

1 HRA members present: T. Shaver, D. McGill, R. Wothe, B. Petit, B. Ambrose
2 City Council Present: Mayor Willcox, Councilmembers Anderson, Mullin, Tyacke, and
3 McCarthy
4 HRA members absent and excused: None
5 City Staff present: Deputy City Clerk Becky Malone, Director of Planning & Building Jeff
6 Thomson, and Interim City Manager Doug Reeder
7 Others present: City Financial Consultant Steve McDonald with AEM

8
9 Chairman Shaver called the HRA workshop meeting with the Wayzata City Council to
10 order at 7:32 am.

11
12

13 **UPDATE ON MILL STREET PARKING RAMP PROJECT**

14

15 Reeder stated the parking ramp is currently designed as a 2-level ramp and will have
16 approximately 155 stalls. Construction is expected to start in October 2016 and be
17 completed by May 2017. The facility will be situated into the hill for screening and
18 aesthetic reasons. The HRA owns most of the property and has agreed to allow the
19 structure to be built on this property. He reviewed the types of materials that were being
20 considered for the roofing and the cladding of the facility. He clarified there would be no
21 elevator, bathrooms, air conditioning or sidewalk included with this facility.

22

23 Willcox explained the City Council had voted 3/2 to move forward with the ramp design
24 and to reduce the number of levels for the ramp from 3-levels to 2-levels because they
25 felt the 3-level structure was too large and the Steering Committee worked to reduce the
26 mass of the building and preserve the number of parking spaces the City felt were
27 needed in a parking structure.

28

29 Wothe asked about the bracing for the second level.

30

31 Petit clarified the project is in preliminary design at this time and these are things that
32 would be worked through during the design process. The City Council has requested
33 an Owner's Representative to look at the design to be sure it is cost effective and the
34 best design. He explained the design also took into consideration potential future uses
35 for the parking ramp if the City's needs change including converting the lower level to
36 office space.

37

38 Reeder stated the Beltz family intended to apply to develop the corner and would like to
39 try and work with the City in order to coordinate the construction and disruption to the
40 area.

41

42 Shaver suggested designing the structure so that a third level could be added in the
43 future if needed.

44

45 Reeder explained the financing for this project includes a 401 Fund with \$730,000, TIF
46 cash from Presbyterian Homes and bonding. If the Legislature acts this session there

1 would be an additional \$400,000 available. There is a total amount available for the
2 project of \$10,400,000 and the project is within this budget.

3
4 Shaver suggested having an Owner's representative for the design phase and the
5 construction phase in order to protect the City and oversee the project.

6
7 Anderson asked if the City should take out additional insurance to cover any unforeseen
8 costs associated with the project.

9
10 Shaver explained the City could not insure for all unforeseen circumstances. If the City
11 were the Engineer, then it would be the City's liability but if the City contracts this then it
12 would be the responsibility of the contractor. He asked if the City had plans for the on-
13 going maintenance of the ramp.

14
15 Mullin explained the Mobility District and how this includes pro-rata maintenance costs
16 which is an on-going funding mechanism for the maintenance of the parking ramp.

17
18 Reeder stated they would not sign any contracts until they had the support of the HRA
19 on the Mill Street Ramp.

20
21 Ambrose recommended making adjustments so that it would be easy to add charging
22 stations for electric cars if needed.

23
24 It was the consensus of the HRA to support the Mill Street Ramp project.

25
26 The HRA Workshop meeting with the City Council was adjourned at 8:25 a.m.

27
28
29 Respectfully submitted,

30
31 *Becky Malone 08-02-2016*

32
33 Becky Malone
34 Deputy City Clerk
35 City of Wayzata

36 Drafted by Tina Borg, *TimeSaver Off Site Secretarial, Inc.*

1 HRA members present: T. Shaver, D. McGill, R. Wothe, B. Petit, B. Ambrose
2 HRA members absent and excused: None.
3 City Staff present: Deputy City Clerk Becky Malone, Director of Planning & Building Jeff
4 Thomson, and Interim City Manager Doug Reeder
5 Others present: City Financial Consultant Steve McDonald with AEM
6
7

8 Chairman Shaver called the meeting of the HRA to order at 8:31 am.
9

10
11 APPROVAL OF AGENDA
12

13 McGill motioned to approve the April 28, 2016, meeting agenda as presented, seconded
14 by Ambrose. The motion passed 5/0 by voice vote.
15

16
17 APPROVAL OF MINUTES – MINUTES OF JANUARY 28, 2016
18

19 McGill motioned to approve the January 28, 2016 minutes as presented, seconded by
20 Wothe. The motion passed 4/0/1 by voice vote (Ambrose abstained).
21

22
23 OLD BUSINESS
24

25 a. Distribution of Revised HRA Bylaws (Revised 01-28-2016)
26

27 McGill motioned to approve the Revised HRA Bylaws as presented, seconded by Petit.
28 The motion passed 5/0 by voice vote.
29

30 b. Review of HRA Property Inventory (attachment 1 of Steve McDonald
31 memo)
32

33 McDonald reviewed the property information received from City Assessor, Dan Distel,
34 which included any parcel referencing the HRA. The Hennepin County records are
35 somewhat incomplete on the land values. He clarified all of Heritage Park is under the
36 HRA.
37

38 McGill asked if the HRA should be reimbursed if the property was being used by other
39 entities. He asked if there should be a rental agreement between the HRA and other
40 entities that use HRA property such as the City of Wayzata for the water tower.
41

42 Shaver asked Staff to find out what the working relationship was between ownership
43 under the HRA versus an active City process or other activities taking place. Given the
44 separation or ownership he asked if there was some form of agreement that would need
45 to be put in place such as an operating agreement.
46

1 Reeder stated the HRA could also look at all the properties and determine who should
2 own them based on the use. Property could be under the City if there is no HRA
3 purpose for the property.

4
5 McGill stated he would also like to look at the ownership and what this entails including
6 advantages/disadvantages of ownership by the HRA. He asked what the HRA's
7 responsibilities were if properties can be transferred to the City due to the City's
8 function. He would like to see this information for all nine (9) parcels.

9
10 Shaver stated this would be important to know for the Mill Street Ramp project and who
11 would own and operate the property.

12
13 Reeder stated Staff would prepare this information for the Commission's next meeting.

14
15 c. Receipt of Financial Statements for 2015 (attachment 3 of Steve
16 McDonald memo)

17
18 McDonald reviewed the Financial Statements for the HRA. He explained the three (3)
19 funds under the HRA are Debt Service Fund, Capital Projects Fund, and Special
20 Revenue. The final bond payment for Widsten would be in 2016. He clarified there had
21 been discussions of pooling about \$200,000 of the Debt Service balance for the Mill
22 Street Parking project.

23
24 Shaver clarified if the City used \$200,000 from this fund it would not cause problems
25 with the special legislation the City is seeking or put anything else at risk.

26
27 Reeder clarified all funds have allocated as appropriate.

28
29 McDonald stated the \$285,000 cash balance in the Special Revenue fund has also
30 been allocated for the down payment on the parking ramp.

31
32 Shaver asked if the amended TIF District that had been put in place would be
33 considered a fourth district that could be used as revenue source going forward.

34
35 McDonald stated this would fall under the district that was being modified. In this case it
36 would be the Bay Center. He stated for accounting purposes they would be able to
37 support the needs of the HRA.

38
39 Shaver stated he would like to see this reported separately.

40
41 McDonald clarified the Widsten District continues for a couple of years after the final
42 bond payment is made. This could have been done to accommodate for valuations not
43 lining up.

44
45 Reeder stated if the City no longer has obligations in the district then it must be
46 decertified but the City is seeking special legislation to get this extended.

47

1 Wothe motioned to accept the HRA Financial Statements as presented, seconded by
2 Petit. The motion passed 5/0 by voice vote.

3
4
5 NEW BUSINESS

6
7 a. Summary of ramp financing options (attachment 2 of Steve McDonald
8 memo)

9
10 McDonald reviewed the financing options for the parking ramp. Option 1 is a ramp with
11 no roof for \$8.1 million and Options 2 and 3 include a roof and range from \$9.5 to \$9.6
12 million depending on roof materials. The green roof option is not included at this time.
13 The City has identified \$1.68 million cash on hand for the project and the remaining
14 amount would be a 20 or 24-year bond. Based on Presbyterian Homes TIF the City
15 would be able to cash flow option 1. If the City decided to include a roof option, the
16 difference in costs would be included in a tax levy, or other existing City funds.

17
18 Reeder explained the City had a 401 Fund with \$732,000 that could be used toward a
19 roof option for the ramp. Most of this fund is the result of the 2015 budget surplus and
20 is dedicated to the parking ramp as a contingency.

21
22 Shaver stated there would be an offset to the cost if the City went with the solar roof
23 option.

24
25 b. Consider approval of Resolution In Support of Possible Mill Street Parking
26 Ramp

27
28 Shaver stated the City Council has approved a design contract to further the design
29 process subject to the HRA approval. The proposed resolution is for the HRA to
30 support the process for the parking ramp and is not the final approval.

31
32 Petit motioned to approve the Resolution in Support of Possible Mill Street Parking
33 Ramp, seconded by Ambrose.

34
35 Shaver stated at this concept stage there has been discussion regarding ownership and
36 funding sources. These are things that will need be finalized as the process moves
37 forward. The HRA has a significant interest in the project because they do own the land
38 and the City is looking for support from the HRA to continue moving forward with this
39 project.

40
41 McGill asked if there was an HRA redevelopment plan for the Mill Street property.

42
43 Reeder stated he had discussed this with the City Attorney and he is not sure there is a
44 redevelopment document specific to Mill Street.

45
46 McGill stated they would not be able to reference a redevelopment plan if one does not
47 exist. The fourth "Whereas" statement in the resolution references the "HRA
48 redevelopment plan".

1
2 Reeder suggested adding language referencing the HRA redevelopment plan as it
3 currently exists.

4
5 McGill stated there is a difference between the HRA principle use of land and an actual
6 redevelopment plan.

7
8 Ambrose stated this could be considered to be consistent with a number of original
9 goals for the HRA.

10
11 Shaver suggested changing this to read: "Whereas, a parking ramp at Mill Street is
12 consistent with the HRA Bylaws. Whereas to support development activities, which
13 would include the Mill Street property."

14
15 Ambrose offered the friendly amendment to the fourth "Whereas" statement to read:
16 "Whereas, a parking ramp at Mill Street is consistent with the HRA bylaws. Whereas to
17 support the development activities which would include the Mill Street property."
18

19 Petit accepted the friendly amendment.

20
21 Shaver called the motion for the Resolution in Support of Possible Mill Street Parking
22 Ramp as amended.

23
24 The motion passed 5/0 by voice vote.

25
26 c. Consider appointment of Jeffrey Dahl as Executive Director, replacing
27 Doug Reeder, effective May 16, 2016

28
29 Wothe motioned to appoint Jeffrey Dahl as Executive Director, replacing Doug Reeder,
30 effective May 16, 2016, seconded by McGill. The motion passed 5/0 by voice vote.

31
32
33 NEXT MEETING DATE: 7:30 am on July 28, 2016

34
35 Reeder stated he and Mr. Thomson had met with IOCP, a group interested in building
36 affordable housing in the City. They are advocating for a 50-unit affordable housing
37 project. They will be meeting with members of the City Council. This would be a
38 difficult project to building Wayzata due to the land mass required. The group is also
39 considering other cities for this project.

40
41 McGill asked Reeder if he was aware of the City Council Resolution (Resolution No. 10-
42 2010) adopting the Affordable Housing Taskforce narrative report and policy statement.
43 Reeder indicated he was not aware of this policy and requested McGill forward the data
44 regarding this policy to him.

45
46
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48

1 ADJOURNMENT

2 There being no further business; McGill motioned to adjourn at 9:12 a.m., Wothe
3 seconded the motion and the motion passed 4/0 by voice vote.

4

5 Respectfully submitted,

6 *Becky Malone 08-02-2016*

8 Becky Malone

9 Deputy City Clerk

10 City of Wayzata

11 Drafted by Tina Borg, *TimeSaver Off Site Secretarial, Inc.*