

1                                   **WAYZATA LOCAL BOARD OF APPEAL AND EQUALIZATION**  
2                                   **MEETING MINUTES**  
3                                   **April 2, 2019**

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5    **AGENDA ITEM 1. Call to Order.**

6    Mayor Willcox opened the Local Board of Appeal and Equalization at 5:34 p.m.

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8    **AGENDA ITEM 2. Roll Call.**

9    Members present: Buchanan, Koch, McCarthy, and Plechash.

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11   **AGENDA ITEM 3. Consider Appeals.**

12   **a.       2019 Property Valuations**

13    Mr. Dahl provided a brief summary of the meeting’s purpose to address property valuations  
14    through the City’s Local Board of Appeal and Equalization (LBAE) and take action on appeals.  
15    The Board has 20 days to make a decision. He stated the City has received one commercial  
16    appeal that can be considered tonight as well as 16 residential appeals and some in the audience  
17    may also make an appeal. Once the meeting is opened, staff will recommend tabling each  
18    residential appeal to the April 16, 2019 meeting when the LBAE will reconvene, consider the  
19    information, and then take action. This will ensure the LBAE has all the pertinent information to  
20    make an educated decision on an appeal.

21        Mr. Dahl stated staff recommends the LBAE not change the valuation of 205 Bushaway  
22    Road, Mr. Koch’s property, for which he will have to abstain on that action. If the City votes not  
23    to change the value, it would then be considered by Hennepin County for appropriate action.

24        Mr. Willcox asked about the timing to consider appeals made at tonight’s meeting. Mr.  
25    Dahl explained residents can make appeals tonight in time for the LBAE to consider an appeal. If  
26    an appeal is not submitted tonight, it could still be considered by Hennepin County.

27        Mr. Dahl referenced the summary of property valuations as depicted on Page 4 of the  
28    meeting packet, noting the net changes for 2017, 2018, and 2019. In 2019, residential lakeshore  
29    properties increased 5.9%, residential off lake properties increased 5.1%, condominium properties  
30    increased 2.9%, and townhouse properties increased 7.4%. Overall, the net increase for  
31    residential properties is 5.5%.

32        Mr. Dahl asked residents in attendance who would like to appeal tonight to add their  
33    name to the list to assure their appeal is heard by the LBAE.

34        Earl Zent, Hennepin County Assessor, stated they have received only a few calls on  
35    valuations of commercial, apartment, and condominium properties and those properties, along  
36    with a restaurant property, were reviewed and some received a small reduction prior to the  
37    Board’s meeting tonight.

38  
39   **b.       Hear Appeals**

40    Mr. Zent stated the County received an appeal from one commercial property 143 Lake Street.  
41    This is a car wash next to a new development on the west side of Lake Street. He explained that  
42    in talking with the property owner, it was evident the change in value from last year to this year  
43    was more than the market indicated so the parties came to an agreement to reduce the valuation to  
44    \$1,500,000. Mr. Zent asked the LBAE to confirm that agreement tonight. He stated that is the  
45    only commercial, industrial, or apartment properties that needs action by the LBAE.

46        Mr. Koch asked what the valuation was prior to being reduced. Mr. Zent stated the 2019  
47    valuation was proposed at \$1,900,000 and after talking with the property owner and  
48    understanding the situation on that site, they agreed \$1,500,000 was more appropriate.

49        The Council considered the appeal for the valuation of 143 Lake Street.

50    Mrs. McCarthy made a motion, seconded by Mr. Plechash, to accept the revaluation of 143 Lake  
51    Street at \$1,500,000. There was no further discussion. The motion carried 5/0.

1  
2 Mr. Dahl recommended a motion to take no action on the valuation of 205 Bushaway Road,  
3 which will then be considered by Hennepin County.  
4

5 Mrs. McCarthy made a motion, seconded by Mr. Buchanan, to make no change in the valuation  
6 of 205 Bushaway Road at \$1,500,000. There was no further discussion. The motion carried 4/0/1  
7 (Koch abstained).  
8

9 Mr. Dahl stated the next action is to continue residential property valuation appeals to April 16,  
10 2019. Mr. Dahl read the property addresses into the record and again asked the audience if  
11 anyone wished to appeal who did not hear their address called. No one responded.  
12

13 Mr. Buchanan made a motion, seconded by Mr. Plechash, to continue the following residential  
14 property valuations to April 16, 2019: 622 Ferndale Road West; 520 Wycliff North; 500 Holly  
15 Circle; 207 Benton Avenue; 117 Edgewood Court; 119 Edgewood Court; 114 Edgewood Court;  
16 412 Rice Street East; 875 Lake Street North – Unit #319; 460 Carpenter Point; 433 Bushaway  
17 Road; 625 Locust Hills Drive; 300 Ferndale Road West; 524 and 530 Harrington Road; 522  
18 Harrington Road; 300 Ferndale Road West; 1146 Hollybrook Drive; 503 Holly Circle; 1435  
19 Lasalle Street; and, 107 Edgewood Court. There was no further discussion. The motion carried  
20 5/0.  
21

22 Rolf Erickson, Southwest Assessing, addressed the very limited frame during which valuation  
23 appeals can be considered by the assessor. He explained they have an extremely heavy load of  
24 calls within 10 days of the LBAE meeting so those appeals have to be passed to the LBAE. Mr.  
25 Erickson stated that if he is called within 10 days of the LBAE meeting, he asks those residents to  
26 attend tonight's meeting. However, this is spring break for some residents and others were not  
27 available to attend. Mr. Erickson stated they will report on anyone appealing by tonight at the  
28 April 16, 2019, LBAE meeting. However, he expects five to ten more calls and they will be  
29 referred to Hennepin County for processing.

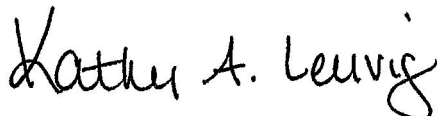
30 Mr. Willcox summarized that appeals received by tonight will be considered on April 16,  
31 2019, and those received later will be considered by Hennepin County. Mr. Erickson confirmed  
32 that was correct.  
33

34 **AGENDA ITEM 3. Adjournment.**

35 Mr. Koch made a motion, seconded by Mr. Plechash, to recess the Board of Appeal and  
36 Equalization until April 16, 2019 at 5:30 p.m. There was no further discussion. The motion  
37 carried 5/0.  
38

39 The meeting was recessed at 5:57 p.m.  
40

41 Respectfully submitted,  
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43  
44 Kathy Leervig  
45 City Clerk  
46

47 Drafted by Carla Wirth  
48 *TimeSaver Off Site Secretarial, Inc.*

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**WAYZATA CITY COUNCIL  
MEETING MINUTES  
April 2, 2019**

**AGENDA ITEM 1. Call to Order.**

Mayor Willcox called the meeting to order at 7:00 p.m.

**AGENDA ITEM 2. Pledge of Allegiance.**

**AGENDA ITEM 3. Roll Call.**

Council Members present: Buchanan, Koch, McCarthy, and Plechash. Also present: City Manager Dahl, Public Works Director/City Engineer Kelly, and City Attorney Schelzel.

**AGENDA ITEM 4. Approve Agenda.**

Mr. Dahl requested to remove items 7d. Resolution 18-2019 Supporting Motor Vehicle Lease Sales Tax Allocation to Hennepin County; and, 7e. Resolution 17-2019 Requesting Comprehensive Road and Transit Funding.

Mrs. McCarthy made a motion, seconded by Mr. Plechash, to approve the agenda, as amended. The motion carried 5/0.

**AGENDA ITEM 5. Public Forum.**

**a. Introduction of Firefighters Joel Friese and Luke Malm**

Fire Chief Klapprich introduced firefighters Joel Friese and Luke Malm. He stated both members started with the department on December 1<sup>st</sup> and provided an update on their training and experience.

Joel Friese reviewed his fire education experience and stated that he looks forward to his time with the department and currently lives in Plymouth.

Luke Malm stated that he moved to Wayzata three years ago and joined the department as a way to build the sense of community and contribute.

Mayor Willcox welcomed Firefighters Friese and Malm and asked how the members were recruited. Mr. Malm stated his family has experience with firefighting and his neighbor encouraged him to join. Mr. Friese stated he always wanted to be a firefighter. He noted that his parents had a fire three years ago and that sparked his dream in becoming a firefighter.

Fire Chief Klapprich reported that three weeks ago, most of the fire hydrants were completely buried under the snow so the department took a night to clear out one-third of the hydrants. He thanked members of the community that adopted a hydrant throughout the winter and took the time to shovel out the hydrants. He explained that having the hydrant clear of snow saves the department the time of having to locate and clear the hydrant in the case of an emergency.

Mrs. McCarthy asked about the current number of members of the department compared to the maximum. Fire Chief Klapprich replied the maximum number of firefighters would be 30 and the department currently has 25. He stated the department will be interviewing three more candidates in the next few weeks.

**AGENDA ITEM 6. New Agenda Items.**

No requests.

**AGENDA ITEM 7. Consent Agenda.**

Mrs. McCarthy made a motion, seconded by Mr. Buchanan, to approve the consent agenda:

- a. Approval of City Council Workshop and City Council Regular Meeting Minutes of March 19, 2019

- 1 b. Approval of Check Register  
 2 c. Approval of Municipal Licenses  
 3 ~~d. Adoption of Resolution 18 2019 Supporting Motor Vehicle Lease Sales Tax Allocation to~~  
 4 ~~Hennepin County~~  
 5 ~~e. Adoption of Resolution 17 2019 Requesting Comprehensive Road and Transit Funding~~  
 6 f. Approval of Professional Services Agreement with Civitas for Lake Effect Water Feature  
 7 The motion carried 5/0.

8  
 9 **AGENDA ITEM 8. New Business.**

10 **a. Consider Approval of Agreement for Special Assessment Petition, Consent and**  
 11 **Waiver with Wayzata Bay Senior Housing**

12 Mr. Dahl presented the agreement with Wayzata Bay Senior Housing (WBSH), noting it is  
 13 consistent with the amended and restated Redevelopment Agreement dated July 7, 2015. The  
 14 reconstruction of the Wayzata Boulevard and Superior Boulevard intersection and portion of  
 15 Superior Boulevard between Rice Street and Wayzata Boulevard is the final public improvement  
 16 project as required by the development agreement for the Presbyterian Homes redevelopment of  
 17 the former Wayzata Bay Center. Per the terms of the existing Development Agreement, the  
 18 developer has asked the City to construct the improvements and consents to be specially assessed  
 19 rather than reimbursing the City upfront. In addition, the developer has waived the right for public  
 20 hearing and any and all other procedural and substantive objections to the special assessments. The  
 21 project design, construction, and inspection costs are \$2,003,255 and the assessment cost of  
 22 \$106,745 will be 100% financed by special assessments on the Wayzata Bay Senior Housing  
 23 property for a total assessment of \$2,110,000.

24 Mr. Plechash stated the intention is that these bonds would be completely covered by the  
 25 assessment to WBSH. The document references the maximum project cost and actual project cost.  
 26 He asked what would happen if the actual costs exceed the maximum to be assessed. Mr. Dahl  
 27 replied a healthy contingency has been built in to prevent that situation but if that were to occur,  
 28 the City could work with WBSH to cover the funding gap or the City could cover those additional  
 29 costs.

30 Mr. Plechash referenced the language related to consent and waiver and stated that  
 31 language seems to be conflicting. Mr. Kelly explained the consent is meant to identify that WBSH  
 32 agrees to be assessed for the project. He noted this process is different and therefore the waiver  
 33 stated WBSH agrees to waive the rights to the 429 process and be assessed. Mr. Schelzel explained  
 34 the waiver section states they agree to waive the right to make that argument.

35 Mrs. McCarthy asked for information on risk assessment related to WBSH. She asked how  
 36 the City would be impacted, should that organization file for bankruptcy or sell the property. Mr.  
 37 Dahl explained that because the cost would be assessed, that cost would remain with the property  
 38 and would then be recouped by the City through forfeiture or through the sale of the property.

39  
 40 Mr. Koch made a motion, seconded by Mr. Plechash, to Approve the Special Assessment Petition  
 41 Consent and Waiver with Wayzata Bay Senior Housing. The motion carried 5/0.

42  
 43 **b. Consider Review of Presale Report and Adoption of Resolution 16-2019 Providing for**  
 44 **the Sale of \$2,110,000 General Obligation Improvement Bonds, Series 2019A**

45 Mr. Dahl stated the total cost of the design work, construction, inspections and project, including  
 46 financing, is \$2,110,000. This will be entirely assessed to Wayzata Bay Senior Housing, the  
 47 developer of the Promenade project.

48 Stacie Kvilvang, Ehlers, outlined the remaining actions needed to bond for the project and  
 49 the City to be 100% reimbursed for the project's cost. She explained that because these are 429  
 50 bonds, the City is required to assess at 105% of the cost. A rating call will be held for this, and  
 51 since the City holds a AAA rating, it should receive two or three bids.

1 Mayor Wilcox asked for information on the rating process. Ms. Kvilvang confirmed that  
2 any time the City issues new bonds, a full rating call must be done.

3 Mr. Plechash asked how Wayzata compares to other similarly sized communities in terms  
4 of possessing a AAA bond rating. Ms. Kvilvang stated that Wayzata is one of only a few small  
5 communities that possesses a AAA rating.

6  
7 Mrs. McCarthy made a motion, seconded by Mr. Plechash, to Adopt Resolution 16-2019, Providing  
8 for the Sale of \$2,110,000 General Obligation Improvement Bonds, Series 2019A. The motion  
9 carried 5/0.

10  
11 **c. Consider Adoption of Ordinance 787 Ordering Improvements and Authorizing the**  
12 **Issuance of General Obligation Improvement Bonds**

13 Mr. Dahl stated the City's Charter, Section 45, states the City may issue general obligation bonds  
14 without an election if such bonds are authorized by ordinance adopted by 4/5ths of the members of  
15 the Council. He presented staff's recommendation to adopt Ordinance 787, noting there is no  
16 impact to the General Fund as these bonds will be 100% assessed.

17  
18 Mr. Koch made a motion, seconded by Mr. Plechash, to Adopt Ordinance 787, Ordering  
19 Improvements and Authorizing the Issuance of General Obligation Improvement Bonds. The  
20 motion carried 5/0.

21  
22 **d. Consider Adoption of Resolution 15-2019 Relating to Financing of Certain Proposed**  
23 **Project (Wayzata Boulevard/Superior Boulevard Intersection Reconstruction) to be**  
24 **undertaken by the City; Establishing Compliance with Reimbursement Bond**  
25 **Regulations under the Internal Revenue Code**

26 Mr. Dahl explained the City has already incurred more than \$70,000 in project-related costs that  
27 need to be reimbursed by General Obligation Improvement Bonds, Series 2019. Resolution 15-  
28 2019 will ensure that the City is reimbursed for eligible costs that have already been paid that are  
29 associated with the Wayzata Boulevard and Superior Boulevard improvement project.

30 Mayor Wilcox asked for details on the 18-month period referenced. Mr. Dahl explained  
31 staff believed that would be an appropriate period to ensure the costs are captured.

32  
33 Mr. Buchanan made a motion, seconded by Mr. Koch, to Adopt Resolution 15-2019, Relating to  
34 Financing of Certain Proposed Project to be Undertaken by the City; Establishing Compliance with  
35 Reimbursement Bond Regulations under the Internal Revenue Code. The motion carried 5/0.

36  
37 **e. Consider Appointment of Energy and Environment Steering Committee**

38 Mr. Dahl presented staff's recommended structure for the Energy and Environment Steering  
39 Committee as follows: Jeff Buchanan, Chair (City Council); Jeff Dahl (Staff); Nick Kieser (Staff);  
40 three residents; and, one business owner. Other participants could include sustainability experts  
41 and Council Member Alex Plechash.

42 Mr. Buchanan stated after discussion, it was determined that a better title for the group  
43 would be the Energy and Environment Commission. He reviewed the eight proposed members of  
44 the Steering Committee, whom will determine the scope and makeup of the future Commission.

45 Mrs. McCarthy stated there was discuss on including a business or commercial property  
46 owner on the group. She stated that if decisions would be made that impact business owners, it  
47 could be important to gain that perspective. Mr. Buchanan agreed that would be a critical member  
48 of the Commission, noting the Steering Committee will develop the scope and profiles of those  
49 who should be on the Commission.

1 Mr. Koch made a motion, seconded by Mrs. McCarthy, to approve staff's recommended structure  
2 and appoint Jeff Dahl, Nick Kieser, Jeff Buchanan, Polly Anderson, KC Chermak, Emily Robare,  
3 Kathleen Jones, and Amy Stiener to the Energy and Environment Steering Committee. The motion  
4 carried 5/0.

5  
6 **AGENDA ITEM 9. City Manager's Report and Discussion Items.**

7 **a. Upcoming Events/Announcements**

- 8 • Congratulations to the American Legion on its 100<sup>th</sup> anniversary. Many events will  
9 continue throughout the year.  
10 • Construction will begin soon and notices will be mailed to homes impacted. All  
11 construction related updates for projects this year can be found at  
12 [www.navigatewayzata.com](http://www.navigatewayzata.com).

13  
14 **b. Council Member Updates/Announcements**

15 Mayor Wilcox stated that Planning and Building Director Thomson is leaving the City to join a  
16 much larger community and noted that the City will be sad to see him go.

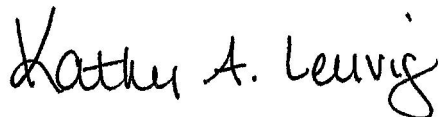
17  
18 **AGENDA ITEM 10. Public Forum Continued (if necessary).**

19 There were no comments.

20  
21 **AGENDA ITEM 11. Adjournment.**

22 Mr. Koch made a motion, seconded by Mr. Plechash to adjourn. There being no further business,  
23 Mr. Willcox adjourned the meeting at 7:48 p.m.

24  
25 Respectfully submitted,

26  


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28  
29 Kathy Leervig  
30 City Clerk

31  
32 Drafted by Amanda Staple  
33 *TimeSaver Off Site Secretarial, Inc.*  
34