenants on relocation of businesses</td>
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<td>July 2016-January 2017</td>
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<td>Solicit proposals from developers</td>
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<td>January 2017-July 2017</td>
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<td>Zoning process</td>
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<tr>
<td>August 2017</td>
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<td>Construction of new project begins</td>
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In November of 2015, the city contracted with Kimley Horn to assist with redevelopment scenarios and the public input process. The consultant has conducted a portion of that work and the study session is intended to obtain city council input the status of the work.

Existing Conditions

Existing site pictures and a site conditions summary are provided on pages 1-7. The summary memo provides basic property data and redevelopment considerations such as storm water, groundwater, environmental cleanup, and status of the road project.

Redevelopment Scenarios

The redevelopment scenarios are attached on pages 8-12. The scenarios provide development options for the property. These options were considered and discussed during two public meetings. The public meetings, which were held in January and February, were well attended and summaries of comments can be found on pages 13-17.
Market Evaluation

The consultant and the city conducted a meeting with a group of developers to discuss the potential redevelopment of the site. The developers’ comments can be found on page 28.

A market consultant also provided an opinion about redevelopment potential of the site. His findings are noted in the letter on pages 29-32. In summary, the consultant felt that there is a market for redevelopment as a multi-family, residential site. The report also describes the site’s challenges and attractions.

Next steps

The city will hold a final public meeting on April 7, 2016. The meeting will review the options and the feedback received to date. The consultant will provide an evaluation of each of the development options as outlined on the evaluation matrix (page 33). The evaluation will help determine the appropriate redevelopment option based on costs. The city will then produce a request for information document (RFI) for developers to identify the most appropriate partner for redevelopment. When that process occurs, staff will present the information to the city council, under a typical concept review.

Discussion Questions:

Does the council require additional information about the properties?

Does the council have a preference for a redevelopment option?

Is the council comfortable with the next steps?

Submitted through:
Geralyn Barone, City Manager

Originated by:
Julie Wischnack, AICP, Community Development Director
PICTURES OF THE SITE - BEFORE

4312 Shady Oak Road

4292 Oak Drive Lane
PICTURES OF THE SITE - AFTER

4312 Shady Oak Road

4292 Oak Drive Lane
City of Minnetonka
Frequently Asked Questions – Shady Oak Road/Oak Drive Lane
January 2016

Why did the city buy the properties?
The original county plans for reconstruction of Shady Oak Road indicated that the commercial building would be removed. Because the property was very close to the edge of the street and sidewalk of Shady Oak Road, the city and the property owner entered a mutually agreeable contract where the city would purchase the properties (house and commercial property); the county would reimburse the city for “road” related costs and the city would recoup the remaining cost from the resale of the properties. The city used non-general fund monies (non-tax dollars) to purchase the properties.

What does the city plan to do with this in the future?
The city has no immediate plans. The city has engaged in a process with the neighborhood to structure a possible redevelopment scenario for the property.

What will happen to the businesses and tenants?
All building tenants are eligible for relocation costs. The businesses have been notified of the city’s intentions since the property was purchased and have been informed that there will be relocation benefits at such a time the city removes the building from the property.

Will you be building housing?
Again, the city does not have any specific plans or developers interested in the property. The idea is that this process and the city would shape what should be on the property. The project must be financially viable.

Can the building be renovated?
The city and the previous building owner reviewed that issue in detail. The viability of the structural systems of the building as well as general decline over time does not make remodeling the building financially viable.

Are there any environmental issues or pollution on these sites?
The city of Minnetonka has conducted Phase I and Phase II environmental tests on the property and there is contamination on the property as well as various contaminants in the building. The Phase II environmental report has a series of recommendations for remediation of the contaminants. The city would ensure the property remediation occurs.

Will the city take or fill in any wetlands?
The city has not conducted a wetland delineation at this time.

Will it be rezoned?
There is a possibility of rezoning, depending on what the final development plan indicates.

If redeveloped who will be the developer?
The city has not engaged a developer of the property at this point.

Is the city going to acquire any other property?
The city does not have intentions to acquire more property in the area.

Are you going to buy my house?
The city has purchased the two properties and has no intentions of purchasing additional properties.
Summary Memo

1. Existing Conditions Analysis
   Project Background

The City of Minnetonka currently owns and manages a commercial building at 4312 Shady Oak Road and a residential building at 4292 Oak Drive Lane; a total of approximately 2.3 acres (see pictures of the site on pages 1-2). The City is examining potential options for redeveloping the properties. The assumption is that the existing in-line commercial building and existing single family building would be removed in order to accommodate new development that could include commercial, office, retail and/or residential uses. The goal of the project is to prepare and form a feasible redevelopment plan that encourages the interest of developers to invest in a redevelopment plan that is acceptable to the City, neighborhood, and local stakeholders.

Existing Condition of the Sites

The summary table below lists the existing conditions of the sites including size, buildable area, zoning, and future land use.

<table>
<thead>
<tr>
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<th>4312 Shady Oak Road</th>
<th>4292 Oak Drive Lane</th>
<th>Combined</th>
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<tbody>
<tr>
<td>Area</td>
<td>1.60 acres</td>
<td>0.68 acres</td>
<td>2.3 acres</td>
</tr>
<tr>
<td>Buildable Area</td>
<td>1.12 acres</td>
<td>0.31 acres</td>
<td>1.43 acres**</td>
</tr>
<tr>
<td>Zoning</td>
<td>B-2, Limited Business</td>
<td>R-1, Low Density Residential</td>
<td>N/A</td>
</tr>
<tr>
<td>Future Land Use*</td>
<td>Commercial</td>
<td>Low density residential</td>
<td>N/A</td>
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*Guidance from City of Minnetonka 2030 Comprehensive Plan
**If parcels were combined, area would be 2.21 acres

A survey of the site was completed and is shown on page 7. The two parcels are separated by multiple temporary and existing easements.

Stormwater Requirements

The project area is located in the Nine Mile Creek Watershed District. The stormwater requirements Under Rule 4 – Stormwater Management for a redevelopment project include the following:

1. If a proposed activity will disturb more than 50 percent of the existing impervious surface on the parcel or will increase the imperviousness of the entire parcel by more than 50 percent, the criteria of section 4.3 will apply to the entire project parcel. Otherwise, the criteria of section 4.3 will apply only to the disturbed areas and additional impervious surface on the project parcel. For purposes of this paragraph, disturbed areas are those where underlying soils are exposed in the course of redevelopment.
2. A permit is required for a project that involves land-disturbing activities that will disturb 50 cubic yards or more of earth

3. A stormwater management plan will:
   
   - Provide for the retention onsite of one inch of runoff from all impervious surface of the parcel; where below-ground infiltration facilities, practices or systems are proposed, pretreatment of runoff must be provided.
   
   - Limit peak runoff flow rates to that from existing conditions for the 2-, 10- and 100-year storm events for all points where stormwater discharge leaves a parcel; and
   
   - Provide for all runoff from the parcel from the 2.5-inch storm event to be treated, through onsite or offsite detention, to at least sixty percent (60%) annual removal efficiency for phosphorus, and at least ninety percent (90%) annual removal efficiency for total suspended solids. The onsite retention of runoff may be included in demonstrating compliance with the total suspended solids and phosphorus removal requirements.
     
     - Depending on the net amount of added impervious surface for the redeveloped area, approximately 5-10% of the area of the site will need to be treated.
   
   - No structure may be constructed or reconstructed such that its lowest floor elevation is less than 2 feet above the 100-year event flood elevation. – Project not near a floodplain

**Groundwater**

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

**Environmental**

Based on the field observations and groundwater samples collected for Phase II ESA, the following recommendations include:

   - Enroll the Subject Property in the MPCA Voluntary Investigation and Cleanup (VIC) Program and Petroleum Brownfields (PB) Program;
   
   - Apply for a No Association Determination related to the elevated detection of PCBs in soil, PCE and acetone in groundwater, and PCE and TCE in soil vapor from the VIC Program. The submittal will include a proposed actions letter for the proposed use of the Subject Property.
   
   - Apply for a Non-tank Closure Letter from the Petroleum Brownfields Program for the low-level detections of DRO in soil and groundwater at the Subject Property.
   
   - When development plans are known, submit a Response Action Plan to the MCPA Voluntary Brownfield Programs (VIC and the Petroleum Brownfield Program) for review and approval.
   
   - The City remove and dispose of the former septic system as part of future redevelopment as an environmental development response action.

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2 Recommendations from Phase II Environmental Site Assessment (Wenck, 2014)
- Clean the concrete contaminated with PCB containing oil using approved methods and either fixing the leak in the compressor or replacing the compressor as long as current leases and business operations continue at the Subject Property.
- Collect bulk samples of the concrete stained with the PCB containing oil prior to demolition to determine if the concrete will require special handling.

**Shady Oak Road Reconstruction Project (County Project No. 9112)**

The project area is located adjacent to the Shady Oak Road Reconstruction project that is currently under construction. Hennepin County, in partnership with the cities of Hopkins and Minnetonka, is reconstructing Shady Oak Road from County Road 3 (Excelsior Boulevard) to approximately 1,500 feet north of Highway 7. The project will add a travel lane in each direction, construct a sidewalk and a trail, realign the intersection with Highway 7, install a permanent traffic signal at Mainstreet and address flooding issues along the corridor.

The City of Minnetonka bought the properties in part because of the Shady Oak Road Reconstruction Project. The original county plans for reconstruction of Shady Oak Road indicated that the commercial building would be removed. Because the property was very close to the edge of the street and sidewalk of Shady Oak Road, the city and the property owner entered a mutually agreeable contract where the city would purchase the properties (house and commercial property); the county would reimburse the city for "road" related costs and the city would recoup the remaining cost from the resale of the properties. The city used non-general fund monies (non-tax dollars) to purchase the properties. The city of Minnetonka acquired the property in March of 2015.
MAGNETIC CERTIFICATE OF SURVEY

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

LEGEND

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

Lot 19, Block 2, Ginkels Oakridge Addition

1. Owner: EGR Premier Properties, LLC.
2. Address: 4292 Oak Drive Lane
Minnetonka, MN 55343
4. The associated Legal description was found on Torrens Certificate Number 11310250.
5. The surface and topographic data was provided by others and is believed to be a representation of the site conditions previous to construction, and is for reference only.
6. Boundary and Easement data was provided by others, and is for reference only.

Lot 20, Block 2, Ginkels Oakridge Addition

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

DEVELOPMENT OPTIONS
1a. MULTI-FAMILY BUILDING: 3 STORIES

- Approximately 4,000 sq. ft. tenant space
- 30 tenant parking spaces
- 43 residential units
- 73 residential parking spaces
- Ratio 1.7/unit
1b. MULTI-FAMILY BUILDING

5 STORIES

- 70 residential units
- 106 parking spaces
- Ratio 1.5 spaces/unit
2. SMALL APARTMENT BUILDING

- 4 buildings
- 70-80 units
- Surface parking
3. TUCK-UNDER TOWNHOUSE

- 26 Residential units
- Tuck-under parking
- Center green space over easement
1. Public Meeting Summaries

Staff Meeting
December 15, 2015
Initial Staff Meeting
City of Minnetonka

Meeting Summary
The consultant (Kimley-Horn) met with Julie Wischnack to discuss initial steps, scope and schedule for the project. Tentative dates were identified for the neighborhood, developer and city council meetings.

The group discussed general approach of site and context analysis, preliminary site options that we would use to test with the developer panel as well as Marquette Advisors. Julie confirmed that a variety of uses could be allowed except for a public park or any new public facilities. Assumption that some mix of commercial/retail/office and residential could be developed on the site.

The group reviewed a list of FAQ to be answered and then posted on the project website. Also discussed was a potential list of developers that the City might want to invite to a lunch ‘workshop’. Kimley-Horn staff identified getting the following items together for Julie to review: FAQ's, revised schedule, draft list of developers, draft agenda for the first neighborhood meeting and initial analysis maps and graphics.

Neighborhood Meeting #1
January 13, 2016
6:00 PM – 7:30 PM
Minnetonka Community Center

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

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

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

- Nice family restaurant

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

Unwanted/undesirable uses:
- Bars/brewery \( \text{(2 groups listed this)} \)
- Not tall or imposing
- Too much small retail
- Townhomes and apartments
- Large medical clinic
- Banks \( \text{(2 groups listed this)} \)
- CVS/Walgreens
- Fast food
- Industrial
- Franchise

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

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

Comment Cards Received:

1. Because of the construction a lot of our businesses were hurt. Is it possible for the city to reimburse any of that? We had many customers complain and phone calls saying they could not find any entrance and had to leave. If it is possible for some reimbursement, what are the step and processes for us to take?

Neighborhood Meeting #2
February 11, 2016
6:00 PM – 7:30 PM
Minnetonka Community Center

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

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

Small Group Discussion
The discussion was facilitated in three small groups and the following comments came out of the group discussions2:

---

2 Discussion topics are paraphrased
1. **Multi-Family Building (3 Stories)**

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

2. **Multi-Family Building (5 Stories)**

<table>
<thead>
<tr>
<th>Likes</th>
<th>Dislikes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Retail</td>
<td>• Too tall (x3)</td>
</tr>
<tr>
<td>• Keep existing house on Oak Drive Lane</td>
<td>• Concerns about increased traffic/cars</td>
</tr>
</tbody>
</table>
| • Keep parcels separate | |}
<p>| • All surface parking – looks out of character (x2) | • Prefer first floor commercial |
| | • Multiple levels |
| | • Access from Shady Oak Road |
| | • Multi-family in a single family neighborhood |
| | • Commercial can be an amenity |
| | • Encroachment on neighborhood |
| | • Busy street for potential buyer (too close to street) |</p>
<table>
<thead>
<tr>
<th>Likes</th>
<th>Dislikes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Not too big (x2)</td>
<td>• Takes away existing house (x2)</td>
</tr>
<tr>
<td>• Bigger footprint/lower scale (x2)</td>
<td>• Don’t need more rental</td>
</tr>
<tr>
<td>• Uses both accesses</td>
<td>• Too many units</td>
</tr>
<tr>
<td>• Multiple buildings</td>
<td>• No green space</td>
</tr>
<tr>
<td>• Good design for parking</td>
<td>• Would be OK with 20 units</td>
</tr>
<tr>
<td>• 2 apartments/2 floors</td>
<td>• Prefer underground parking</td>
</tr>
<tr>
<td></td>
<td>• Too much traffic/congestion</td>
</tr>
<tr>
<td></td>
<td>• Turning movements are difficult</td>
</tr>
<tr>
<td></td>
<td>• Prefer to have underground parking</td>
</tr>
<tr>
<td></td>
<td>• Dislike steps to get into unit</td>
</tr>
</tbody>
</table>

2. Maps and Graphics
Pages 18 – 27 include the following materials:
• PowerPoint slides from Neighborhood Meeting #1
• Graphics from Developers Roundtable Meeting
• PowerPoint slides from Neighborhood Meeting #2
Welcome

Agenda
• Introductions
• Project Overview
• Scope & Schedule
• Overview of Site & Conditions
• Discussion
• Next Steps

Part 1. Gather, review, and assess the site and existing conditions
Part 2. Prepare a preliminary development program that addresses potential uses; propose potential alternatives
Part 3. Refine the alternatives into a preferred conceptual development plan

Overview of Site

Minnetonka Land Use & Zoning

<table>
<thead>
<tr>
<th>Use</th>
<th>402 Oak Drive Lane</th>
<th>5507 Shady Oak Road</th>
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</thead>
<tbody>
<tr>
<td>Uses</td>
<td>0.68 acres</td>
<td>0.62 acres</td>
</tr>
<tr>
<td>Uses</td>
<td>R-1 Low Density Residential</td>
<td>B-2 Limited Business</td>
</tr>
<tr>
<td>Use</td>
<td>Manufactured Homes</td>
<td>Commercial</td>
</tr>
<tr>
<td>Use</td>
<td>Residential Care Facility</td>
<td>General Retail and Services</td>
</tr>
<tr>
<td>Use</td>
<td>Commercial, professional offices</td>
<td>Commercial</td>
</tr>
<tr>
<td>Use</td>
<td>Park/Rec, Parkway, Open Space</td>
<td>Commercial</td>
</tr>
<tr>
<td>Use</td>
<td>Open space, pedestrian paths</td>
<td>Commercial</td>
</tr>
<tr>
<td>Use</td>
<td>Park/Rec, Parkway, Open Space</td>
<td>Commercial</td>
</tr>
<tr>
<td>Use</td>
<td>Park/Rec, Parkway, Open Space</td>
<td>Commercial</td>
</tr>
</tbody>
</table>

*Guidance from City of Minnetonka 2030 Comprehensive Plan
4312 Shady Oak Road
- Built in the 1950s owned by the Ring family for an extended period
- Various uses over time
- Current tenants: Ammo Craft, Ten's Chalet Pizza, Sewing & Alterations, 3x3 Fit, P3 Hair Design, E-Cigs & Accessories, Mission Animal Hospital, Meta Rod, Electric City, and Practical Systems - HVAC

4292 Oak Drive Lane
- Residential property built in 1951
DISCUSSION

Next Steps

Julie Wischnack, AICP
Community Development Director
jwischnack@eminnetonka.com
952-939-8282

Mike Lamb, AICP
Kimley-Horn
Mike.lamb@Kimley-horn.com
612-294-7272

Contact

Page  |  20
Shady Oak Road Redevelopment Project
Graphics shown at the Developers Roundtable
February 5, 2016
• Existing conditions

• Mixed use building

• Commercial/retail (2 buildings) (Optional - 1 building)

• All residential

1 PARCEL: OPTIONS

Shady Oak Road Redevelopment Project
Welcome

Agenda
• Introductions and project overview
• Review progress to date
• Approach and development options
• Discussion
• Summarize discussion
• Next steps

Part 1. Gather, review, and assess the site and existing conditions
Part 2. Prepare a preliminary development program that addresses potential uses; propose potential alternatives
Part 3. Refine the alternatives into a preferred conceptual development plan

Scope & Schedule

Overview of Site

Neighborhood Meeting

Desired Uses
- Restaurants, ice cream, gifts, coffee, brewery/bar, bike rental, same uses as there now
- Office, small businesses, businesses that close at night, daycare
- Mixed use building with businesses below and housing above
- Senior housing, new housing combo

Undesirable Uses
- Bars/brewery, medical clinic, banks, CVS/Walgreens, franchise, fast food, industrial, too much small retail

Character
- Parking underneath, put parking in front
- Walkability
- Something under 3 stories
- Keep parcels separate, keep residential parcel residential
- Don't want development too close to the road
- No fences; use natural screens

4312 Shady Oak Road & Oak Lane Drive

Shady Oak Road Redevelopment Project
Development Panel

Market Context:
- Approximately 100,000 workers within the LRT corridor
- Corporate presence requires a range of housing types and choices
- Aging millennials is a market that will continue to grow
- Site is more desirable as residential than commercial; still retail/commercial vacancies in the area

Site Comments:
- Easement is a major constraint to development
- Major consideration is how many units you can get on the site
- Would consider up to a 5-story building
- One building with 1 level of underground parking may be best option to maximize unit count
- Possible unit mix: 50% millennials, 50% empty nesters
- Locate curb cuts related to how the site will develop (use the easement?)
- A 1 lot scenario might work best to accommodate open space, stormwater and parking needs

Development Panel

Summit Hill
- Detached Townhomes
  - 30 units
  - Side loaded
  - ~ 7-8 du/ac net
  - Example:
    - Assessed value = $304,000 (2014)
    - Market value = $345,000 (2014)
    - 3110 sf

Liberty on the Lake
- Attached Townhomes
  - 51 units shown
  - ~ 11-12 units/ac
  - ~ 11-12 units/ac

Main Street NE
- Pocket Neighborhood
  - 6 units shown
  - ~ 11-12 units/ac
Site (1.6 ac) vs. Gold Nugget site (2.2 ac)

Shady Oak Road Redevelopment Project
Development Options
Potential Possible Options
Potential, Possible, Maybe
Something will probably happen

Multi-Family Building: 3 Story & 5 Story

Tuck-Under Townhouse
Thank You

Julie Wischnack, AICP
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952-939-8282

Mike Lamb, AICP
Kimley-Horn
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612-294-7272

Contact

Shady Oak Road Redevelopment Project
Developers Roundtable Meeting
February 5, 2016
12:00 PM – 1:30 PM
Minnetonka City Hall – Minnehaha Room

Meeting Purpose
The goal of the meeting was to discuss the potential viable options for redeveloping the two sites at 4292 Oak Drive Lane and 4312 Shady Oak Road from a developer’s perspective.

Meeting Summary
Kimley-Horn introduced the redevelopment project and the existing conditions at the two sites at 4292 Oak Drive Lane and 4312 Shady Oak Road. Julie Wischnack introduced the city’s role and intentions for the sites. Marquette Advisors discussed findings from a recent housing gap study around the Southwest LRT line. Kimley-Horn ended the presentation by showing sketches of potential site layouts for one and two parcel options. The attendees were then asked to provide feedback on how the two sites could be developed.

Market Context
- Approximately 100,000 workers within the LRT corridor
- Corporate presence requires a range of housing types and choices
- Aging millennials is a market that will continue to grow
- Site is more desirable as residential than commercial; still retail/commercial vacancies in the area

Site Comments
- Easement is a major constraint to development
- Major consideration is how many units you can get on the site
- Would consider up to a 5 story building
- One building with 1 level of underground parking may be best option to maximize unit count
- Possible unit mix: 50% millennials, 50% empty nesters
- Locate curb-cuts related to how the site will develop (use the easement?)
- A 1 lot scenario might work best to accommodate open space, stormwater and parking needs
We understand that the City of Minnetonka is considering redevelopment opportunities for property it owns at Shady Oak Road and Oak Drive Lane. In this regard, we were recently invited to review the parcel(s) and participate in a round-table discussion with local developers regarding the project, and the market in general.

The purpose of this correspondence is to convey some general observations regarding the west-suburban apartment market and future opportunities within proximity of future SWLRT. This memo should not be considered as a market feasibility study, nor is it intended to provide specific recommendations regarding the Shady Oak Rd. development, as we have not yet endeavored to complete sufficient examination of the site and the specific submarket so as to yield such advice.

As you are aware, we have recently completed an extensive evaluation of SWLRT and the related housing markets spanning the entire distance of the proposed route. Additionally, over the past 24 months, we have completed a number of market studies and consulting engagements related to specific multifamily residential developments now in construction in Minnetonka, Hopkins, Eden Prairie and St. Louis Park. Based on our experience and limited review of the subject site, we offer the following observations that we hope will be helpful to the city in its planning efforts.
Observations -- SWLRT Corridor Housing Development – Southwest Suburbs

We feel that there is a unique opportunity for infill multi-family residential development within a reasonable walking/cycling distance (+/- 5 to 10 minutes) of proposed LRT stations, based on the following key factors:

- **Strong demographics & corporate base:**
  - 110,000 persons work in the SW LRT corridor, yet fewer than 4% of these workers also reside in corridor today
  - The corridor is home to a diverse group of businesses, ranging from small local firms to major corporations…many of whom are actively expanding (both physically and in employment).

- Very limited supply of modern apartment product in many west suburban markets (clearly this is changing as the development pipeline has become more active). To-date, the majority of new construction has been focused primarily in the central city (especially Downtown and Uptown Mpls), with development just now spreading to suburban markets. Rents have risen (in some cases) to the point where new construction deals “pencil out” – however, this is generally focused around “best-in-market” suburban locations (i.e. dynamic environments which are highly walkable, proximate to goods/services, employment, restaurants and amenities). There are limited numbers of such locations, however, and few suburban sites which support rents of $2.00+ psf. As such, creative public-private partnerships (and subsidy) is often required in order to spur infill and redevelopment multi-family construction (including market rate product).

- Potential markets, specific to SWLRT oriented developments? -- Clearly, submarkets and neighborhood dynamics vary, and each LRT station area and neighborhood is unique. Thus we expect the resident profile will vary. That said, we offer the following general observations about the appeal of new housing generally within the suburban LRT corridor.

  - **Young workers** (might prefer urban locations, but are somewhat more price sensitive, and prefer to be closer to a suburban-based job)

  - **“Aging” Millennials (moving outward from city, but staying connected)** – we are aware that Millenials comprise a major portion of the renter base for upscale apartments in urban submarkets such as Downtown and Uptown Minneapolis. The majority of these renters have opted for smaller Studio and 1BR apartments in the city. We expect that new developments in the west/southwest suburbs within proximity of SWLRT will provide a nice “move-up” option for renters who have coupled or are simply seeking a larger 1BR or
2BR apartment in a location outside the city which still provides them convenient LRT access to the elements of the city that they enjoy.

- **Empty nesters/active seniors** – currently residing in the corridor or nearby, who will be attracted to new opportunities for downsizing within or near their current place of residence.

### Unmet Market Niches

Within the Twin Cities metro area residential market, the majority of recent development activity has been particularly focused in urban submarkets and in targeting Millenials and more limited numbers of older adults/empty nesters. Going forward (2016-2020+), we anticipate more substantive demand from the following household groups:

- Sustained demand from young single-person households ages mid-20s to early 30s – fueled by the strong economy, business expansion and in-migration as young professionals move to the Twin Cities for the purpose of a new job. The majority in this group will chose to rent, rather than buy, at least for some period of time due to a variety of economic and lifestyle factors. We expect that construction of luxury apartments will slow some, as supply catches up with demand. Meanwhile, we expect steady to increasing demand for more reasonably priced affordable and market rate multifamily housing for the “non-affluent” Millenial renter.

- Demand from “aging” Millenials – many in this group currently reside in a small Studio or 1BR apartment in the city. Many aspire to a somewhat larger apartment or homeownership. They are more likely to seek those opportunities in the suburbs due to affordability issues. Presently, we and other market participants and observers have noted a short supply of homes for first-time homebuyers, including both townhomes and reasonably priced single-family housing.

- Demand from active older adults (empty nesters) – to date, much of the new apartment construction has been focused on young Millenials, with a unit mix that is strongly weighted toward small units. Meanwhile, empty nesters seek an alternative to a larger single-family home, but show a preference for 2BR (or even 3BR) apartments which are somewhat larger (generally 1,200+ sf) than what is often offered in new construction apartments. At the same time, there is considerable pent-up demand for condos from empty-nesters, with very, very limited new supply due to construction warranty laws which place considerable risk on developers.

- Considering a variety of demographic/economic and market supply/pipeline factors, we anticipate that these general trends will perpetuate for at least a four to five year period.
**Shady Oak Road Redevelopment**

Based on our very preliminary review of this property and surrounding neighborhood, paired with our more extensive experience throughout Minnetonka and the broader west-suburban market, we offer the following observations and advice:

- Subject site is well located relative to future LRT and key vehicular transportation corridors, providing convenient access to employment and goods/services.

- Site is not highly “walkable” or dynamic by comparison to sites presently attracting luxury apartment development (i.e. West End in St. Louis Park, Southdale area in Edina, etc).

- Site and neighborhood factors are conducive to a “B+/A−” product type at this location. Market rents supportable here are likely within range of $1.70 psf. We would not suggest a luxury product profile at this location.

- A development here is likely to attract a mix of empty nesters (likely living within the Minnetonka and Hopkins areas presently) along with younger, somewhat more price-sensitive renters who will be attracted to the convenience of this location relative to transit/transportation corridors and jobs.
### Evaluation Matrix

<table>
<thead>
<tr>
<th>Development Options</th>
<th>Cost</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Demolition</td>
<td>Utilities</td>
</tr>
<tr>
<td>#1: Multi-Family Building (3-5 stories)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#2: Small Apartment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#3: Tuck-Under Townhouses</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
City Council Study Session Item #3  
Meeting of March 21, 2016

**Brief Description:** Strategic planning process

**Background**

The city of Minnetonka has established a strategic profile including vision, mission and strategic goals (see attached). At the May city council study session in recent years, staff has provided an update on past year accomplishments, shared performance results, and discussed and agreed on future action steps with the council. Periodically, a strategic planning consultant is engaged to assist the council and staff in updating its profile (e.g., 2003, 2007 and 2011), and staff is preparing to do the same in 2016.

In 2007, the process included outreach to the community on a broader scale, including focus groups, to help inform the comprehensive guide plan update undertaken in subsequent years. It allowed a greater understanding of the community’s values and gave the city council a broader perspective when setting strategic direction.

Staff has met with a variety of consultants to consider various approaches to this year’s planning process. Consistently, each method involves meeting with council and staff leadership, engaging the community, reviewing trend data impacting the city, preparing an updated strategic profile and identifying implementation steps. There are nuances to each expert’s approach that make them distinctive, particularly the community involvement phase. At the March 21 study session, staff will share examples and seek feedback on council preferences before selecting a consultant.

**Discussion Point**

- *Provide feedback on strategic profile preferences*

Submitted by:  
Geralyn Barone, City Manager
<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
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<td>Community Survey</td>
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<td>Strategic Planning</td>
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<td>Community Engagement</td>
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<tr>
<td>POST (Park/Trail) Plan</td>
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<tr>
<td>Comprehensive Guide Plan</td>
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<tr>
<td>Community Branding</td>
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</tbody>
</table>
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Our Mission, Vision and Guiding Principles .......... 3
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Public safety ...................................................... 8
Transportation .................................................. 9
Community development ..................................... 10
Recreation ....................................................... 11
Organizational merit ......................................... 12

Spirit of Minnetonka Award Winners

2015  Jacque Larson
2014  Dave Johnson
2013  Steve Malecha
2012  Fong Yang
2011  Larry Schnack
2010  Elise Durbin
2009  Joe Wallin
2008  Bob Manor
2007  Gary Lauwagie
2006  Jo Colleran
2005  Virg Herrmann
2004  Desyl Peterson
2003  Dean Elstad
2002  Amy Cheney
2001  Sandy Surges
2000  Sandy Streeter
1999  Kathy Magrew
1998  Mike Johnson
1997  Wendy Anderson
1996  Bert Tracy
1995  Ron Rankin

Our Shared Values - Excellence with Integrity

Doing the right thing, at the right time, for the right reason.
Our Mission

Provide the core public services residents and businesses rely upon in their daily lives, while striving to preserve and enhance the distinctive character that makes Minnetonka a special place to live.

Our Vision

Minnetonka will be the community of choice where people live, work, play and conduct business in a naturally beautiful environment.

Our dedicated employees will deliver dependable, quality services with a positive, helpful attitude.

Our Guiding Principles

- We will focus on excellent customer service by striving to do the right thing, at the right time, for the right reason to meet the needs of our customers.
- We will set the standard for innovative leadership by forging collaborative partnerships, adopting new technologies and promoting effective service delivery.
- We will foster open and inclusive communication to encourage community involvement, and to maintain the trust and respect of those we serve.
- We will live our shared values of authentic communication, contagious enthusiasm, shared success, outcome focused teamwork, adaptable learning and innovation, and healthy human relationships.

Adopted May 16, 2011
Minnetonka is a charter city with a council-manager form of government. Minnetonka is represented by seven elected officials, including the mayor and six council members.

Administrative functions are the responsibility of City Manager Geralyn Barone who oversees the Administrative Services, Legal, Community Development, Engineering, Finance, Police, Fire, Recreation Services and Public Works departments.

Organizational Culture: The city of Minnetonka is an organization committed to excellence and integrity with a reputation as a leader and innovator in the Twin Cities. The key to success for the city is its shared values of the entire organization:
- Adaptable Learning & Innovation
- Authentic Communication
- Healthy Human Relationships
- Contagious Enthusiasm
- Outcome-Focused Teamwork
- Shared Success

Community Organizations: Minnetonka has several organizations founded on the principles of giving back to the community. Some of these community and service organizations include: Music Association of Minnetonka, Minnetonka Rotary Club, Sojourner Project, ICA Foodshelf, Resource West, Glen Lake Optimists, TwinWest Chamber of Commerce and the Minnetonka Historical Society.

Administrative Services: Manages routine operations of the city, including communication with elected officials, human resources, information technology, public relations, elections and official city records.

Community Development: Administers inspections, environmental health, building permits, planning and zoning, licensing and housing and redevelopment.

Engineering: Oversees design, management and construction of the city’s infrastructure.

Fire Department: Performs fire suppression, rescue, fire code enforcement and public fire education. The department includes 80 paid-on-call firefighters and five full-time staff.

Finance: Provides budget preparation, capital planning, assessing, payroll, utility billing, purchasing, investments and city asset management.

Legal Department: Handles most of the city’s criminal and civil legal work.

Police Department: Engages in a community policing philosophy, focusing on building relationships with residents, schools and businesses. The department includes 56 sworn officers and 19 non-sworn support members.

Public Works: Maintains the city’s infrastructure and includes natural resources and forestry, recycling, parks and trails, water and sewer utilities, streets, buildings and fleet.

Recreation Services: Offers year-round programming and operates several facilities including the Community Center, Williston Fitness Center, indoor ice arenas and a marina.

Regional Leadership: Minnetonka is proud to be a regional leader in innovative and precedent-setting solutions. City staff are encouraged to be at the cutting edge of issues facing Minnetonka and the Twin Cities. City officials enjoy sharing new approaches to problems by contributing time and ideas to regional organizations such as the League of Minnesota Cities and with their respective professional organizations.
<table>
<thead>
<tr>
<th>Major Goals</th>
<th>Key Strategies</th>
</tr>
</thead>
</table>
| **We will be responsible stewards of the city’s physical assets, human capital and financial resources** | → Providing good value for the dollars entrusted to us.  
→ Managing for the long-term to ensure the city’s ongoing ability to provide quality services at a reasonable price.  
→ Sustaining core services and continuing infrastructure investments, while living within our means. |
| **We will protect and enhance the unique natural environment of our community** | → Carefully balancing growth and development with preservation efforts that protect the highly valued water and woodland resources of our community.  
→ Developing and implementing realistic long-term plans to mitigate threats to water quality, urban forests, and the unique natural character of Minnetonka.  
→ Taking an active role in promoting energy and water conservation, sustainable operations and infrastructure, recycling and environmental stewardship. |
| **We will maintain quality public safety for our residents and businesses** | → Implementing appropriate recommendations in the Public Safety Management and Operations Study to address the evolving police, fire and emergency service needs of our community, including an aging and more diverse population.  
→ Providing seamless, coordinated and integrated public safety services through common protocols and shared practices among departments and personnel.  
→ Leading collaborative efforts with other agencies to cost-effectively provide quality public safety services, with an emphasis on coordinated technology, equipment and programs. |
| **We will work to meet the transportation needs of our residents and businesses** | → Providing and preserving a quality local street system, based on a financially sustainable plan for reconstruction and ongoing maintenance.  
→ Collaborating with our state, regional and local partners in the timely development of shared highways and streets.  
→ Actively participating in regional light rail planning and development to ensure that community needs and interests are represented. |
| **We will support well-planned, responsible community development**       | → Carefully balancing individual property rights with community-wide interests, while respecting the unique character of Minnetonka’s neighborhoods.  
→ Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.  
→ Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.  
→ Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive. |
| **We will provide excellent recreational amenities**                      | → Offering a full range of programs for people of all ages and ability levels.  
→ Responsibly maintaining our parks, trails and recreational facilities, while fairly balancing user fees with general community support.  
→ Renewing, expanding and maintaining a trail system to encourage outdoor recreation, and improve the connectivity and walkability of the community. |
We will be responsible stewards of the city’s physical assets, human capital and financial resources

Key Strategies

Providing good value for the dollars entrusted to us.
Managing for the long-term to ensure the city’s ongoing ability to provide quality services at a reasonable price.
Sustaining core services and continuing infrastructure investments, while living within our means.

Progress

Annually the community survey results, department performance measures and industry benchmarks are reviewed to ensure the use of appropriate, available service delivery options and technology. The 2016-2020 Capital Improvement Program, which incorporates the long-term infrastructure and asset management budgets, and the 2016-2020 Economic Improvement Program, a long-term planning tool for development activities and funding were presented and are scheduled for adoption in May.

Several processes were improved this year in order to more effectively connect with residents. @Safer_101 and @MtkaStRehab were implemented to tweet real-time construction updates, six e-newsletters were converted to begin measuring readership metrics, and eminnetonka.com was enhanced to meet the need of alternate platform users. The tree sale was moved to an on-line ordering and payment option. Fiber optic redundancy was enhanced through partnerships.

The new employee onboarding process is moving to web based software, and data security requirements were met. Current year requirements of the Affordable Care Act were fulfilled and workers compensation process analyzed. E-payments of vendors has gone live improving efficiency of issuance and meeting business and public expectations.

Benchmark and trending data is used to analyze city services, such as road index ratings, community survey results, key budget measures and energy management savings. A utility infrastructure sustainability study and financial plan was presented to the council.

Future Actions

Conduct an annual survey, analyze key organizational processes and enhance connections with the public. Use metrics and data to improve or enhance business practices.

Create a budget for the city that incorporates long-term planning and measures productivity, quality of work and ongoing development of the workforce. Use policy priority systems for developing budgets and establishing benchmarks for city services and infrastructure.

Provide and preserve a quality city owned facility and utility system, based on a financially sustainable plan for reconstruction and ongoing maintenance. Position the city to attract and retain a talented workforce. Audit electronic security and develop plans for improvements.

Implement plan for welcoming new residents to Minnetonka and ensure marketing, preferences and perception plans are designed. Rollout Minnetonka Matters to improve citizen engagement. Participate in the electronic pollbook pilot program with Hennepin County.
We will protect and enhance the unique natural environment of our community

Key Strategies:

Carefully balancing growth and development with preservation efforts that protect the highly valued water and woodland resources of our community.

Developing and implementing realistic long-term plans to mitigate threats to water quality, urban forests, and the unique natural character of Minnetonka.

Taking an active role in promoting energy and water conservation, sustainable operations and infrastructure, recycling and environmental stewardship.

Progress

The city continues to discuss and encourage solar energy opportunities within new developments. The Ridge was constructed with solar technology.

The city continues to work through the Green Step program, implementing 13 of 16 best practices required to become a “Step Three City.”

The city has established and continues to promote energy conservation standards through the Class 5 program, which is a behavior based energy reduction effort for employees.

Through redevelopment at Ridgedale, the city has collaborated with mall ownership to address existing infiltration and inflow issues.

City staff continues work with other agencies – including other cities, watershed districts, Lake Minnetonka Conservation District, Hennepin County, the Department of Agriculture – to educate the public regarding invasive species.

The city entered into a joint powers agreement with the St. Paul Port Authority to offer the Property Assess Clean Energy (PACE) program to Minnetonka businesses.

Various articles about water consumption and conservation have been included in the Minnetonka Memo.

In the maintained parkland areas 408 ash trees have been evaluated and are slated to be injected (170) or removed (238) in a 4-year phased, plan approach. All trees removed will be replaced with a diversity of other species.

Future Actions

Identify three sources of potential illicit discharge and develop a program to create awareness.

Develop a plan to upgrade existing city owned street lighting, especially in redevelopment or project areas, to LED technology to further increase energy savings using the Electric Franchise budget.

Develop new methods to evaluate the success of the city’s energy conservation initiatives.

Coordinate with other agencies to evaluate new or existing grant programs for installation of energy and water conservation items such as rain water sensors and low flow shower heads in homes.

Continue to educate property owners and staff about the programs, risks, and techniques that affect natural resources in the city.

Explore participation on alternate renewable initiatives, such as solar gardens, and an increased emphasis on organics collection.
# Key Strategies

*Implementing appropriate recommendations in the Public Safety Management and Operations Study to address the evolving police, fire and emergency service needs of our community, including an aging and more diverse population.*

*Providing seamless, coordinated and integrated public safety services through common protocols and shared practices among departments and personnel.*

*Leading collaborative efforts with other agencies to cost-effectively provide quality public safety services, with an emphasis on coordinated technology, equipment and programs.*

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<table>
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<tr>
<th>Progress</th>
<th>Future Actions</th>
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<tbody>
<tr>
<td>Quarterly review of 911 core work processes include call answer, hold, and call process times that are then used to assist in managing staffing needs.</td>
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<tr>
<td>Review impact of Ridgedale redevelopment on police staffing assigned to Ridgedale corridor.</td>
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<tr>
<td>Introduction of policies regarding the maintenance of private hydrants.</td>
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<tr>
<td>Implementation of Tri-Tech records management, CAD (computer aided dispatch) and mobile system.</td>
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<td>Continue to participate, collaborate and identify areas of public education and regional transit planning.</td>
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<tr>
<td>Participate in multi-agency all-hazards regional response training drills.</td>
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<tr>
<td>Staff has been participating in the configuration of the new public safety Tri-Tech records management system. Implementation is expected Fall/Winter 2015.</td>
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<tr>
<td>Realign fire department apparatus and equipment based on today’s deployment model.</td>
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**Fire Emergency Call Locations - All Types**
Key Strategies

Providing and preserving a quality local street system, based on a financially sustainable plan for reconstruction and ongoing maintenance.

Collaborating with our state, regional and local partners in the timely development of shared highways and streets.

Actively participating in regional light rail planning and development to ensure that community needs and interests are served.

Progress

Collaborated with a number of groups, including the Met Council’s SW Project Office, Hennepin County, other SWLRT corridor cities, and the Shady Oak Development Strategy consultant to provide feedback on LRT and station components (including park & ride lots, pedestrian & bike connections, overall design criteria for the corridor, platform design, & public art).

Completed construction on the westbound I-394 / Ridgedale on-ramp, and began construction on the addition of a third lane in each direction on I-494. Concept plans have been developed for the Cartway Lane realignment west of Plymouth Road with construction anticipated in 2016.

Drafts amendments to the I-394 district are complete. Testified several times in support of Street Improvement District legislation.

Snow and Ice Policy was adopted by council on February 9. In February, Public Works crews began performing snow removal on the sidewalks at the County Rd 5 and 101 intersection.

Participated in quarterly meetings with Metro Transit to review and evaluate current bus service, discuss future changes, and market routes.

Master planning of a Ridgedale walkshed was postponed due to the addition of the Cartway Lane project, and is now scheduled to be done this upcoming year to include Cartway Lane and the changes to the Plymouth Road project.

Future Actions

Ridgedale area master planning: Complete high-level concepts to identify areas for decorative lighting, sidewalks, private sidewalks, and possibly aesthetic treatments along roadways.

Work with the Southwest Project Office to assess the feasibility of the city’s locally requested capital improvements (17th Avenue extension and Smetana infill preparation).

Produce utility, roadway and stormwater concepts/layouts to accommodate future redevelopment at the Shady Oak station area.

Begin Opus area capital improvements outlined in the CIP. Develop associated master trail plan identifying trail changes associated with LRT, and new trails needed to serve the LRT Opus station. Included in the trail plan will be identifying locations for new trail lighting.

Coordinate all the regional and local street improvements; I-494, TH 169, CR 101, CR 61, and many miles of local street construction to minimize impacts to businesses and residents.
Key Strategies

Carefully balancing individual property rights with community-wide interests, while respecting the unique character of Minnetonka’s neighborhoods.

Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

Progress

Planning work for a number of transit-oriented development projects has occurred during the last year including Highland Bank and Shady Oak Station planning.

Work on marketing continues. The next step involves engaging a consultant which would help the city strategize on its key messages.

Completed web improvements for Open to Business program and added “success” story to page discussing use of the program and its value.

The planned unit development (PUD) ordinance was updated and adopted in May 2014. Notable changes included the provision for more flexibility by removing regulatory standards and the provision of public benefit criteria to establish a PUD.

Changes to the sign ordinance have been drafted but not introduced as there is a significant case before the U.S. Supreme Court which could have implications on content neutrality of signage.

The index that measures the type and condition of the city’s housing in order to monitor quality and improvements over time has been refined.

The CIP includes many of the improvements discussed in the Ridgedale Vision and work on the design of Cartway Lane improvements has begun.

Adoption of the R1A zoning requirements was completed and the city has approved its first application for a subdivision that would utilize this zoning district.

Future Actions

Obtain web analytics for Open to Business Program and strategize about broadening the program.

Create a new zoning district for the Shady Oak Station area.

Continue to work on marketing strategies for the city.

Develop a plan for city owned property at CR 101 and Coventry for housing. The plan will include a process to determine the housing type and the procedure for development.

Develop an action plan, public process and redevelopment scenario for the city owned Shady Oak Road property.

Ridgedale Vision: Continue implementation of planned connections, road improvements and area aesthetics.
Key Strategies

Offering a full range of programs for people of all ages and ability levels.

Responsibly maintaining our parks, trails and recreational facilities, while fairly balancing user fees with general community support.

Renewing, expanding and maintaining a trail system to encourage outdoor recreation, and improve the connectivity and walkability of the community.

Progress

Conducted fee comparison surveys with comparable markets to ensure that facility rates for the ice arena, Community Center and Williston Center were within desired ranges.

Partnering with comparable cities to select RecTrac, the new registration management software. The system will improve staff’s ability to provide quality and efficient customer service.

Increased access to youth programming in key areas including the summer Kid’s Corner program and expanded partnerships with Hopkins Community Education.

Implemented park board recommended changes to the summer playground program to accommodate increased numbers of children interested in participating.

Partnered with the Minnetonka School District and local non-profits including the Glen Lake Optimists and the Music Association of Minnetonka to enhance Arts related programming for youth and increase options for young families to participate.

Selected a consultant to prepare the Glen Lake Activity Center Feasibility Study in an effort to increase access to programming space for all age groups and increase positive perceptions of our city.

Recreation Services and Public Works staff met numerous times to coordinate details for community, senior services, facility, and youth events.

Stabilized Williston Center growth to ensure reasonable access to the facility by residents.

Future Actions

Develop a way finding and signage plan to address goals related to trail connectivity.

Effectively implement and manage the first year’s use of RecTrac, the new registration management software.

Continue to explore and develop partnerships with outside agencies to enhance recreational program and trail improvement offerings.

In an effort to improve resident access to quality city facilities, define facility improvement projects including planned ice arena renovations, Williston Center improvements and planning for the proposed replacement of the Glen Lake Activity Center.

Develop partnership agreements with the Hopkins School District and local athletic associations to better define public access to city provided athletic amenities.

Review existing policies and procedures that impact resident access to programming and facility options to ensure that all remain financially sustainable.
Responsible Stewards: A

Residents are extremely satisfied with their quality of life in Minnetonka, with 99% rating it as excellent or good. Nearly half of all those surveyed cited factors related to our natural setting, and close to one-third listed their neighborhood as what they like most about the community.

One-third of those surveyed stated there was nothing they disliked about living in Minnetonka. The metro average for such boosters is six percent, placing Minnetonka significantly above the mean. This year only 14% noted disliking high taxes, down slightly from 15% a year ago.

The city’s financial position remains strong with a renewed Aaa bond rating; only six percent of cities nationwide receive this top rating. For 32 years running, the city has received the Government Finance Officers Award for Excellence in Financial Reporting. The city’s tax rate is among the lowest, despite the lack of special assessments.

As noted, the community’s appetite for taxes continues to stabilize. Last year, eight in ten residents positively rated the quality and value of city services based on the property taxes paid. This year, nine in ten felt that way. In 2014, more than 50% of residents favored an increase in property taxes if it were needed to maintain city services at their current level and in 2015 that number holds steady at 51%. Eight in ten support the use of city funding to manage the Emerald Ash Borer on public lands and more than seven in ten support to manage on private lots.

Natural Environment: A-

Overall ratings of the city’s efforts to protect the natural environment remain very positive. Nearly 96% of those with an opinion positively rated the quality of the city’s natural resources management. Nearly 92% felt the city is doing the right amount to protect the environment and nine in ten rated the overall quality of the natural environment as excellent or good.

Educational efforts are paying off, as 97% find the city’s information on protecting the natural environment and conserving water to be very or somewhat helpful. Seven in ten are familiar with the Emerald Ash Borer and over 70% of respondents feel it is a serious threat to Minnetonka.

Public Safety: A-

Police and fire services ratings are overwhelmingly positive, near and at 100% approval respectively. Ninety-eight percent of those calling 9-1-1 rated the way employees handled the situation positively, and ratings were similar to those calling the police and fire departments for non-emergency calls.

Ninety-one percent say there is no area in Minnetonka where they feel unsafe. Of the respondents who had a public safety concern, 28% listed traffic as having the greatest impact. For those who were stopped by a Minnetonka police officer for a traffic violation, 98% felt the officer acted in a professional manner.
Transportation: B+

Over 70% of residents surveyed rated the quality of pavement repair and patching as excellent or good, a rating 20% higher than the metro average. This season committed snow and ice control removal efforts resulted in close to 95% positive rating the quality of snow plowing and 97% positively rated trail maintenance.

Community Development: A-

Residents were 97% positive about the city’s quality of community planning. Over nine in ten feel the city is successful in balancing individual property rights with interests of the wider community, the highest positive ratings in the metro area. More than 70% of residents would be committed to staying in Minnetonka if they chose to upgrade or downsize their house size.

Close to 85% of residents feel neighborhood nuisances such as upkeep of homes and yards are not a problem, while 12% feel they are only a minor problem. This is an improvement from 2013 and 2014.

Recreation: A

Thirty-three percent of survey respondents participated in city-sponsored recreation programs again this year. Notably, 99% responded positively about the quality of recreation programs and services.

Combined ratings of the city’s vision and mission, guiding principles, and each of the six strategic goals result in an overall organizational grade of A- for this year, consistent with last year’s grade. The city’s actual “grade point average” is 3.697, slightly higher (3.685) than last year.
Minnetonka City Council

Terry Schneider, Mayor
Dick Allendorf, At-large
Patty Acomb, At-large
Robert Ellingson, Ward 1
Tony Wagner, Ward 2
Brad Wiersum, Ward 3
Tim Bergstedt, Ward 4

Strategic Work Groups

Responsible Stewards – Merrill King, Geralyn Barone, Patty Latham, Sue Poulos, Corrine Heine and Perry Vetter

Natural Environment – John Weinand, Will Manchester, Jo Colleran, Liz Stout, Jim Malone, Ashley Cauley and Susan Thomas

Public Safety – John Vance, Jeff Sebenaler, Scott Boerboom, Kevin Fox, Brian Wagstrom, Marv Solberg and Shelley Peterson

Transportation – Lee Gustafson, Brian Wagstrom, Darin Ellingson, Will Manchester, Jeff Sebenaler, Julie Wischnack, Elise Durbin, Jeremy Koenen


Recreation – Dave Johnson, Ann Davy, Mike Pavelka, Todd Kasowski, Steve Pieh, Sara Woeste, John Heckmann and Kelly O’Dea

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