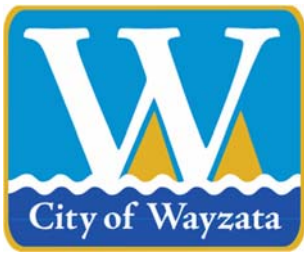


**City of Wayzata Housing and Redevelopment Authority**  
**Annual Meeting Agenda**  
Friday, February 3, 2017

**7:30 am – 8:30 am**  
Wayzata City Hall Community Room  
600 Rice Street East  
Wayzata, MN 55391

1. Call to Order – Chairman Shaver
2. Approval of Agenda
3. Approval of Minutes of 11-29-2016
4. Old Business
5. New Business
  - a. City Council reappointment of Bob Ambrose, and appointment of Steve Fox
  - b. Election of Officers (Current officers: Chair Shaver; Vice-Chair Wothe; Secretary position vacant, was McGill)
  - c. Discussion of bylaws and any suggested amendments (Revised 01-28-2016)
  - d. Appointment of Executive Director (Currently Dahl)
  - e. Other Updates
6. Next Meeting Date: April 27, 2017
7. Adjournment





# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> February 3, 2017	<b>AGENDA ITEM:</b> 3
<b>TITLE:</b> Approval of Minutes from 11-29-16 Meeting	
<b>PROPOSED MOTION:</b> To Approve the Draft Minutes of the 11-29-16 Special Meeting	
<b>PREPARED BY:</b> Jeffrey Dahl, City Manager	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

A motion is needed to approve the attached draft minutes.

**HRA STRATEGIC PLAN CONSIDERATION:**

N/A

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

N/A

**ATTACHMENTS:**

1. Draft Minutes of the 11-29-16 Special Meeting

1 HRA members present: T. Shaver, R. Wothe, B. Petit, and B. Ambrose  
2 HRA members absent and excused: None  
3 City Staff present: Jeff Dahl, Becky Malone, David Schelzel and Jeff Thomson.  
4 Others present: Stacie Kvilvang with Ehlers and Associates  
5

6 Chairman Shaver called the meeting of the HRA to order at 7:30 a.m.  
7  
8

9 APPROVAL OF AGENDA

10  
11 Petit motioned to approve the November 29, 2016 special meeting agenda as  
12 presented, seconded by Ambrose. The motion passed 4/0 by voice vote.  
13

14 APPROVAL OF MINUTES OF OCTOBER 13, 2016

15  
16 Ambrose motioned to approve the minutes of October 13, 2016 as presented, seconded  
17 by Petit. The motion passed 4/0 by voice vote.  
18

19 OLD BUSINESS

20  
21 a. None.  
22

23 NEW BUSINESS

24  
25 a. Consider Resolution 03-2016HRA Adopting the Modification to the TIF  
26 Plan for Replacement Redevelopment TIF District No. 5 within the Central  
27 Area Redevelopment District  
28

29 Dahl stated in October, the HRA approved a resolution to transfer the Mill Street  
30 properties to the City for the purposes of building a public parking ramp to serve  
31 downtown Wayzata. Since then, the City received bids for construction of the parking  
32 ramp, and these bids were higher than expected. The City decided to allocate an  
33 additional \$600,000 to cover the overages of the base ramp and has awarded the  
34 contract to Adolfson and Peterson Construction who has commenced construction with  
35 the goal of completing a portion of the ramp by July 1<sup>st</sup> with the final completion  
36 occurring in mid-August. The soil testing, corrections, and construction of the retaining  
37 wall made it difficult to meet the original deadline of Memorial Day 2017. In addition,  
38 staff has engaged its financial advisor and bond counsel on moving forward with  
39 financing of the project. In order to move forward with the financing of the project, the  
40 HRA will need to amend the TIF Plan to allow the City to issue the TIF bonds. The prior  
41 TIF Plan capped the amount of bonds the City could issue to the principal amount of the  
42 TIF Note that was issued to Wayzata Bay Development Company LLC. The  
43 modification also updates the TIF Budget to account for increment received to date and  
44 expected through the term of the district as well as bring the budget in line with updated  
45 Office of the State Auditor reporting requirements. Also, since the HRA administers the  
46 TIF district, it needs to approve a Pledge Agreement with the City, pledging the  
47 aforementioned TIF from the District for payment on the bonds.  
48

1 Kvilvang stated the City had created a new TIF district in 2011 and at that time there  
2 was a section in the TIF Statute that required the City to state the amount that was  
3 bonded. If this amount is ever increased, then the TIF District must be modified. When  
4 making this specific modification, it requires a public hearing. The original bonded  
5 indebtedness was \$22 million. Bonded indebtedness is defined as a pay as you go  
6 note, it is actual bonds that can be issued (in this case it is GO bonds), and in addition it  
7 can be inter-fund loans. She stated the amount of bonded indebtedness is increased  
8 up to \$90 million. The City is not issuing this much debt but it is a correlation back to  
9 the costs of the project. The Office of the State Auditors has changed the reporting  
10 forms so they have brought the budget in line to comply with this. The HRA administers  
11 the TIF districts and is in control of the tax increment funds and the pledge agreement is  
12 that the HRA is pledging the revenues they receive for payment on the bonds that the  
13 City is actually going to issue. The City Council will approve this agreement at the time  
14 the bonds are issued. This will be going to the City Council on December 20 for a  
15 public hearing on the modification to the Tax Increment Financing Plan, approval of the  
16 Pledge Agreement, and approve the bonds that will be issued. She stated the 2015 and  
17 2016 increments have been where the City projected them to be and they know what  
18 the tax increment would be for 2017. They did make assumptions for 2018 and 2019.  
19 They were conservative in these estimates and assumed no inflation. There is  
20 estimated annual \$490,000 in tax increment for the East Block. The income generated  
21 should be sufficient to pay the bonds.

22  
23 Wothe asked what would happen if the income was not enough to pay the bonds.

24  
25 Kvilvang stated the City would have to levy taxes.

26  
27 Wothe stated the Pledge Agreement states the City would cover the insufficiency but  
28 the HRA would have to pay that back. He asked if only this particular tax increment  
29 district could be used to pay these bonds or if all of the districts could be used.

30  
31 Kvilvang stated only this tax increment district could be used.

32  
33 Shaver stated he is familiar with these documents and is comfortable that the bond has  
34 been sized appropriately for the project.

35  
36 Petit asked what would happen if retail was no longer a viable option and the space was  
37 turned into something with less value.

38  
39 Kvilvang stated this is a mixed-use development and they will all have ebbs and flows in  
40 valuation and they should offset. If it does turn into something else, then it would be  
41 valued at what the use is. She stated residential housing generates the most tax  
42 increment and the first-floor retail is not carrying the TIF district and low retail increment  
43 will not affect the ability to pay the bond.

44  
45 Shaver asked how Presbyterian Homes was performing compared to the original  
46 estimates for that TIF District.

47  
48 Kvilvang stated they are performing as anticipated.

1  
2 Shaver stated there is a fair amount of empty retail with that particular district and it is  
3 still performing as anticipated. The mixed-used provides an opportunity to capture  
4 revenues from the other uses that are valued higher.

5  
6 Petit asked if condominiums or hotel would have a higher value.

7  
8 Kvilvang stated the residential would be higher.

9  
10 Ambrose stated that the Resolution states the HRA has requested the Planning  
11 Commission to review and comment. He asked if this has occurred.

12  
13 Dahl stated this had gone to the Planning Commission when the TIF Plan was approved  
14 and the City's legal counsel has provided guidance that it would not be necessary to  
15 have them review the modification. This item can be removed from the resolution.

16  
17 Schelzel suggested striking "the City Planning Commission to provide for review of and  
18 written comment on the Modification and" in the second sentence of the third Whereas  
19 in Resolution No. 03-2016HRA.

20  
21 Wothe motioned to approve Resolution 03-2016HRA Adopting the Modification to the  
22 TIF Plan for Replacement Redevelopment TIF District No. 5 within the Central Area  
23 Redevelopment District with the amendment to the third Whereas in the resolution to  
24 strike "the City Planning Commission to provide for review of and written comment on  
25 the Modification and" in the second sentence, seconded by Ambrose. The motion  
26 passed 4/0 by voice vote.

27  
28 Wothe asked if the HRA was covered by City's Errors and Omissions Policy.

29  
30 Schelzel stated he would confirm this coverage at the next meeting.

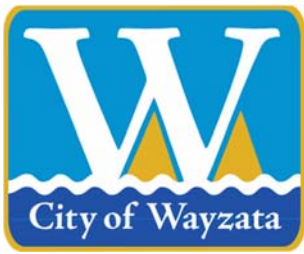
31  
32 NEXT MEETING DATE: Friday, February 3, 2017

33  
34 ADJOURNMENT

35  
36 There being no further business; Wothe motioned to adjourn at 8:05 a.m., seconded by  
37 Ambrose. The motion passed 4/0 by voice vote.

38  
39 Respectfully submitted,

40  
41  
42 Becky Malone  
43 Deputy City Clerk  
44 City of Wayzata  
45 Drafted by Tina Borg, *TimeSaver Off Site Secretarial, Inc.*



# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> February 3, 2017	<b>AGENDA ITEM:</b> 5.a
<b>TITLE:</b> City Council Appointment of Steve Fox and Bob Ambrose to HRA	
<b>PROPOSED MOTION:</b> N/A	
<b>PREPARED BY:</b> Jeffrey Dahl, City Manager	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

No action is needed. This item is on the agenda to officially acknowledge the appointment of Steve Fox and the reappointment of Bob Ambrose.

**HRA STRATEGIC PLAN CONSIDERATION:**

N/A

**FINANCIAL OR BUDGET CONSIDERATION:**

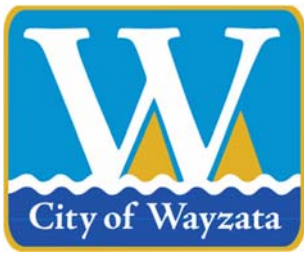
N/A

**BACKGROUND:**

At its December 20, 2016 meeting, the City Council appointed Steve Fox to fill the seat vacated by Dr. David McGill. This seat expires at the end of 2017. In addition, the City Council reappointed Bob Ambrose to a 5-year term, expiring at the end of 2021.

**ATTACHMENTS:**

N/A



# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> February 3, 2017	<b>AGENDA ITEM:</b> 5.b
<b>TITLE:</b> Election of Officers	
<b>PROPOSED MOTION:</b> To appoint a Chair, Vice Chair, and Secretary	
<b>PREPARED BY:</b> Jeffrey Dahl, City Manager	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

A motion is needed to appoint the HRA officers for 2017, per HRA bylaws.

**HRA STRATEGIC PLAN CONSIDERATION:**

N/A

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

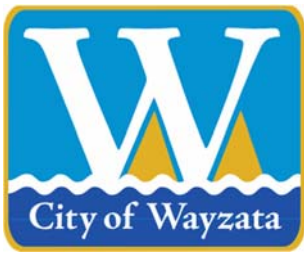
Per HRA Bylaws, the HRA should appoint officers annually. 2016 Officers were Chair Shaver, Vice Chair Wothe, and Secretary McGill. Below are the descriptions of each officer position.

- Chair: The HRA shall select a Chair from among its Commissioners who shall preside at all meetings of the HRA.
- Vice Chair: The HRA shall select a Vice Chair from among its Commissioners who shall preside at all meetings of the HRA in the absence of the Chair and shall perform such other duties as may be assigned by the Commissioners. In the case of death, retirement, or resignation of the Chair, the Vice Chair shall perform and be vested with all the duties and powers of the Chair until such time that a new Chair is chosen by the Commissioners.
- Secretary: The HRA shall select a Secretary from among its Commissioners who shall be responsible for certification of official actions of the HRA.

**ATTACHMENTS:**

N/A





# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> February 3, 2017	<b>AGENDA ITEM:</b> 5.c
<b>TITLE:</b> Discussion of Bylaws	
<b>PROPOSED MOTION:</b> N/A	
<b>PREPARED BY:</b> Jeffrey Dahl, City Manager	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

Discussion of the attached Bylaws.

**HRA STRATEGIC PLAN CONSIDERATION:**

N/A

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

Per HRA Bylaws, the HRA is to review its bylaws at its annual meeting. If the HRA recommends any amendments, the Executive Director will prepare a draft to be considered at the next meeting. The Bylaws original goals of the HRA are to:

1. Set a standard for future development of Wayzata;
2. Exploit the natural advantages of Lake Minnetonka;
3. Preserve the distinctive atmosphere of Wayzata;
4. Create a business climate that will enable local businesses to compete with the planned investment in nearby commercial centers;
5. Attract businesses that will offer improved employment opportunities;
6. Establish an improved quality in multiple housing facilities; and
7. Maximize tax return.

**ATTACHMENTS:**

1. HRA Bylaws as of 1-28-2016

**BYLAWS**  
**of the**  
**HOUSING AND REDEVELOPMENT AUTHORITY**  
**In and for the City of Wayzata, Minnesota**

**PREAMBLE**

The Housing and Redevelopment Authority in and for the City of Wayzata (HRA) was created in accordance with State Law by:

A resolution passed by the City Council of Wayzata, Minnesota, on the 4<sup>th</sup> day of April, 1967, providing for a hearing to determine the need for a Housing and Redevelopment Authority to function in Wayzata, Minnesota;

A resolution passed by the City Council of Wayzata, Minnesota, on the 16<sup>th</sup> day of May, 1967, determining the need for a Housing and Redevelopment Authority in Wayzata, Minnesota; and

A resolution passed by the City Council of Wayzata, Minnesota, on the 1<sup>st</sup> day of August, 1967, approving the appointment of the Commissioners of the Housing and Redevelopment Authority of Wayzata, Minnesota.

The original goals for the HRA were:

1. Set a standard for future development of Wayzata;
2. Exploit the natural advantages of Lake Minnetonka;
3. Preserve the distinctive atmosphere of Wayzata;
4. Create a business climate that will enable local businesses to compete with the planned investment in nearby commercial centers;
5. Attract businesses that will offer improved employment opportunities;
6. Establish an improved quality in multiple housing facilities; and
7. Maximize tax return.

Additional goals were established when tax increment districts were created in the City of Wayzata, Minnesota.

**ARTICLE I. AUTHORITY**

Section A. Name. The legal name of the HRA is “Housing and Redevelopment Authority of the City of Wayzata”.

Section B. Office. The offices of the HRA shall be at the City Hall in the City of Wayzata, Minnesota, but the HRA may hold its meetings at such place or places as it may designate.

## ARTICLE II. MEETINGS

Section A. Date of Annual Meeting. The annual meeting shall be held in January of each year at the regular meeting place of the HRA unless scheduled by the Authority at an alternate date

Section B. Quorum. There shall be a quorum, as defined in Article IV, to conduct business at all meetings. If a quorum is not present for an annual meeting, the Chair shall establish a date for a new annual meeting. If a quorum is not present for a regular or special meeting, the Chair shall adjourn the meeting to the next regular or special meeting of the HRA.

Section C. Annual Meeting. The following, among any other appropriate matters, may be considered at the annual meeting:

1. Election of officers;
2. Determination of need for regular meetings to be held until the next annual meeting and if necessary determination of dates for regular meetings;
3. Discussion of bylaws and any suggested amendments;
4. Receipt of Financial Report; and
5. Appointment of Executive Director

Section D. Regular Meetings. If determined necessary by the HRA, regular meetings shall be held at a fixed place and at a time as determined by the HRA at its annual meeting. The time may be changed by the HRA at any subsequent meeting by a majority vote of all Commissioners and after notification of such change in the City's official newspaper. Agendas for regular meetings shall include at least the following order of business:

1. Call to Order;
2. Approval of Agenda;
3. Approval of Minutes;
4. Unfinished or Organizational Business;
5. New Business; and
6. Adjournment.

Section E. Special Meetings. Special meetings of the HRA may be called by the Chair, or any two members of the HRA, for any proper purpose of the HRA upon oral or written notice to each of the Commissioners and to the local newspapers at least 3 days prior to the date of the special meeting. A written notice shall set forth the time and place of the special meeting and be posted at City Hall at least 3 days prior to the date of the special meeting.

Section F. Public Meetings. All meetings shall be open to the public in accordance with the provisions of Minnesota Statutes.

### ARTICLE III. COMMISSIONERS, OFFICERS, ADMINISTRATOR, STAFF

Section A. Commissioners. The HRA shall consist of five (5) Commissioners who shall be residents of the area of operation of the HRA. The Commissioners shall be appointed by the Wayzata City Council. Each Commissioner shall serve a term of five (5) years in accordance with Minnesota statute § 469.003.

Section B. Officers. The officers of the HRA shall consist of a Chair, a Vice Chair, a Secretary, and such other officers as shall from time to time be chosen and appointed by the HRA.

Section C. Chair. The HRA shall select a Chair from among its Commissioners who shall preside at all meetings of the HRA.

Section D. Vice Chair. The HRA shall select a Vice Chair from among its Commissioners who shall preside at all meetings of the HRA in the absence of the Chair and shall perform such other duties as may be assigned by the Commissioners. In the case of death, retirement, or resignation of the Chair, the Vice Chair shall perform and be vested with all the duties and powers of the Chair until such time that a new Chair is chosen by the Commissioners.

Section E. Secretary. The HRA shall select a Secretary from among its Commissioners who shall be responsible for certification of official actions of the HRA.

Section F. Executive Director. The HRA may appoint an Executive Director, who shall not be a Commissioner. The Executive Director shall be responsible for:

1. Securing, supervising and directing any personnel required for work to be accomplished by the HRA;
2. Providing for the taking of and preparing minutes of each meeting of the HRA;
3. Maintaining any appropriate files as deemed necessary by the Commissioners, including files of minutes, publication of meetings, and meeting agendas;

4. The general administration and financial management of the affairs of the HRA pursuant to policies determined by the Commissioners; and
5. Any other responsibilities assigned by the Chair or Commissioners.

Section G. Staff Services. If the HRA appoints the City Manager as the Executive Director and/or uses personnel under the control of the City Manager, a contract for staff services shall be entered into which clearly designates the services provided.

#### ARTICLE IV. **QUORUM AND VOTING**

Section A. Quorum. A quorum of the HRA shall be three Commissioners. A quorum shall be required to conduct business at any meeting of the HRA.

Section B. Voting. A vote of approval by a majority of those Commissioners present shall be required to take action on or approve any matter before the HRA, except that with respect to the following matters a vote of approval by three (3) or more Commissioners shall be required to act;

1. To request replacement of the Executive Director or cancellation of the contract with the City;
2. To amend the Bylaws;
3. To change the regular meeting time;
4. To borrow money; or
5. To approve a project.

#### ARTICLE V. **FINANCE AND CONTRACTS**

Section A. Fiscal Year. The Calendar year shall be the fiscal year of the HRA. However, other fiscal years for specific purposes or undertaking of the HRA may be established as required or desirable.

Section B. Budgets. The Executive Director shall prepare a budget for each project that is being considered by the HRA. If an annual operating budget is desired by the HRA, the HRA shall submit its request in accordance with the City's established budget approval process. City Council approval of project and operating budgets is required.

Section C. Investments of the HRA. The investments of the HRA funds shall be the responsibility of the Executive Director in accordance with the investment practices of the City.

Section D. Project and Procurement Manager. The responsibility for Project Management and Procurement for each approved HRA project shall be outlined in a Project Manager/Procurement Contract.

Section E. Disbursements.

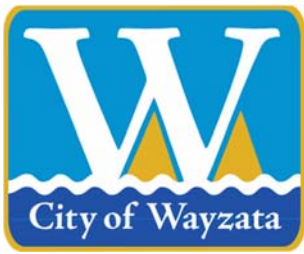
1. Federal and State funds. All funds received from the Government of the United States or any of its agencies, and the state of Minnesota or any of its agencies, shall be disbursed and accounted for in accordance with the regulations or requirements from time to time made by the Federal or State agencies furnishing funds to the HRA.
2. Official Depository. All monies received by the HRA from any source whatsoever shall be deposited in bank accounts in accordance with the established practices of the City. All disbursements shall be in accordance with the established practices of the City.
3. Checks. All checks drawn on bank accounts of the HRA shall indicate the fund and, in the case of a project, the project to be charged. All checks shall be signed by the Executive Director.

## ARTICLE VI. **POWERS AND DUTIES**

Section A. General Powers and Duties. The HRA shall have the powers and duties provided to the HRA by Minnesota Statutes.

## ARTICLE VII. **AMENDMENTS**

These Bylaws may be amended at any meeting of the HRA provided that notice of such proposed amendment is mailed to each Commissioner of the HRA at least ten days prior to such meeting. The amendment of the Bylaws and the vote required shall be in accordance with Article IV, that sets forth the voting provisions of these Bylaws.



# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> February 3, 2017	<b>AGENDA ITEM:</b> 5.d
<b>TITLE:</b> Appointment of Executive Director	
<b>PROPOSED MOTION:</b> To re-appoint Jeffrey Dahl as Executive Director	
<b>PREPARED BY:</b> Jeffrey Dahl, City Manager	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

A motion is needed to re-appoint City Manager Jeffrey Dahl as the Executive Director of the HRA.

**HRA STRATEGIC PLAN CONSIDERATION:**

N/A

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

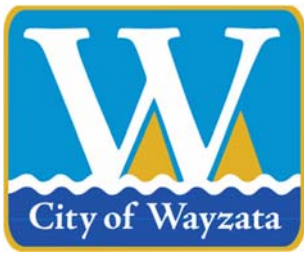
Per HRA Bylaws, the HRA should annually appoint or reappoint the Executive Director. Below is the description of the Executive Director position. I currently serve in that role.

The Executive Director, who shall not be a commissioner, shall be responsible for:

- Securing, supervising and directing any personnel required for work to be accomplished by the HRA;
- Providing for the taking of and preparing minutes of each meeting of the HRA;
- Maintaining any appropriate files as deemed necessary by the Commissioners, including files of minutes, publication of meetings, and meeting agendas;
- The general administration and financial management of the affairs of the HRA pursuant to policies determined by the Commissioners; and
- Any other responsibilities assigned by the Chair or Commissioners.

**ATTACHMENTS:**

N/A



# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> February 3, 2017	<b>AGENDA ITEM:</b> 5.e
<b>TITLE:</b> Other Updates	
<b>PROPOSED MOTION:</b> N/A	
<b>PREPARED BY:</b> Jeffrey Dahl, City Manager	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

N/A

**HRA STRATEGIC PLAN CONSIDERATION:**

N/A

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

Staff will provide a verbal update of the following items:

- Progress on Parking Ramp Financing and Construction
- Exploration of West Lake Street TIF District
- Widsten TIF Amendment Legislation
- 2016 Financial Report

**ATTACHMENTS:**

N/A