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**WAYZATA CITY COUNCIL
MEETING MINUTES
MARCH 7, 2023**

AGENDA ITEM 1. Call to Order.

Mayor Mouton called the meeting to order at 7:00 p.m. Mayor Mouton shared the multiple options for joining the meeting remotely and submitting comments or questions.

AGENDA ITEM 2. Pledge of Allegiance.

AGENDA ITEM 3. Roll Call.

Council Members present: Mouton, Iverson, MacDonald, Plechash, and Parkhill. Also present: City Manager Dahl, Community Development Director Goellner, and City Attorney Schelzel.

Mayor Mouton noted that earlier in the evening, the City Council participated in a workshop. The following items were on the agenda:

- Interview for Parks & Trails Board Vacancy
- Annual Update of Energy and Environment Committee
- Annual Update of the Heritage Preservation Board

AGENDA ITEM 4. Approve Agenda.

Mr. Parkhill made a motion, seconded by Mr. Plechash, to approve the agenda, as presented. The motion carried 5/0.

AGENDA ITEM 5. Public Forum.

a. Swearing in of Police Officer Travis Groth

City Manager Dahl administered the Oath of Office to Travis Groth. Officer Groth's badge was pinned on by his father, former Plymouth police officer, Dave Groth.

Police Chief Schultz shared some background information about Officer Groth and his education and experience.

Officer Groth thanked the City for its support and expressed his appreciation for the opportunity to continue to work with the City.

Mayor Mouton extended her appreciation on behalf of the Council and the community and officially welcomed Officer Groth to the City. She stated that the City feels very lucky that they have somebody like him and his colleagues working here.

Mayor Mouton recessed the meeting at 7:15 p.m. to allow for friends and family to congratulate Officer Groth and take pictures, and reconvened the meeting at 7:28 p.m.

b. Public Comment

There were no individuals that indicated they wished to speak to an item not otherwise on the agenda.

AGENDA ITEM 6. New Agenda Items.

Ms. Iverson stated that she would like to discuss the feasibility of pay increases for the City's volunteer fire fighters for 2024.

1 Mr. Dahl noted that typically this would be considered as part of the larger annual
2 budget process but noted that the City could do an updated compensation study in order to
3 take a look at what other communities are doing. He stated that staff can pull together
4 information for the Council to discuss during the budget process in June/July, or for a
5 possible topic at a workshop.

6 Ms. Iverson explained that considering what the volunteer firefighters do for the
7 community, she feels their pay is quite low and would like to see the City take a look at
8 this issue. She stated that she would like to see the data on how the City compares to other
9 cities.

10 Mr. Plechash stated that he thinks it will be sufficient for this to be discussed
11 through the regular budget process.

12 Mr. Parkhill noted that he thinks it would be good for the Council to have more
13 data on the pay rates.

14 Mayor Mouton agreed and suggested that the City can gather this data, especially
15 from comparable departments and get input from Fire Chief Klapprich.

16 Mr. Dahl explained that he would work with Fire Chief Klapprich to put together
17 this data for the Council.

18
19 **AGENDA ITEM 7. Consent Agenda.**

20 Mayor Mouton read the items on the consent agenda and asked if any Council member
21 wished to pull an item for further discussion. Hearing no such request, she asked for a
22 motion to approve the Consent Agenda as presented. Mr. Plechash made a motion,
23 seconded by Ms. MacDonald, to approve the consent agenda with all of the following
24 items:

- 25 a. Approval of City Council Workshop and Regular Meeting Minutes of February 21,
26 2023
- 27 b. Approval of Check Register
- 28 c. Approval of Municipal Licenses
- 29 d. Authorization to Solicit Bids for the 2023 Mill & Overlay Project
- 30 e. Approval of First Reading of Ordinance 822 City Code Amendments Related to
31 Solar Energy Systems
- 32 f. Adoption of Resolution 14-2023 Adopting a Policy on use of Public Funds to
33 Reimburse Permitting Fees Associated with Affordable Housing Projects
- 34 g. Adoption of Resolution 15-2023 Approving Reimbursement of Permitting Fees
35 Associated with Maintenance and Improvement of Affordable Housing at Maggie
36 Manor Too
- 37 h. Adoption of Resolution 19-2023 Accepting a Donation from Wayzata Lions Club.

38
39 The motion carried 5/0.

40
41 **AGENDA ITEM 8. New Business.**

- 42 a. **Consider Approval of Second Reading and Adoption of Ordinance No. 824**
43 **Authorizing the Issuance of General Obligation Temporary Tax Increment**
44 **Bonds for Panoway on Wayzata Bay**

45 Mr. Dahl explained that the First Reading of Ordinance No. 824 took place at the February
46 21, 2023 City Council meeting. He gave a brief overview of the Panoway timeline and

1 funding history and plans for the boardwalk and docks. He reviewed the pending funding
2 requests that have been made for the project including sales tax exemption, State bonding
3 request, as well as grants and conservancy funds. He noted that the City will lose the ability
4 to use TIF 6 as a funding source by June, and explained that these are considered temporary
5 bonds just because the City does not currently know the exact amount of funding that will
6 be available to cover project costs. He concluded by noting that Staff recommends approval
7 the second reading and adoption of Ordinance No. 824.

8 Mr. Parkhill asked if he was correct that the \$6 million of bonding funds would be
9 paid back with 20% of the tax revenue that comes from TIF 6, and that none of this would
10 be coming from the City's General Fund or tax levy.

11 Mr. Dahl confirmed that this was correct, and the \$6 million would be paid by
12 increment that is generated from TIF 6, and not the general fund. He noted that the City's
13 estimates are conservative and even with the other obligations for that district, because it
14 is performing so well, there would still be a remaining cash balance at the end of the term.

15 Mayor Mouton stated that she thinks of this as a 'bridge loan' until the increment
16 comes in from that district.

17 Ms. Iverson stated that she believes she saw information that the City would pay
18 about \$3 million in interest on these bonds and asked how this interest would be paid. Mr.
19 Dahl stated that interest is incorporated into the overall annual debt service and explained
20 that it would be \$3.8 million over the course of a 25 year term. He reiterated that this would
21 be paid by increment from TIF 6.

22 Ms. Iverson asked if she was correct that the increment for this district would not
23 come in until around 2030, and the 'bridge loan' is to carry the City to that point in time.
24 Mr. Dahl explained that the 'bridge loan' was really to carry the City through when they
25 have the final cost of the project paid.

26 Ms. Iverson referenced page 108 of the packet, and explained that part of her
27 concern is that the City is merely 'hopeful' that they will receive additional funding from
28 the State. She stated that there is no guarantee that this funding will come to fruition, and
29 feels that some of these bonds are being issued with the hopes of getting that additional
30 funding. She stated that she is not comfortable taking that risk and does not think that the
31 City, in the past, thought that they would be bonding this much money to construct this
32 project. She thanked staff for putting together all of the data and information but noted that
33 she cannot support this at the present time.

34 Mr. Parkhill asked if his understanding was correct that if the City issued bonds for
35 \$6 million, including the interest, the tax increment would cover all of those, which means
36 the taxpayers would never pay a cent. Mr. Dahl confirmed that this was correct.

37 Mr. Parkhill stated that if the City does not take this action, then it will lose the
38 money to the State or the County. He stated that he feels this is basically free money for
39 the City to use. Mr. Dahl stated that he would say that the City would lose millions of
40 dollars if it does not use this increment that would otherwise need to be used for highly
41 restricted sources.

42 Ms. Iverson stated that she thought the City had already secured \$4 million from
43 the State, but this still leaves a large gap to be met. Mr. Dahl clarified that if the City does
44 not move forward with bonding now, the City will lose the ability to use increment for the
45 boardwalk and docks.

1 Ms. Iverson asked if the City already had \$6 million accumulated from TIF 6. Mr.
2 Dahl answered that it would accumulate over the course of about 22 years.

3 Ms. MacDonald stated that the City was given legislation from the State in order to
4 use TIF 6 for the boardwalk which is where the 'use it or lose it' idea comes in to play.

5 Mr. Dahl stated that was correct and explained that the City was given special
6 legislation and an exception to use TIF dollars for park related expenses, specifically the
7 boardwalk and docks. He reiterated that the deadline for this use is June.

8 Ms. Iverson stated that she would be 100% behind funding the docks, but believes
9 the boardwalk is an expensive luxury for the City. She stated that she is concerned that this
10 is having a snowball effect and is getting out of control and explained that her concern was
11 related to when the spending would stop.

12
13 Mayor Mouton asked for a motion on the draft resolution. Mr. Plechash made a motion,
14 seconded by Mr. Parkhill, to Approve the Second Reading and Adopt Resolution No.824
15 Authorizing the Issuance of General Obligation Temporary Tax Increment Bonds for
16 Panoway on Wayzata Bay. The motion carried 4/1 (Iverson – opposed).

17
18 **b. Consider Adoption of Resolution 11-2023 Denying Subdivision at 1030 Lake**
19 **Street East**

20 Ms. Iverson explained that she would recuse herself from this item because she has a
21 property in the neighborhood that is on the market and does not want there to be a
22 perception of a conflict of interest.

23 Community Development Director Goellner gave an overview of the surrounding
24 neighborhood zoning and land use guidance. She reviewed the existing conditions of the
25 site and the request for a major subdivision to divide one parcel into three. She noted that
26 the plan is to demolish the existing home and then build new homes on all three of the new
27 parcels. She reviewed the site plan details for each lot and explained that overall, the
28 dimensions of the proposed lots are compliant with City standards. She reviewed the tree
29 removal and preservation activities including tree replacement plans. She noted that the
30 fee-in-lieu of planting would be \$75,520. She reviewed the comments from the
31 Engineering Department, and noted that the City had received two public comments that
32 expressed concerns regarding the wetland, tree loss and the number of proposed homes.
33 She explained that there were 7 members of the public who commented on the application
34 at the public hearing that had similar concerns, and that one member of the public was in
35 favor of the project. She gave a brief overview of the Planning Commission discussion of
36 the application as it related to the trees and wetland on the property, the surrounding
37 neighborhood, and the guidance of the Comprehensive Plan. She stated that the Planning
38 Commission voted unanimously to adopt a report of findings and a recommendation of
39 denial of the request. She explained that many on the Commission felt that 2 lots rather
40 than 3 would be more appropriate for this site. She noted that at the end of the Planning
41 Commission meeting there was a discussion about whether or not wetland was included in
42 the density calculations. She stated that staff had included the wetland in the density
43 calculation, as reflected in the staff report. She noted however that upon further review,
44 she found that the City has a code provision that would require a CUP in order to include
45 the wetland in the calculation of the total lot area. She stated that this is new information
46 and explained that without a CUP, the wetland should be excluded, which means that this

1 proposal is too dense and would not be compliant with the Comprehensive Plan. She
2 reviewed the 2040 Comprehensive Plan, the zoning, and density of the surrounding
3 neighborhood. She noted the size of nearby lots and reviewed the minimum lot
4 requirements for the various zoning districts. She noted that in taking a closer look at this
5 property, she can understand why the City may have an interest in rezoning this parcel to
6 R-2 or R-2A. She reviewed the Central Core Residential area just to the north of this parcel
7 and lots sizes in the surrounding neighborhood. She noted that since the Planning
8 Commission meeting, the applicant submitted a letter that included information regarding
9 their supplemental tree plan that shows preservation of more trees. She reiterated that this
10 is new data and was not included in their packet. She noted that the City Forester has taken
11 a preliminary look at their new information and has stated that he did not think it was
12 feasible to save many more trees as shown in the new plan, but would like to get more
13 information in order to determine if it is possible or not.

14 Mayor Mouton asked if staff and City Attorney Schelzel had gone through the
15 supplemental letter that was submitted by the applicant. She noted that she had not gone
16 through it bullet point by bullet point to see what had changed between when it was before
17 the Planning Commission and as it is now before the Council.

18 Ms. Goellner explained that her general feeling from the letter was that the
19 applicant felt that they have complied with all the code standards and submitted a tree plan
20 that attempts to maximize the tree preservation on the site. She noted that there were some
21 legal arguments that were included in the letter, and suggested that City Attorney Schelzel
22 may want to comment as well.

23 Mayor Mouton asked if the plan in the supplemental letter was different than what
24 the Planning Commission saw. Ms. Goellner confirmed that it was different, and explained
25 that was why staff generally discouraged applicants from submitting new plans between
26 the Planning Commission meeting and the City Council meeting. She noted that in this
27 instance it is a matter of about 10 trees and is not a wholesale change.

28 City Attorney Schelzel stated that the plats for the subdivision of the property are
29 not different, and clarified that only a new tree plan had been submitted. He noted that the
30 Council was looking at the same plats for 3 new lots that the Planning Commission
31 reviewed and made findings on. He explained that some of their findings were related to
32 trees, but the analysis from the forester was that the newly submitted tree plan would not
33 be materially different.

34 Mr. Parkhill confirmed that the Comprehensive Plan guides the north side of Lake
35 Street differently than the south side and also has less density south of Lake Street. Ms.
36 Goellner confirmed this was correct and explained that the density was for 1-3 units/acre.

37 Mr. Parkhill asked how many trees on this property were ash trees. He asked if he
38 was correct in saying that 5 of the 10 they were hoping to save probably would not end up
39 lasting very long anyway. Ms. Goellner stated that was correct for the 10 they were hoping
40 to save in the supplemental plan that was submitted. She noted that the City generally
41 excludes ash trees from their overall calculations.

42 Mr. Parkhill stated that the wetlands have a 20 foot buffer and there was discussion
43 about the wetland area getting very large at times when there aren't such dry years. He
44 asked if it was safe to assume that a 20 foot buffer would be enough and the house would
45 not be flooded. Ms. Goellner explained that the City staff relies on the wetland delineation,
46 and the buffer is designed based on that. She noted that the City Engineer does not have

1 concerns about the size of the wetland or the buffer area, and feels it is an accurate depiction
2 of the existing conditions.

3 Mr. Parkhill stated that it appears as though the applicant is only required to replace
4 trees of 3 inches in diameter but is planning to replace them with significant trees which
5 are 6 inches in diameter. Ms. Goellner stated that this was correct and noted that this was
6 not typical. She explained that they are planning to install larger trees from the start in an
7 attempt to preserve the site.

8 Mr. Plechash stated that the depiction of the size of the lots he found to be very
9 helpful. He asked about the proposed frontage of the 3 lots and how those compare to the
10 homes directly to the east. Ms. Goellner referenced information from the County and stated
11 that the parcel directly east of this proposal is 104 feet wide, the next parcel is 104-107 feet
12 wide, which are both significantly wider than the proposed lots.

13 Mr. Plechash noted that in the proposed plats it looks as though the buildings would
14 be about 20 feet apart and asked how that compared to the nearby homes. Ms. Goellner
15 stated that there are 10 foot setbacks, so the distance would be about 20 feet between the
16 homes. She noted that the property directly to the east is very built out but believes they
17 have a 10 foot setback. She noted that the parcel beyond this is less built out and has a
18 larger setback of about 25-30 feet.

19 Mr. Plechash asked about the distance between the existing home to the east and
20 the proposed new buildings. Ms. Goellner explained that the distance between the proposed
21 home on Lot 3 and the house directly to the east would probably be about 20 feet, and noted
22 that the distance between that home and the next would be about 40 feet.

23 Ms. MacDonald stated that she would like to have more context or recollection
24 from the 2040 Comprehensive Plan discussions of how the density was determined. She
25 asked if there was any recollection on why this parcel was not rolled into the neighborhood.
26 Ms. Goellner stated that based on her research, the reason for that decision was because of
27 the existing lot size. She stated that the intention was to leave this property and the other
28 two to the east as low density because of their larger size.

29 Ms. MacDonald stated that she would like to understand more about the road in
30 front of the lot, especially about its width. Ms. Goellner explained that the road is about 32
31 feet wide, and explained that would be fairly typical for Minneapolis or St. Paul, but not
32 for Wayzata. She stated that she does not have measurements of other streets but would
33 say, anecdotally, that is narrower. She stated that this year, with all the snow, people are
34 having to park partially on the snow bank in order to get out of the way. She stated that
35 when people are having work done on their homes, cars end up queuing in the streets so it
36 can get pretty congested in the area, but explained that she would not necessarily conclude
37 that this means homes should not be built here.

38 Ms. MacDonald asked about the speed bump on the street, and noted that it feels
39 like the side that they are planning on putting the driveway in seems counterintuitive. She
40 stated that there will be a lot of trees coming down where the driveway is located and asked
41 if there had been any consideration of putting the driveway on the other side of the speed
42 bump. She asked if the applicant had looked at the new tree ordinance that basically says
43 there is an incentive for changing their building plans in order to preserve trees. Ms.
44 Goellner stated that she did not think this has been talked about with the applicant. She
45 noted that she would like to ask City Engineer Kelly if the speed bump was really helping
46 in this area because it is such a narrow street and wonders if people were already slowing

1 down. She stated that she understood the suggestion about placing the driveway on the
2 opposite side of the speed bump.

3 Mayor Mouton noted that she knows that the speed bump was intended to be a
4 partial deterrent from cut through traffic. She explained that she was not an expert but
5 wasn't sure how much latitude there was in the speed bump placement being moved or
6 changed. She asked if there had been City feedback on the driveway location and the speed
7 bump. Ms. Goellner stated that the feedback was that the driveway couldn't interfere, and
8 they found that in the redesigned plans that it met standards.

9 Ms. MacDonald asked if the applicant had looked at the new tree ordinance. Ms.
10 Goellner noted that they met with the City Forester on the Tree Preservation Ordinance
11 more than once to try to maximize the plantings on the site.

12 Mayor Mouton asked for a reminder about the width of the frontage for the
13 proposed sites. Ms. Goellner stated that the eastern two lots were proposed to be at 65 feet.
14 She noted that the frontage for lot 1 would be more because it includes the wetland area.
15 She explained that the existing lots to the east range from 100-107 feet wide, which is
16 generally the requirement for R-2, and noted that for R-3 the requirement is 60 feet.

17 Mayor Mouton asked about the CUP referenced earlier and if the applicant,
18 according to the code, actually needs one. Ms. Goellner stated that her interpretation of the
19 code is that a CUP would be needed. She explained that this is new information for the
20 applicant, and noted that it was due to her error in not seeing the piece of code related to
21 wetland areas.

22 Mayor Mouton asked how this application could proceed with the new information
23 related to a CUP. Mr. Schelzel explained that based on staff's new analysis, a CUP would
24 be needed for the plat as presented, so the applicant would need to make a second request
25 for that CUP which would require Planning Commission review and a public hearing.

26 Mayor Mouton asked if the Council accepted the Planning Commission
27 recommendation of denying the request, if the applicant could come back through the
28 process if they alter their application in some way. Mr. Schelzel summarized that if the
29 Council concurs with the recommendation of the Planning Commission, it would be up the
30 applicant on where they would want to go from that point, which could include a new
31 application. He noted that if the Council differs from the Planning Commission
32 recommendation of denial, one of the conditions of an approval should be that they obtain
33 any needed CUP that is required by code.

34 Mayor Mouton recognized the applicant representative, Dan Vanderheyden, 312
35 Hampton Street. Mr. Vanderheyden noted that he and his wife have lived in this
36 neighborhood for 10 years and that he also owns Black Dog Homes, the developer and the
37 applicant for the subdivision. He stated that he appreciated the City's review of the
38 proposal. He stated that one thing he wanted to emphasize is the review of the facts and
39 explained that his hope is that the City Council will approve the subdivision application.
40 He reviewed the points that he felt should be considered, including that the proposed lots
41 are larger than the minimum required size of 9,000 square feet; fit the low density
42 definition; and that the lot width and area fit the scale and character of the neighborhood.
43 He reiterated that he lives in this neighborhood and explained that his lot is 55 feet wide
44 and has a lot area of 6,243 square feet. He explained that he felt that it was a cottage style
45 neighborhood. He noted that Black Dog Homes is committed to preserving as many
46 significant and heritage trees as possible and explained that of the remaining 25 trees, they

1 have proposed saving approximately 50% in the original submission and in the amended
2 version they proposed saving about 84%. He stated that he was very surprised to hear
3 tonight that the 11 trees that they are planning to save are basically considered 'garbage
4 trees'. He explained that they understand that their amended plan does not revise their
5 application but felt it displayed their willingness to work with City staff to save as many
6 trees as possible. He stated that they are asking that the City allow Black Dog Homes to
7 work directly with the City Forester and staff during the permitting process of each new
8 home being built to address tree preservation on the property. He stated that the wetland
9 has been protected and has been formally delineated under the Wetland Conservation Act.
10 He explained that the proposed home on lot 1 will respect the buffer and not encroach on
11 those areas. He noted that they are willing to work with the City to further clean this area
12 up. He stated that traffic and safety was also taken into consideration when they were
13 making their plans, and he has met with Assistant Planner Quarles and City Engineer Kelly
14 to discuss their application. He explained that they were asked to move the driveway in
15 relation to the speed bump, which they did. He explained that the proposed driveways do
16 not propose a traffic or safety hazard for the neighborhood. He noted that Black Dog Homes
17 has received three Dream Home designations for projects within the City from the Parade
18 of Homes in the last few years. He reiterated that he is asking the City Council to approve
19 the subdivision request for this property so they can create 3 beautiful homes that will fit
20 the character and scale of the neighborhood. He introduced his legal counsel.

21 Jacob Stein, Larkin Hoffman, representing Black Dog Homes, stated that he had
22 already submitted a letter to the City, but wanted to touch on a few points that he felt were
23 salient. He stated that the application is for a code compliant subdivision that meets all of
24 the requirements under the R-3A district without the need for any variances or other
25 consideration. He stated that this application is consistent with the character of the
26 neighborhood, and noted that he feels the Council needed to look at the surrounding area
27 and not just the adjacent properties. He shared data about the average lot sizes and average
28 lot widths. He stated that the footprints for lots 2 and 3 will not be known until those
29 projects come through and they would like to be able to work with the City Forester to
30 limit those impacts as much as possible. He reiterated that they feel that their application
31 meets all of the objective requirements under the R-3A district and are asking that the City
32 Council reject the recommendation from the Planning Commission to deny their request.

33 Mr. Parkhill asked about the 4.6 units/acre calculation without the wetlands. Ms.
34 Goellner explained that if the wetland area is not used then 3 units on .77 acres comes out
35 to 4.6 units/acre.

36 Mr. Parkhill noted that when he quickly ran the calculations he came out closer to
37 4 units/acre. Ms. Goellner stated that she believed he was correct and the calculations were
38 closer to 4 units/acre and thanked Mr. Parkhill for catching that error.

39 Mr. Parkhill asked if the zoning for north and south of Lake Street were different.
40 Ms. Goellner stated that it was not different, and reviewed a map that showed the zoning
41 in the area. She noted that this is one of a few areas where the City could consider a zoning
42 change as discussed earlier but noted that the applicant was working under the current
43 zoning at this time. She stated that the Comprehensive Plan guidance is an important piece
44 of the puzzle for the long term.

45 Mr. Parkhill asked how the CUP issue needed to be handled since it kind of came
46 up at the last minute. Ms. Goellner stated that it is very unusual that they would find this

1 kind of information on the day of a City Council meeting. She apologized for the confusion
2 and the late notice that was given to the applicant. She stated that she would ask City
3 Attorney Schelzel for his opinion on how things should proceed at this point.

4 Mr. Schelzel stated that the City should always follow its code, regardless of when
5 the discovery was made. He reiterated that if the Council follows the recommendation of
6 the Planning Commission and adopts the resolution that was included in their packet, the
7 question of whether a CUP was needed would not matter because the subdivision would
8 be denied. He explained that if the Council wanted to go a different direction based on a
9 different set of findings, he would recommend that they direct staff to prepare a denial
10 resolution with those findings and part of that would be looking at the requirement to obtain
11 the CUP.

12 Mr. Vanderheyden expressed his frustration regarding what he felt was happening
13 at this meeting. He stated there this information has not ever been brought up to them before
14 now and was not brought up during the Planning Commission meeting. He stated that now
15 it has suddenly become a front and center item which he finds unbelievable. He stated that
16 the insinuation is that this policy ought to impact the decision making of this Council which
17 he feels is unfair to both the Council and him, as the person who purchased this lot.

18 Mayor Mouton thanked Mr. Vanderheyden for his comments and noted that she
19 could certainly appreciate his feelings on this matter. She asked the Council to share their
20 opinions on where they feel this application currently stands and what they feel the next
21 steps would be.

22 Mr. Dahl clarified that staff can work with the applicant if there is another
23 procedure that is needed in this process to expedite that as long as they continue to follow
24 Code. He reminded the Council that staff works with developers on what they think is the
25 best pathway for them to follow, but ultimately, it is the applicants' responsibility to know
26 the code. He apologized that staff had not caught this issue earlier in the process.

27 Mayor Mouton noted that nobody is perfect which means sometimes things get
28 missed and that then they need to work to correct those errors when they are found.

29 Ms. MacDonald stated that she is leaning towards the zoning code and looking at
30 this as an R-3 property. She explained that she has a 60 foot wide lot as do her neighbors,
31 but the ones on the other side have an extra wide lot and are located next to a park. She
32 said that her neighborhood feels fine despite those differences. She noted that she has
33 always admired the Black Dog Homes home on Walker Avenue, and thinks it shows the
34 value that they will bring to the cute, cottage-like, charming neighborhood. She noted that
35 she thinks cleaning up the wetland will be really great for the neighborhood.

36 Mr. Plechash stated that he would like to acknowledge Black Dog Homes because
37 he knows that they have a great reputation for quality and for ethical building practices. He
38 stated that he would disagree with Mr. Dahl's statement on the CUP because he feels that
39 there is culpability on both sides, and feels that this should have come up in conversation
40 before the day it came before the City Council. He stated that he values what the Planning
41 Commission does and thinks that they asked the right questions in this case. He explained
42 that to him, in this neighborhood, the character of the homes immediately to the east are
43 more salient than the ones across the street. He stated that he sees the homes across the
44 street as almost a different neighborhood and to look at lot widths of 107, 100 and then
45 suddenly come down to 65 feet wide is a jolting difference. He stated that he also feels that
46 the proposed distance between the homes seems too close. He noted that he has been in

1 and out of this neighborhood many times and explained that, to him, the wetland almost
2 isn't even part of the neighborhood because it does not seem like it is part of a lot and is
3 just there. He stated that putting in three homes, to him, does not fit the nature of the
4 neighborhood. He noted the new piece of information regarding the CUP but feels it is a
5 moot point, even though the City should have known about it, because he thinks 3 houses
6 on this lot is too many.

7 Mr. Parkhill stated that he sees a wide variety of homes in the neighborhood and
8 doesn't necessarily differentiate the north and the south of Lake Street, especially when it
9 has the same zoning. He explained that he sees zoning as the mechanics or the objective
10 stuff that you should rely on when you are making an investment to buy a piece of property.
11 He noted that one of the biggest objections from the Planning Commission was regarding
12 the trees and with the applicant coming back with 6 inch trees and paying the additional
13 fee-in-lieu of fees, it is a positive for the community. He stated that the CUP issue throws
14 it a bit for him because it was a surprise. He explained that he did not have a problem with
15 the size of the lots and believes that they can build beautiful homes on lots that are 65 feet
16 wide; but didn't really know how to handle the CUP issue.

17 Mayor Mouton thanked the Planning Commission for their robust discussion on
18 this item. She stated that she feels the Comprehensive Plan information is an error and she
19 does not feel the City can rely on an error for the low density designation. She stated that
20 the two lots to the left, in her opinion, do not equate to a neighborhood. She noted that
21 while 3 lots will be a big change, she believes that it is in keeping with the surrounding
22 properties. She stated that Black Dog Homes has a great reputation in town and their homes
23 on Walker Avenue are stunning. She stated that she appreciated their efforts with regard to
24 additional tree preservation and the planned clean-up of the wetland. She stated that she
25 thinks the City needs to get the Comprehensive Plan updated to reflect the appropriate
26 zoning, and explained that the proposed lots are similar in size to the neighborhood directly
27 adjacent and to the north. She stated that she is in favor of approval with the caveat that
28 they can save the trees that are possible to be saved. She stated that she would also like to
29 see the City do what it can in order to minimize the time and expense of the CUP issue,
30 regardless of whose fault it was that it was not found earlier in the process. She asked when
31 the soonest time would be that the public hearing could be brought to the Planning
32 Commission.

33 Ms. Goellner stated that she believed that they could put it on a Planning
34 Commission meeting in April. She stated that the CUP would come back before the City
35 Council in May.

36 Mr. Stein stated that if the Council moves to approve their request, they would ask
37 that a CUP condition be contingent upon having an opportunity to vet this determination
38 because they have not had a chance to try to understand this recent statement by staff. He
39 stated that upon examination it may be possible that there may be an interpretation that
40 would make it possible to avoid a CUP.

41 Mayor Mouton stated that she would not come up with legal language on the spot,
42 but suggested that something could be added that directed the legal counsels to review this
43 issue and make a determination.

44 Mr. Schelzel stated that he thinks that they can take that approach and suggested
45 language for a proposed motion directing staff to that effect.

1 Mayor Mouton asked for a motion on the application. Mr. Parkhill made a motion,
2 seconded by Ms. MacDonald, to Direct Staff to Prepare a New Resolution Approving the
3 Proposed Subdivision at 1030 Lake Street East with Findings Supporting Approval, as
4 discussed, with the condition of a CUP, if necessary, for consideration at the next City
5 Council meeting. The motion carried 4/0/1 (Iverson abstained).

6
7 Mayor Mouton recessed the meeting at 9:14 p.m. and reconvened at 9:20 p.m.

8
9 **c. Consider Adoption of Resolution 10-2023 Approving Development**
10 **Application for Cantissimo Senior Living and Approval of First Reading of**
11 **Ordinance 823 Amending the Official Zoning Map at 1405 Holdridge Terrace**
12 **and 15419 and 15429 Wayzata Boulevard East**

13 Ms. Goellner gave an overview of the development application for Cantissimo Senior
14 Living. She reviewed the zoning and land use for the surrounding neighborhood. She noted
15 that Institutional zoning was conditionally approved with the recent Comprehensive Plan
16 amendment. She stated that the PUD concept plan was approved in February of 2022 for a
17 40 unit “L” shaped memory care facility. She noted that the renderings are intended to
18 show a ‘Lake Minnetonka-like’ residential feel. She reviewed details of the various
19 application approval requests. She reviewed the tree removal, preservation and landscape
20 plans. She noted that following the neighborhood meeting, the applicant indicated that they
21 were open to additional plantings because that was a concern that was heard. She reviewed
22 details of the wetland buffer, and noted that the City averaged it in area so it is a buffer of
23 30 feet on average, and would range from 12 to 50 feet. She gave an overview of the plans
24 for a lot combination of the current 3 parcels and to then update the easements accordingly.
25 She explained the variance request for a minimum unit size and noted that because it is a
26 memory care facility, the units will not have their own kitchen. She noted that there are 10
27 design deviations within their plans and noted that Planning Commission found the
28 deviations to be acceptable and recommended approval. She reviewed the City Engineering
29 comments. She noted that there was a neighborhood meeting on January 17, 2023 that had
30 5 people in attendance, where they discussed the overall design, requested more trees, and
31 discussed the nature area and the lift station relocation. She stated that at the Planning
32 Commission meeting there was one public comment in support of the project from the
33 neighbor at 1409 Holdridge Terrace. She explained that the Planning Commission voted
34 unanimously to recommend approval.

35 Ms. Iverson asked about the average wetland buffer area that was being used on
36 this application compared to the last application that had a straight 20 foot setback, and
37 asked why they would be different.

38 Ms. Goellner explained that she had not worked directly with the Engineering
39 Department on the wetland buffers but the averaging was done under the authority of the
40 City Engineer. She noted that she knows that they follow some wetland rules that she is
41 not as familiar with and would have to search through their information for specific codes
42 that guided their decision. She explained that from the staff report she can just tell that the
43 City Engineer felt a buffer averaging plan would be sufficient for this application.

44 Ms. Iverson noted that the previous applicant had stated that they had received
45 Minnesota Wetland approval, and asked if there were other necessary agencies that would
46 need to give approval to these plans. Ms. Goellner explained that she believes because the

1 City serves as the Local Government Unit with the responsibility of the wetland buffer,
2 there are not other environmental agencies involved in this instance.

3 Ms. Iverson asked if the City normally acts as this agency and if the City had done
4 that with the application related to Black Dog Homes. Ms. Goellner explained that her
5 knowledge of wetlands is not as strong as it could be and would need to look to the City
6 Engineer for more expertise.

7 Mayor Mouton noted that she thinks perhaps the previous applicant was talking
8 about the map being created that was then incorporated into the plan. She stated that she
9 thinks they were talking about two different things.

10 Applicant K.C. Chermak of Pillar Homes was invited to address the Council, and
11 stated that he can address some of the wetland questions that have been raised because he
12 is very familiar with the situation. He explained that the Minnehaha Watershed District has
13 reviewed their plans, but noted that the City is considered the local governing body in this
14 situation. He explained that there would be no alteration to the abutting water with their
15 plans. He stated that the average buffering calculation has never changed from the very
16 first application, and noted that buffer averaging is very common. He explained that
17 because of the PUD process, they have had to review things twice and have also held two
18 neighborhood meetings. He stated that they had positive feedback at both neighborhood
19 meetings. He gave a brief overview of details from the landscaping review completed by
20 the City Forester. He gave an overview of the general design plans and explained that the
21 goal was not for it to look institutional but to have a lake-side residential feel. He noted
22 that their main goal is for this to be a wonderful entrance on the east side of the City. He
23 noted that they have made some slight modifications to the exterior based on the feedback
24 that they had received from the Council the last time they were here, and he reviewed
25 renderings to show the proposed building design and landscaping details.

26 Ms. Iverson stated that her concern was about the wetland and that at one point the
27 building would only be 12 feet from it. She stated that she had just wanted an answer from
28 staff about why the City sees different variations in how the wetland buffer is treated. She
29 asked how many trees had been taken down last summer and if there was a fee that
30 accompanied that work. Mr. Chermak noted that work was all considered and addressed
31 with their overall tree review.

32 Mr. Chermak reviewed the building design details in greater detail.

33 Ms. Iverson suggested that the design team take a look at the awnings on the back
34 of the building to ensure that they are deep enough to be functional and protect people in
35 wheelchairs from the rain.

36 Mr. Chermak thanked Ms. Iverson for her suggestion and noted that one thing to
37 keep in mind is that almost every resident will have a guest/visitor with them when they
38 are outside.

39 Mayor Mouton asked about the portions of the building that have no windows and
40 doors, and what the total length would be. Mr. Chermak stated that where this does happen
41 is typically stairs on the interior of the building or a wall section of a room in a bathroom
42 where windows would not be appropriate. He stated that they would be around 20-25 feet,
43 and noted that they are not on the front of the building.

44 Mayor Mouton noted that so much care has been put into the front elevation of the
45 building that there is almost an opposite dichotomy when you look at the back of the
46 building. She stated that, to her, the back side of the building looks like a very large blank

1 wall. She explained that she wants to make sure that they are approaching the back side of
2 the building with the same care and sensitivity as they are the front. Mr. Chermak noted
3 that they had tried to address this concern the best they could with a blend of an interior
4 view of the Minnesota Department of Health, and meshing details from the inside to the
5 outside that was somewhat out of their control because of their review. He explained that
6 the front of the building was within their control. He noted that there may be some things
7 that can be done to soften the rear of the building with some arbor vitae or greenery. He
8 stated that the applicant is very willing to adapt to changes that may help soften what could
9 be called 'simple' architecture.

10 Mayor Mouton stated that doing this kind of softening could not hurt, and felt it
11 would help current and future neighbors of the building. She stated that she believed that
12 additional nature elements and plantings would be more pleasant for the residents as well.

13 Ms. Iverson referenced page 238 of the packet and noted that she thinks there may
14 be a way to add double windows to all three floors that would help to break up the big span.

15 Mr. Chermak noted that there are subtleties that could change but explained that
16 the design plans have been vetted pretty well. He stated that they have tried to consider the
17 kind of light that may come out of the windows onto the neighbors.

18 Mr. Parkhill stated that he likes everything about this proposal, and felt it was
19 something that is much needed in the City. He stated that he thinks anything that can be
20 done to give it a premium look from the back with landscaping, stone, shutters, or
21 wainscoting will help.

22 Ms. MacDonald stated that she agreed and also supports the application .

23 Ms. Iverson thanked Mr. Chermak for being open to some of her design suggestions
24 for the building. She stated that she would like to ask that they put up a fence around the
25 wetland during construction to ensure contractors cannot drive over it or leave their
26 supplies there. She stated that she would feel much better about the project if she knew that
27 the right steps have been taken to protect that wetland and would like to make that a
28 condition of approval.

29 Mr. Schelzel explained that the draft resolution has a condition of approval that
30 speaks to the kind of concerns raised by Ms. Iverson.

31 Mr. Plechash stated that he likes the design and plan and feels this will be a valuable
32 addition to the community.

33 Mayor Mouton stated that she is also in favor of this request and feels it will provide
34 an amenity to the community. She stated that she appreciated the aesthetics that have been
35 added to make it look more residential rather than institutional. She stated that anything
36 that can be done to enhance the rear elevation and show the same kind of care and attention
37 that the front has been given would be a good thing.

38
39 Mayor Mouton asked for a motion on the application. Ms. Iverson made a motion,
40 seconded by Ms. MacDonald to Adopt Resolution 10-2023 Approving PUD General Plan,
41 Lot Combination, Unit Size Variance, Zoning Map Amendments, and Design Deviations
42 at 1405 Holdridge Terrace and 15419 and 15429 Wayzata Boulevard, and the First Reading
43 of Approve Ordinance 823 Amending the Official Zoning Map of the City of Wayzata to
44 Rezone 1405 Holdridge Terrace and 15419 and 15429 Wayzata Boulevard.

1 With further discussion of motion, the Council discussed construction fencing
 2 concerns and possible wording changes to the motion to ensure that measures to protect
 3 the wetlands are taken. Ms. MacDonald was uncomfortable with the new motion and
 4 withdrew her motion.

5 Ms. Iverson stated that she would like to see a chain link fence installed around the
 6 wetland during construction to ensure that it is protected.

7 Mayor Mouton asked Mr. Chermak to address the Council with his thoughts on this
 8 issue.

9 Mr. Chermak stated that Rachel Excavation would be the main contractor on the
 10 project who also does a lot of work for the Minnehaha Watershed District. He noted that
 11 he would have no issues with acquiescing to Ms. Iverson's passion related to this issue. He
 12 explained that there are other products available that may be more visual than chain link
 13 fencing, but they are willing to work with any of those materials to ensure the Council is
 14 satisfied and the wetland is protected.

15
 16 After further discussion, the previous motion was withdrawn and a new motion was made
 17 by Ms. Iverson, seconded by Mr. Parkhill, to Adopt Resolution 10-2023 Approving PUD
 18 General Plan, Lot Combination, Unit Size Variance, Zoning Map Amendments, and
 19 Design Deviations at 1405 Holdridge Terrace and 15419 and 15429 Wayzata Boulevard,
 20 with the condition that chain link fencing be installed around the wetland, and the First
 21 Reading of Approve Ordinance 823 Amending the Official Zoning Map of the City of
 22 Wayzata to Rezone 1405 Holdridge Terrace and 15419 and 15429 Wayzata Boulevard.

23
 24 The motion carried 5/0.

25
 26 **d. Consider Adoption of Resolution 13-2023 Appointing a Parks & Trails Board**
 27 **Member**

28 Mr. Dahl explained that the City Council had interviewed Bianca Jensen earlier this
 29 evening for this vacant Board position.

30
 31 Mayor Mouton asked for a motion on the appointment to fill the position. Mr. Parkhill
 32 made a motion, seconded by Mr. Plechash, to Adopt Resolution 13-2023 Appointing
 33 Bianca Jensen to the Parks and Trails Board Member. The motion carried 5/0.

34
 35 **AGENDA ITEM 9. City Manager's Report and Discussion Items.**

36 **a. Upcoming Events/Announcements**

37 Mr. Dahl stated that International Women's Day is March 8, 2023 and noted that
 38 he wanted to recognize that he is proud to work for an organization that has so many
 39 women in positions of leadership.

40
 41 **b. Council Member Updates/Announcements**

42 Mayor Mouton expressed her appreciation to the Public Works department for doing a
 43 fantastic job on the recent snow events.

44 Mr. Parkhill stated that he had an amazing experience earlier today with the Home
 45 Energy Squad from the Center for Energy and Environment. He stated that they have
 46 partnered with the City and had come out to his house and spent a few hours doing various

1 things like installing weather stripping, changing light bulbs, reviewing his insulation and
2 looking at his HVAC system. He stated that they did all this work and it only cost him \$35.
3 He suggested that residents call them at 651-328-6221 and schedule their own review.

4 Mayor Mouton stated that she was invited to attend a session at the White House
5 last week to talk about how the City has benefited from various federal programs. She
6 noted that it was a fast whirlwind of a trip but it was an honor and a privilege to be involved
7 in those discussions.

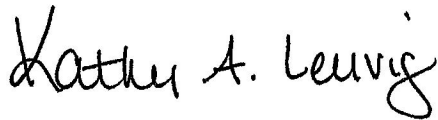
8
9 **AGENDA ITEM 10. Public Forum Continued (if necessary).**

10 There were no comments.

11
12 **AGENDA ITEM 11. Adjournment.**

13 There being no further business, Mayor Mouton asked for a motion to adjourn. Ms.
14 MacDonald made a motion, seconded by Ms. Iverson to adjourn. Mayor Mouton adjourned
15 the meeting at 10:34 p.m.

16
17 Respectfully submitted,

18


19
20
21 Kathy Leervig
22 City Clerk

23
24 Drafted by Kayla Rokosz
25 *TimeSaver Off Site Secretarial, Inc.*