

1 **WAYZATA PLANNING COMMISSION**
2 **MEETING MINUTES**
3 **June 3, 2019**

4
5
6 **AGENDA ITEM 1. Call to Order**

7
8 Chair Flannigan called the meeting to order at 6:30 p.m.
9

10
11 **AGENDA ITEM 2. Roll Call**

12
13 Present at roll call were Commissioners: Parkhill, Plantan, Merriam, Flannigan, Douglas,
14 Iverson and Bashioum. Absent: none. Interim Director of Planning and Building Eric Zweber,
15 Assistant Planner Nick Kieser, and City Attorney David Schelzel were also present.
16

17
18 **AGENDA ITEM 3. Approval of Agenda**

19
20 Chair Flannigan asked if there were any changes for the agenda.
21

22 Interim Director of Planning and Building, Eric Zweber stated that item 6a, the application for
23 Highcroft North Lot Two, has been withdrawn.
24

25 Hearing no other changes, Chair Flannigan asked for a motion to approve the agenda for the
26 meeting with the proposed removal of item 6a.
27

28 Commissioner Iverson made a motion, seconded by Commissioner Douglas, to approve the June
29 3, 2019, meeting agenda with the removal of item 6a, Highcroft North Lot Two. The motion
30 carried unanimously.
31

32
33 **AGENDA ITEM 4. Consent Agenda**

34
35 **a.) Table the Consideration of the Development Application for Wayzata Woods**
36 **Density and Non-Conforming Use Variances at 240 Central Avenue North**
37

38 Chair Flannigan read the item on the consent agenda and asked if any Commissioner wished to
39 pull the item for further discussion. Hearing no such request, he asked for a motion to approve the
40 Consent Agenda as presented.
41

42 Commissioner Parkhill made a motion, seconded by Commissioner Iverson to approve the Consent
43 Agenda as presented. The motion carried unanimously.
44

45
46 **AGENDA ITEM 5. Old Business Items:**

1
2 **a.) Consider the Recommendation to Submit the 2040 Comprehensive Plan to the**
3 **Metropolitan Council**
4

5 Interim Director of Planning and Building, Eric Zweber stated that on May 20, 2019, the Planning
6 Commission conducted a public hearing for the 2040 Comprehensive Plan. Following the public
7 hearing, the Planning Commission discussed a number of topics including affordable housing and
8 density. The Planning Commission tabled the consideration of the consideration of the 2040
9 Comprehensive Plan to conduct a work session to review and discuss these topics in further detail.
10 On May 29, 2019, the Planning Commission conducted a work session to review the 2040
11 Comprehensive Plan in further detail. The discussion focused on: density ranges for the Central
12 Core Residential, Medium Density Residential, and Mixed-Use Residential/Commercial land use
13 designations; what portion of the Lake Effect project is led by the City and what portion is led by
14 the Conservancy; and correct the references to the Sustainability Commission, the Parks Master
15 Plan, Lake Street, and population to employment ratios. The changes were included in an updated
16 2040 Comprehensive Plan and detailed in a Memorandum that was distributed to the Commission
17 prior to the meeting. He stated that two comments were received from residents regarding the
18 Comprehensive Plan. These were included in the packet with the agenda. He added that Stephanie
19 Falkers of SRF would be providing an overview and summary of the Comprehensive Plan and the
20 next steps in the approval process.

21
22 Senior Associate Planning Consultant, Stephanie Falkers, SRF Consulting Group stated that her
23 company helped the City develop the draft 2040 Comprehensive Plan, which was reviewed by the
24 Planning Commission at the May 20, 2019, hearing. Various questions and concerns were raised
25 by the Planning Commissioners and the public during the public hearing. A motion was passed to
26 table action on the draft Comprehensive Plan to the June 3, 2019, Planning Commission meeting.
27 A workshop was held on May 29, 2019, with the Planning Commission and staff where changes
28 and questions were discussed. A number of updates to the Comprehensive Plan were proposed by
29 the Planning Commission through the workshop. These changes were addressed, and updates
30 were made to the draft plan. These changes are intended to be forwarded to the City Council for
31 consideration before submittal to the Metropolitan Council. These changes were documented in a
32 Memorandum provided by SRF Consulting Group, and Ms. Falkers shared the details with the
33 Commission.

34
35 Chair Flannigan stated that the updates had not been included in the draft 2040 Comprehensive
36 Plan that the Commission received.

37
38 Interim Director Zweber stated that due to the quick timeline between the workshop and the
39 Planning Commission meeting Staff will need more time to completely update the draft plan with
40 the identified changes.

41
42 Chair Flannigan asked the Commission if they had any additional questions for Ms. Falkers.

43
44 Commissioner Douglas stated that section 9-5 on page 138 of the packet included a statement
45 regarding the completion of a parking study along Lake Street to analyze the impacts of converting

1 on-street parking to other uses. She acknowledged that some updates were made to the section but
2 stated that the statement continues to be concerning.

3
4 Ms. Falkers replied that a statement from the Vision 2040 Think Tank describing its view of the
5 “Preferred Future” was removed from the draft Plan because it wasn’t a policy level discussion
6 about the Lake Street Conversion. She added the Commission could remove the statement
7 regarding the completion of a parking study along Lake Street as part of its recommendation to
8 City Council.

9
10 Chair Flannigan asked Mr. Zweber to add the concern as a point for the City Council to address.

11
12 Chair Flannigan asked the Commission if they had any additional questions for Ms. Falkers. There
13 being no additional questions, he thanked Ms. Falkers for her work and expressed appreciation for
14 her time.

15
16 Chair Flannigan stated that they have had a public hearing, discussion and a subsequent workshop
17 regarding the draft 2040 Comprehensive Plan. The comments will be updated in the draft Plan.
18 He asked the Commissioners to finalize their comments.

19
20 Commissioner Bashioum stated that her concerns were addressed at the workshop. She further
21 stated that she continues to have reservations and has documented these comments to be included
22 in the record.

23
24 Chair Flannigan stated that the comments can be given to Mr. Zweber to be included with the
25 information for the City Council’s consideration.

26
27 Commissioner Merriam asked if all comments were to be submitted to Mr. Zweber to be included
28 with the information for the City Council’s consideration. She asked if they shouldn’t be made
29 during a public hearing and expressed aloud.

30
31 Chair Flannigan replied that if the Commissioners would like their comments on record, they may
32 do so. He added that he doesn’t think anything is going to be added to what has already been
33 decided.

34
35 Interim Director Zweber clarified that Commissioner Bashioum’s comments were items that the
36 Commission could not reach a consensus about.

37
38 Chair Flannigan responded that he would like for the Commission to add anything that has not
39 previously been discussed or addressed in the updates detailed in the Memorandum.

40
41 Commissioner Merriam stated that she is not comfortable voting on a document that she has not
42 seen finalized. She asked if there was harm in tabling the item again until the finalized version is
43 available.

44
45 Chair Flannigan stated that he can understand Commissioner Merriam’s hesitancy but asked for
46 the Commission to trust the staff that is in place to assure that the comments will appropriately be

1 shared with the City Council. He asked for City Attorney, David Schelzel to give the Commission
2 guidance.

3
4 Commissioner Bashoum stated that her concerns were addressed during the workshop and some
5 of her concerns were not added to the list due to the Commission not reaching a consensus. She
6 added that her concerns were regarding density in what she felt were randomly chosen areas.

7
8 City Attorney David Schelzel stated that the action before the Commission is a recommendation
9 to the City Council regarding the draft Comprehensive Plan. He stated that the workshop allowed
10 the Commission to discuss updates and those changes were outlined by the consultant in the
11 Memorandum. The Commission can vote on the plan as amended by the outline or vote to table
12 the action to allow staff to create an updated draft Plan containing all of the specific updates. He
13 added that he believes that Mr. Zweber and staff are clear on the changes that are being
14 recommended.

15
16 Commissioner Iverson stated that she continues to question the amount of density needed. She is
17 concerned about the infrastructure and the traffic that the plan will bring to the city. She stated
18 that the Met Council does not require as large of a density increase as the plan includes. She also
19 does not think that the density is being shared equally in the city due to the plan indicating that
20 specific neighborhoods would have exemptions. She stated that the density increase in the Central
21 Core residential area is substantial and the increase in height and traffic could make that area
22 similar to the busy Excelsior Boulevard in St. Louis Park. Adding multi-level apartment buildings
23 among the retail buildings on Wayzata Boulevard will have a huge impact on an already difficult
24 place to drive. Traffic and safety continue to be a concern. She added that the draft Comprehensive
25 Plan has a statement regarding maintaining and enhancing tree coverage that is in direct conflict
26 with the current tree ordinance.

27
28 Commissioner Plantan stated that the introductory statement on page 16 of the draft
29 Comprehensive Plan states that a pedestrian focus should be the priority which will in turn develop
30 a tighter community and make way for higher density. She would like that statement removed or
31 rewritten.

32
33 Commissioner Merriam stated that she also has concerns regarding density. She identified a
34 couple of statements in the draft Comprehensive Plan that say that higher densities strengthen the
35 sense of community and increases walkability. She questioned the need for these statements. She
36 stated that there are currently a number of mixed-use units under construction on Lake Street and
37 the impact they will have on traffic is unknown. She also stated a concern with page 3-3 under the
38 Central Core residential section that states lower density multi-family developments may also be
39 allowed.

40
41 Chair Flannigan asked the Commission if they would accept a general comment to the City Council
42 recommending it consider the general dynamics of density through the entire document. He stated
43 that it is the density approach in the draft Comprehensive Plan as it is relevant to the values that
44 were developed in the Vision statement.

45

1 Commissioner Merriam stated that page 3-17 still states the density for the Central Core
2 Residential land use category as 3 to 8 units per acre when it should have been changed to 3 to 6
3 units per acre. She also stated that page 8-18 mentions the Lake Effect project, which she states
4 should have been taken out.

5
6 Chair Flannigan responded that the Commission did not agree to take out every mention of the
7 Lake Effect project but instead wanted to ensure the funding for the project is clear.

8
9 Interim Director Zweber stated that he understood the consensus from the workshop was to have
10 the Lake Effect project funding source be identified in the Comprehensive Plan; not to completely
11 remove it from the document. He added that the workshop was a discussion and the Commission
12 can vote on the topic to move it forward.

13
14 Chair Flannigan stated that his recollection of the discussion with City Manager Dahl is that the
15 Lake Effect project is a City project that has been approved to move forward from a planning
16 standpoint but without City funding. He understood that the consensus was for a clarification of
17 private versus public funding of the Lake Effect project in the Comprehensive Plan.

18
19 Commissioner Merriam acknowledged what Chair Flannigan stated but further commented that
20 the sentence in the Comprehensive Plan implies that the Lake Effect project is happening and is
21 moving forward in its entirety; however, this has not yet been determined.

22
23 Chair Flannigan clarified that the document should be clear on the Lake Effect project funding and
24 the viability of the project through the entirety of the Comprehensive Plan.

25
26 Commissioner Bashioum questioned the introductory chapter page 1-8 which stated that the corner
27 of Superior Boulevard and Wayzata Boulevard could house the second City Plaza. She added that
28 the statement makes no sense due to current construction at that site and the current traffic
29 difficulties. She would like this statement taken out.

30
31 Wayzata City Engineer, Mike Kelly stated that there is a project being discussed for the
32 intersection of Wayzata Boulevard and Superior Boulevard with the possibility of an additional
33 sidewalk, trees, and garden area to be located on one of the corners. He stated that the Vision
34 document describes the project.

35
36 Commissioner Bashioum asked if the word plaza could be removed from the identified section
37 and wording like "landscape centerpiece" be added.

38
39 Mr. Kelly responded that he doesn't disagree, but the language was pulled directly from the City
40 approved Vision document.

41
42 Commissioner Bashioum asked if the wording is a misrepresentation of the project.

43
44 Mr. Kelly responded that he doesn't believe that it is a misrepresentation of what it could be.
45

1 Commissioner Bashioum responded that she believes it may be misrepresenting what the described
2 project will be. She further asked if it is going to be a placeholder for future development on the
3 corner.

4
5 Mr. Kelly replied that the Vision document was approved last fall and he would struggle to change
6 language that is pulled directly from this document.

7
8 Commissioner Merriam stated that the density requirement for the Mixed-Use –
9 Commercial/Residential land use category listed on page 9-4 should read 10 units per acre. She
10 also identified a typo on the page where it reads “affordable using” and it should state “affordable
11 housing.” She also added that the “promote opportunities to create higher density development”
12 statement on page 9-7 should be amended.

13
14 Chair Flannigan stated that the Commission would like the City Council to review the
15 appropriateness of density and the overall plan in connection to the Vision statement, make sure
16 the verbiage being used is appropriate to its intent and without typographical errors, page 1-8 needs
17 to have connectivity statement addressed, page 3-2 has a density comment, page 3-3 states “lower
18 density multi-family developments may also be allowed” and this should be removed, wherever
19 Lake Effect is mentioned it needs to be clear regarding funding and its viability, and page 1-8 has
20 a reference to plaza that needs to be defined.

21
22 There being no further questions for staff, Chair Flannigan asked for a motion to adjust the 2040
23 Comprehensive Plan to include the SRF Memorandum and the seven additional points discussed.

24
25 Commissioner Plantan made a motion, seconded by Commissioner Iverson, to direct staff to
26 prepare a report and recommendation, with staff updating the document with the changes outlined
27 in the SRF Memorandum and incorporating the seven points identified by Chair Flannigan, to
28 reflect a recommendation of approval of submitting the draft 2040 Comprehensive Plan to the
29 Metropolitan Council. The motion carried 4 ayes and 2 nays (Iverson, Bashioum).

30
31 **AGENDA ITEM 6. Public Hearing Items:**

32
33 ~~a.) Consider the Development Application for the Higheroft North Two Lot~~
34 ~~Subdivision at 153 Peavey Lane~~

35
36 **b.) Consideration of Development Application for the Boatworks Redevelopment**
37 **Planned Unit Development Concept Plan, Shoreland Impact Plan/ Conditional**
38 **Use Permit, and Zoning Ordinance Text Amendments at 294 Grove Lane East**

39
40 Interim Building and Planning Director Eric Zweber stated that the proposed Boatworks project is
41 a five-story building with the first two floors being commercial (restaurant and office) uses and
42 the top three floors being occupied by 33 residential units. A staff report was provided of the
43 planned unit development concept plan, shoreland impact plan/conditional use permit, and Zoning
44 Ordinance text amendment requests that would be the first stage of the redevelopment review. The
45 applicant and property owner, Boatworks II, LLC, submitted a development application requesting
46 approval of (i) a planned unit development (PUD) concept plan for a new five-story mixed-use

1 building consisting of office, restaurant, retail, service commercial, and residential condominiums
2 uses, (ii) shoreland impact plan/conditional use permit (SIP/CUP) related to the height and
3 impervious surface coverage of the proposed building, and (iii) Zoning Ordinance text
4 amendments related to height, setbacks and rooftop equipment to allow for the redevelopment of
5 the property at 294 Grove La E. Notice of the public hearing on the Application was published
6 in the Lakeshore Weekly news on May 23, 2019. The public hearing notice was also mailed to all
7 property owners located within 350 feet of the subject property on May 22, 2019.

8
9 In 1997, the City granted a planned unit development/conditional use permit (PUD/CUP) for the
10 property that amended the existing CUP for Marina and Restaurant Uses in the C-3 zoning district
11 to allow for an expansion of the uses on the property. In 2002, the City granted an amendment to
12 the PUD/CUP to allow for a change in the types and amount of uses within the Boatworks to
13 include office, retail, and restaurant uses. This amendment included additional seasonal parking
14 for the City beach and ten additional public boat dock spaces. In 2015, the City granted an
15 amendment to the PUD/CUP to allow for a joint brewery and distillery to be constructed within
16 the Boatworks.

17
18 In the current application, the applicant and property owner has applied for approval for a PUD
19 concept plan and a SIP/CUP to demolish the existing Boatworks building and replace it with a new
20 five-story mixed-use building consisting of office, restaurant, retail, service commercial, and
21 residential condominium uses. The proposed net square footage of the office uses is 68,841 square
22 feet and the proposed restaurant square footage is 8,797 square feet. The total gross square footage
23 of the entire building is proposed to be 239,940 square feet. To accommodate this redevelopment,
24 a three-level parking structure would be constructed within the building that would provide 294
25 parking stalls. There are an additional 85 parking stalls located north of Lake St as part of 1997
26 approval that would provide a total of 379 parking stalls.

27
28 The Commission is only required to review the PUD Concept Plan at this stage. Should the PUD
29 Concept Plan be approved, the design review will be conducted with the PUD General Plan stage
30 of development.

31
32 The Bluff and Lake District design standards do not allow rooftop mechanical equipment. The
33 applicant is requesting a text amendment that would allow this lot to be reviewed under the
34 Wayzata Blvd design standards, which allows rooftop mechanical equipment provided that the
35 rooftop mechanical equipment is screened.

36
37 The applicant is also requesting the text amendment to allow for rooftop air conditioner condensers
38 on the penthouse roofs. Section 933.02 of the Zoning Ordinance stipulates that the maximum
39 building height in a PUD District shall be the lesser of 35 feet or three stories. The proposed
40 building height of five stories, 75 feet, 6-inches and 48 feet to the elevator overrun requires a text
41 amendment and a conditional use permit/shoreland impact plan. The applicant requests as s part
42 of the text amendments to the PUD standards that additional height or reduced setbacks can be
43 considered with sufficient public benefits.

44
45 Prior to the public hearing, the City received one public comment. Brad Hoyt provided an email
46 to the City Manager Jeffrey Dahl regarding the proposed Boatworks redevelopment on May 28,

1 2019. Mr. Hoyt's email outlining his concerns and viewpoints was attached to the staff report. He
2 shared information regarding the public hearing process. On June 11, 2019, the City Council and
3 HRA will be exploring the potential use of Tax Increment Financing (TIF) associated with the
4 Boatworks site in the form of a workshop or at their regular meeting. The objective will be to
5 determine whether TIF should be explored to assist in accomplishing additional City initiatives,
6 specifically around the West End/Lake front areas.

7
8 Chair Flannigan asked the Commission to share their questions.

9
10 Commissioner Merriam asked if the property was in the Shoreland Overlay District and thus
11 requires a 75-foot lakeshore setback. She stated that the ordinance also has language for additions
12 or expansion, while noting the proposal is for demolition.

13
14 Interim Director Zweber responded that this project may require the applicant to request a variance
15 for existing non-conforming lots. The proposal is for a building that is less than 75 feet from the
16 lake.

17
18 Commissioner Douglas stated that there is a shared parking agreement with the City and she
19 wanted to know what the impact would be for replacing existing parking with a ramp. Specifically,
20 she questioned how the change would affect the shared parking agreement and what the City needs.

21
22 Interim Director Zweber stated that the developer will provide more information regarding
23 parking. The proposal would remove the one-story shared parking facility and replace it with a
24 three-story parking structure.

25
26 Commissioner Douglas stated that the ramp will also be imposing on Grove Lane. She asked what
27 the impact of that would be.

28
29 Interim Director Zweber stated that the area on Grove Lane has an abnormally-wide, triangular-
30 shaped appendage that would be impacted.

31
32 Chair Flannigan asked for clarification on the zoning request and what the potential impact would
33 be on other properties.

34
35 Interim Director Zweber replied that the property is in the Bluff District and they are requesting
36 an amendment for one of the 24 standards, which pertains to roof top equipment. The one standard
37 deviation is available in the Wayzata District. He added that the majority of the other C-3 district
38 properties are located on Wayzata Boulevard and within the Wayzata District.

39
40 Chair Flannigan asked for clarification on the parapet wall.

41
42 Interim Director Zweber explained that the fourth-floor mechanics will be completely screened
43 from view using wood material on one side and by fifth floor on the lake side.

44
45 There being no further questions from the Commission for Staff, Chair Flannigan invited the
46 applicant to speak to the Planning Commission about the application.

1
2 Applicant, Rick Born, 294 Grove Lane E, stated his appreciation for the opportunity to share
3 Boatworks II, LLC's vision for the site and that he understands the importance and the
4 responsibility that goes along with the stewardship of the site. He acknowledged that the height
5 variance requested will have an overall impact on the site as well as on precedence. He believes
6 that there are many impactful benefits to the City, its residents, and the community in general. He
7 stated that the property has been an important part of the Wayzata history for over 100 years and
8 it may have outlived its useful life. He introduced the team that has been working on the project.

9
10 Applicant's representative, Steve Bohl, 540 Far Hill Rd, stated that a lot of effort has gone into the
11 plan preparation for the current concept plan review. He stated that the focus has been on using
12 world class design while balancing a maximum public benefit. The project team's hope is to get
13 feedback from the community about its likes and dislikes. He shared a computer-generated aerial
14 video of the proposed development.

15
16 Applicant's representative, Terry Schneider, 15333 Boulder Creek Dr., Minnetonka, stated that he
17 would try and explain conceptually the plan as well as answer questions. He started by stating that
18 they would be raising the entire site up as well as reconstructing part of Grove Lane and the beach
19 parking lot with the plan of improving the stormwater management and reducing flooding in prone
20 areas. The first floor, which is called grade level or lake level, will be covered parking and will
21 generally be available for public use. The applicant will release its easement of the beach parking
22 because it will have adequate parking within the ramp to meet the Zoning Code requirements. The
23 grade level will also contain the current restaurant and brewery space but will be combined to
24 create a new restaurant space with an expanded patio. There will also be an atrium, office space,
25 and space for storage, boilers, garbage removal, and generators with a designated delivery bay that
26 will accommodate a semi-trailer. The applicant will remove a small building at the north corner
27 of the property to allow more space to accommodate large vehicles as well as large trailered boats
28 to pull in and then turn their vehicles 180 degrees to either access the boat launch or to exit the
29 property. All of the rainwater for the entire structure will be emptied into storm drains with
30 filtration systems that will be able to treat the water to the required standards. He explained the
31 applicant's long history of working with the City and how it has negotiated the current variance
32 agreements. He added that the applicant is not pursuing amendments to the current agreements
33 rather it is seeking new PUD agreements that will allow the project team to make more substantial
34 stormwater improvements than what was possible previously. The second level is referred to as
35 the mezzanine level, which will contain reserved parking for the condominiums as well as will
36 provide the possibility of some semi-shared parking space for the public. This level will also house
37 the general mechanical equipment and storage space for the condominium tenants. The third level,
38 which is called the podium level, is street grade and will contain office space and the potential of
39 an evening restaurant. The fourth level is called the first residential level and will have
40 condominiums, a club room, and possibly more office space. The building height increased due
41 to the setbacks needing to be designed as full roof structures to assure they are watertight. The
42 fifth level is for the custom-designed penthouses as well as the fully screened mechanical units.
43 Mr. Schneider said the project team will attempt to put the 33 air conditioning condensers within
44 the screened mechanical area, but is hoping to get a PUD agreement that will allow it to place these
45 units on the roof where they will be unseen. Mr. Schneider stated that he is confident that the
46 restaurant mechanical will fit into the designated mechanical area. The project team is planning

1 on installing a specialized exhaust fan for the restaurant to ensure the smoke will not affect the
2 condominium owners' outdoor air quality. This is still being discussed and investigated. He
3 explained that the intent in rebuilding the boardwalk was to provide an enjoyable experience to
4 walk, sit, and gather on that extends to the beach and possibly through the marina. The project
5 team is also planning a fully ADA compliant path that will extend from Lake Street all the way
6 down to the north side of the building.

7
8 Applicant's representative, David Stahl, stated that they are working very hard to create a good-
9 looking building that is engaging and looks like a place in which people would want to hang out.
10 The project team used the model of a Mediterranean hillside village that contains a variety of
11 different size balconies and patios to visually break up the scale of the building. He also explained
12 that the project team is planning to use a mix of different materials to add visual interest. He shared
13 a number of computer-generated renderings that demonstrate the scale and perspective of the
14 proposed building from a variety of locations. He demonstrated the use of tiered plantings that
15 will be used to camouflage the parking ramp.

16
17 Mr. Boll stated that he has been a resident of Wayzata for 50 years and believes that this project
18 allows him the experience to understand the character of the city. He stated that the first thing to
19 recognize is that the character is changing. He stated that the Boatworks building is about as
20 special of a property as Wayzata has, and that the property is really the only lakefront commercial
21 property there is in town. He stated that the property is deteriorating, and a redevelopment would
22 have a long-term benefit not only for the owner, but also for the city and its residents. He further
23 stated that it is difficult for pedestrians to get to the beach from the Depot as it currently functions,
24 and that the proposal offers an opportunity to improve that experience by creating a much safer,
25 inviting, visually-exciting experience for the public to get to the beach.

26
27 Chair Flannigan thanked the applicant for the detailed presentation. Chair Flannigan asked the
28 Commission if there were any questions.

29
30 Commissioner Douglas stated that the building has two façades: the lake and the street. She asked
31 for clarification about the step backs located on Grove Lane.

32
33 Mr. Stahl responded that the zoning minimum is that the top floor must have a setback that is the
34 same height as the top floor and the proposal has more than that on all levels. He added that the
35 building doesn't truly have a front or back therefore equal dedication will be made to assure a
36 visually appealing façade from all sides. He pointed out the mechanical units on the fourth floor
37 and how they are visually hidden from view.

38
39 Commissioner Merriam stated that page 25 presented a rendering from Grove Lane and she asked
40 for clarification of where the parking ramp levels matched up to the outside of the building. She
41 also asked for the identification of the parking ramp entrance from the west side of the building.

42
43 Mr. Stahl responded the parking ramps do not match up perfectly to the office space due to the
44 difference in height requirements. He added that there is no vehicular parking ramp entrance from
45 the west side of the building.

46

1 Commissioner Iverson stated that it looks like there are really six floors.

2

3 Mr. Stahl responded that two of the parking ramp levels are equal to the first level so it would be
4 counted as five levels.

5

6 Commissioner Parkhill asked how the 61,000 square feet of office space and 11,000 square feet of
7 restaurant space was determined.

8

9 Mr. Stahl responded that the 11,000 was determined through the required need for the restaurant
10 with space for storage and utilities. The office space was determined by what was remaining.

11

12 Commissioner Parkhill asked if there were two restaurants planned.

13

14 Mr. Stahl responded that there is currently plans for the existing restaurant with a potential plan
15 for another. The potential restaurant would be open only in the evening , which would allow ample
16 parking space.

17

18 Commissioner Bashioum asked if the semi-private pad that projects over the lake would have
19 special permit requirements.

20

21 Mr. Stahl responded that the hope is to have a gathering space in that location, but there are some
22 technical aspects that they have to work through before making it a reality.

23

24 Commissioner Plantan asked if they had weekend calculations for parking.

25

26 Mr. Schneider stated that the calculation was within the attachments of the application.

27

28 Interim Director Zweber stated that the weekend numbers were included in the full application and
29 they were not included in the provided summary because it wasn't peak time.

30

31 Chair Flannigan asked why the second-floor office space wasn't removed to make way for the
32 penthouse units on the fourth floor.

33

34 Mr. Born responded that height has always been a concern and they are sensitive to it. The original
35 plan was for a four-story building, but it was determined that the square footage wasn't enough to
36 be financially viable.

37

38 Chair Flannigan stated that they would be taking a five-minute break starting at 9:06 p.m.

39

40 Chair Flannigan called the meeting to order at 9:13 p.m.

41

42 There being no further questions from the Commission, Chair Flannigan opened the public hearing
43 at 9:14 p.m.

44

45 Resident, Bradley Hoyt, 326 Ferndale Road W., stated that he is the owner of the property that is
46 located directly across the street formerly known as the "pink" building. Five years ago, he

1 proposed developing the site into a five-story apartment building that was designed to mimic the
2 densities, heights, and everything that was used on the Promenade except it would have been 10
3 feet shorter. The application was denied on the grounds that it was “too dense, too tall, too wide,
4 and just too much of everything.” This led to Mr. Hoyt suing the city for equal protection. He
5 stated that text amendments are extremely rare to be used in an application or for a purpose like
6 this application. He added that ordinarily a text amendment is used to make a very minor
7 clarification or change. In this case it is being employed as it was on the Promenade project to
8 allow a property owner to violate the law. This law has been established and refined over the past
9 145 years in Wayzata. A text amendment is required because the legal option such as a variance
10 is not available because there is no possible legal justification for them. Faced with no way to get
11 around it, the City is now being asked to allow the applicant to break the law by creating, just for
12 it, an exception to the law. In other words, the City would be enabling the Commission of an
13 illegal act by a legal means. He stated that it is spot zoning or more accurately defined as contract
14 zoning, which is illegal, immoral, and corrupt. He stated that his property was purchased 26 years
15 ago for redevelopment and he has paid over four million dollars in taxes during the intervening
16 time. He applied for development applications several times incurring over three million dollars
17 in planning and legal costs alone. None of his applications were approved. He clarified that one
18 application was given approval, but with twelve conditions, which included removing two stories
19 and making it three different uses. He stated that was not truly an approval. Ultimately, last year,
20 after two years of working with the City Manager, Jeff Dahl, they created a plan to develop all of
21 the blighted properties on the west end of Lake Street. The plan included approval of the building
22 that he was always told he could build and Mr. Hoyt donating millions of dollars’ worth of his
23 land to the city to enable a city parking lot. Almost immediately following this a plan emerged for
24 the Boatworks, The Blue, and the Hughes property to use his donated land for their benefit. These
25 types of projects are high risk and represents a personal investment on his part of 20 million dollars.
26 He is confident that the other project applicants have invested similar amounts. He stated that to
27 confirm an illegal and massive windfall on Mr. Born is unconscionable. He stated that it is
28 estimated that a previous text amendment recipient profited 50 million dollars by allowing them
29 to break the law. He added that he would reserve his observations regarding TIF and the, so-called,
30 public benefits for the City Council. He asked that a message be sent to the applicants that the
31 Commission will not be enticed into breaking the law and committing unconscionable wrongs
32 against others, such as Mr. Hoyt, who have invested huge sums at great risk and within the law.
33

34 Resident, David Carlson, 2249 Portico Green, stated that he is part of the development team for
35 the Wayzata Blue condominium development which is located across the street from the project
36 and will likely be most affected by the project. He commented that the design of the project is
37 beautiful, and he is 100% in favor of the bottom half of the project. He added that he is 100%
38 against the top half of the project. He stated that at the beginning of his project, he met with the
39 Mayor and staff with a proposal for a four-story building for the Wayzata Blue site. The response
40 from the Mayor and staff was to not waste time or money because anything over three-stories
41 would not be approved. He read a quote from Mayor Wilcox that came from the Hoyt lawsuit:
42 “You have not only exceeded many of the provision of the ordinance, you have massively
43 exceeded them and I think if you wanted to have a citizen revolt, all you got to do is put up a five-
44 story building on Lake Street. And that is what will result, because people care about the rhythm
45 and the character of the city, and it’s not five stories on Lake Street.” He shared a picture of the
46 view from his third story condominiums that showed that the project would completely block the

1 lake view. He asked for the denial of the project because the benefit and the profit to the developer
2 would be at the expense of his buyers. He added that it is unbelievable that the project has gone
3 as far as it has when he was told to “not even think about it.” He asked for the denial of the
4 application.

5
6 Resident, Lowell Zitzloff, 319 Barry Ave., stated that there is no question that the project is
7 beautiful. He has been a resident of Wayzata for 85 years and believes that it is one of the most
8 sought after beautiful cities. He stated that there have been other projects that have added assets
9 to Wayzata without blocking others. He added that he has seven properties on the west end of
10 Lake Street with glass walls that look out at the lake. The project is going to devalue all of his
11 properties. He added that he cannot support it, every developer should be held to the same
12 standard.

13
14 Real Estate Broker, Darren Knight, office at 319 Barry Ave., stated that PUD’s allow unlimited
15 flexibility, but they should not be used to circumvent comprehensive plans, zoning rules, or to
16 create spot zoning for individual developers. He shared a statement from the City’s lawyer that
17 was made during Hoyt’s lawsuit: “A PUD is not intended as a means to vary applicable planning
18 and zoning principles, and the height of the building proposed for the proposed PUD far exceeds
19 the applicable limits for a PUD district.” He added that the project is a really big building on the
20 beach, and it will obliterate everybody’s views, and it should be denied.

21
22 Resident, Jeff Zitzloff, Lowell Zitzloff’s son, stated that the calculation of 75 feet height indicates
23 to him that the project height is actually 6.47 stories tall. He added that the idea, shared by Chair
24 Flannigan, of removing office space and placing the penthouse on the third floor made sense to
25 him.

26
27 Resident, Mary Bader, 117 Peavey Lane, stated that she is a member of the Parks and Trails Board
28 and a former member of the City Council. She was on the City Council when other Council
29 members thought that they could confine the precedence that Presbyterian Homes would be setting
30 for height by putting in a 13-acre feature. She stated that the decision is coming back and biting
31 now. She stated that the beach is not under used and she has not heard anybody complaining that
32 it needs to be remade. She added that she has been walking through it for the past 48 years. She
33 stated that the project is beautiful, but it is in a terrible location, looks like a Florida tourist hotel,
34 and would ruin the beach. It would be an affront to have it on Lake Minnetonka because there is
35 nothing else like it, nor should there be. The community values the lovely, natural, beautiful lake.

36
37 Resident, Kimberly Walsh, 495 Highcroft Rd, stated that she opposes the project for the reasons
38 that others have said. She added that it would devalue the whole north side of the lake that people
39 have worked so hard to create in the zoning and rules of Wayzata. She asked who wants to go to
40 a beach in the shadow of an office park. She believes that the project would devalue the beach
41 and the character of Wayzata.

42
43 Resident, John Nolan, 328 Barry Ave., stated that he owns the property up the bluff from the
44 project. He added that there will be a significant transfer of value if the Boatworks project is
45 approved. He reiterated that a PUD is intended to provide flexibility and creativity to allow a
46 project to go forward and not to enhance the financial returns. He is not opposed to redevelopment

1 of the Boatworks but the current proposal tramples over the regulations, principles, intentions, and
2 protections of the zoning laws, design standards, and the comprehensive plan. These represent
3 thousands of hours of volunteer time of Wayzata citizens. He stated that buildings on the
4 waterfront should be built with the idea of theatre seating with the heights increasing as distance
5 increases from the point of interest. This type of model benefits the entire City and if everybody
6 else is following those rules then so should this project. He added that many of the public benefits
7 being expressed by the developer are demanded through the bylaws. He ended by stating that he
8 would submit a letter to the Commission with further details of his comments.

9
10 Chair Flannigan encouraged everyone to submit written comments to the City Planner so that they
11 can be added to the record.

12
13 There being no one else wishing to comment on the application, Chair Flannigan closed the public
14 hearing at 9:41p.m.

15
16 Chair Flannigan asked Interim Director Zweber, to summarize the objective for the Commissioners
17 so that they can be efficient with time.

18
19 Interim Director Zweber stated that the application is the first step in a multiple step process. The
20 shoreland impact plan/conditional use permit (SIP/CUP) is a quasi-judicial review and decision,
21 meaning that the Planning Commission acts as similar to a judge in a courtroom and applies the
22 relevant rules of the Zoning Ordinance to this particular property and proposed development. The
23 Planning Commission should recommend approval of the SIP/CUP requested by the applicant if
24 the Commission determines that it meets all of the Zoning Ordinance requirements. The proposed
25 planned unit development (PUD) concept plan and Zoning Ordinance text amendments are
26 legislative reviews and decisions, meaning that the Planning Commission acts similar to a
27 legislative body and has wide discretion on whether to recommend approval or denial as long as it
28 has a rational basis for its decision. In addition, the proposed text amendment will affect all
29 properties that fall under the regulations of that section of the Zoning Ordinance, which could be
30 beyond just the property that is being proposed for redevelopment. The Planning Commission
31 should review what the applicant has proposed but is not bound to limit its review to only that
32 proposal. The Planning Commission should consider the other properties that can be affected by
33 these proposed changes and consider modifying the proposed text amendment language if it would
34 have a positive effect on those properties. The action steps would be that after considering the
35 items outlined in the report, holding the public hearing on the application, and discussing the
36 requests of the Application, the Planning Commission should direct staff to prepare a draft
37 Planning Commission Report and Recommendation, with appropriate findings, reflecting a
38 recommendation on the application for review and adoption at the next Planning Commission
39 meeting.

40
41 City Attorney, David Schelzel stated that there are three requests as part of the application and
42 City Council needs a recommendation from the Planning Commission on each of those requests.
43 The requests are for the planned unit development concept plan, shoreland impact plan/conditional
44 use permit, and Zoning Ordinance text amendment. If the Commission determines that there is
45 not a sufficient reasonable bases for the zoning text amendment, then by definition the other two
46 requests would have to be denied. If the Commission thinks that the text amendment could make

1 sense but that the applicant has not quite made that case in the concept plan, the Commission could
2 make a recommendation to Council to leave the door open for the possibility of moving forward
3 after more information is obtained.

4
5 Chair Flannigan asked the Commission to comment on the utilization of the text amendments.

6
7 Commissioner Bashioum stated that she has real concerns with the text amendment being used to
8 skirt the zoning rules that have been suggested by some of the public comments. She added that
9 the height is difficult to accept.

10
11 Commissioner Parkhill stated that he also believes that the building is very beautiful, but he
12 continues to have concerns with density, scale, and the text amendment precedence and the
13 unintended consequences. He added that it is important to learn from the Presbyterian Homes
14 project and its effect on the community. He ended by stating that he does not see enough of a
15 public benefit to be able to recommend a text amendment to the Zoning Ordinance.

16
17 Chair Flannigan asked if Commissioner Parkhill would be interested if he could see further public
18 benefit.

19
20 Commissioner Parkhill replied that he would need to see an enormous public benefit.

21
22 Commissioner Douglas stated that she has been in Wayzata for a long time and loves the vitality
23 of the community. She stated the role of the Planning Commissioners is to manage change. She
24 has heard complaints over the past ten years regarding the Promenade due to the height and mass.
25 She was able to rationalize the decision due to it being a blighted area, but she hoped that would
26 be the last such request in the community. She believes that the current Boatworks is an attractive
27 two-story building in a beautiful lake setting. The current building fits into the small-town feeling.
28 She has spent hundreds of hours at the beach with family and called it a gem. The distance that
29 the west side of the building is to the beach area and the ramp takes away from the intimate beach
30 space. She noted that in the past five years, five applications for three-story redevelopments were
31 approved from Barry to Ferndale each with slight variations due to some underground parking
32 issues. She doesn't know why they would exceed the three-story limit for the current project. The
33 Comprehensive Plan uses the phrases of fostering charm, making charm our utmost priority, small
34 and intimate development, smaller human scale, and protecting Lake Minnetonka. The
35 Comprehensive Plan is the foundation for decision-making and then zoning provides further
36 guidance. Changing into a five-story limit would be setting a precedence for years to come. She
37 added that she had spoken to dozens of residents and had only heard support from two. She
38 concluded by stating that it is a beautifully designed building, but not one that would fit in
39 Wayzata.

40
41 Commissioner Iverson stated that the scale of the building is too large and feels very urban. She
42 believes that Wayzata wants something more historical and charming and feels like it has been
43 part of the lakefront for many years. She asked what the light pollution would be for the building,
44 specifically how far onto the lake would it be seen. She talked about the Presbyterian Home
45 Development and how it divided the City. She added that one of the most important things is a
46 person's word and that applies to the City. She agreed with the focus of keeping Wayzata charming

1 and the Boatworks project's scale and mass is not fitting and would be tragic for the lakefront.
2 She concluded that she would be comfortable looking at a three-story building, but not what is
3 being proposed. She concluded that she would not recommend the text amendment.

4
5 Commissioner Plantan stated that she agreed with her fellow Commissioners and their concerns.
6 She responded to a statement from the developers about creating Instagram moments by stating
7 that area is beautiful enough with just the beach and Marina. She noted that as an architect and
8 engineer, she has huge concerns with the massing and the plans to build within 10 feet of the beach
9 parking lot. She agreed that it devalues the character of the beach and the other properties across
10 the street. She does not support the text amendment.

11
12 Commissioner Merriam stated that the building is beautiful and shows a lot of creativity but should
13 not be located on the lakefront. She stated that she was on the Commission when the Presbyterian
14 Homes Development was being decided and she did not recommend approval due to the height.
15 She stated that text amendments should be reserved for huge benefits for the City. She could not
16 recommend approval of any of the exceptions.

17
18 Chair Flannigan stated that the location was a 100-year development opportunity and because of
19 that it is an extremely importantly application. He would like to see something that would fit into
20 the neighborhood better.

21
22 Chair Flannigan asked for a motion on the application.

23
24 Commissioner Iverson made a motion, seconded by Commissioner Douglas, to direct staff to
25 prepare a draft Planning Commission Report and Recommendation, with appropriate findings,
26 reflecting a recommendation of denial of the requested Planned Unit Development, Shoreland
27 Impact Plan/Conditional Use Permit, and the Zoning Ordinance Text Amendment 1,2,&3 for the
28 application for the Boatworks at 294 Grove Lane East, for review and adoption at the next Planning
29 Commission meeting.

30
31 Commissioner Bashioum read the following statement from page 6-1 of the draft 2040
32 Comprehensive Plan: Unique character is intimately connected to the wealth of nature and scenic
33 resources that exist. She stated that the growth and development must be balanced against
34 preserving and enhancing the natural and the community amenities that create Wayzata's sense of
35 place. She concluded that care must be taken to balance changes in built form against their impact
36 to the community's significant resource, which is Lake Minnetonka.

37
38 Commissioner Iverson stated that the application does not meet the criteria set in Section 991.19C,
39 item (5) states that building heights shall be analyzed to determine the impact on surrounding
40 structures and views from the lake surface or other shores. Structures shall not be allowed to
41 exceed a height beyond that is allowed by the base zoning district or cannot be screened by
42 landscaping or other design measures. She commented that the requested height is far above what
43 the Zoning Ordinance allows. Item (6) states that residential densities on a project basis shall not
44 be allowed to exceed the maximum allowed density of the base zoning district for which the project
45 is proposed. For higher density residential development and planned unit developments, the
46 density shall not be allowed to exceed the density standards as specified in the R-5 District of this

1 Ordinance. Item (7) states that lot coverage on a project bases shall be restricted to the provisions
2 for maximum impervious surface coverage as provided for in this Ordinance. Item (11) states that
3 all projects shall be in conformance with the Wayzata Comprehensive Plan/Shoreland
4 Management Plan, as may be amended.

5
6 The motion carried unanimously.
7

8
9 **AGENDA ITEM 7. Other Items:**

10
11 **a.) Review of Development Activities**

12
13 Assistant Planner, Nick Kieser stated that there will be a Boatworks work session at the June 11th
14 City Council Meeting. The Highcroft North development application was removed. The June 17th
15 Planning Commission meeting will have an application for a 16-unit apartment complex. There
16 will be a number of development applications for the first meeting in July.
17

18 **b.) May 21st City Council Meeting Report – Commissioner Douglas**

19
20 Commissioner Douglas provided a report on the May 21st City Council meeting. A new Police
21 officer was sworn-in. There was a recognition for the Wayzata high school National Champion
22 Science team and for two volunteer newsletter delivery people. There was a Volunteer Committee
23 update. They will be expanding a Bastille Day event.
24

25 **AGENDA ITEM 8. Adjournment.**

26
27 There being no further business on the agenda, Chair Flannigan asked for a motion to adjourn.
28

29 Commissioner Plantan made a motion, seconded by Commissioner Merriam to adjourn the
30 Planning Commission meeting. The motion carried unanimously.
31

32 The Planning Commission meeting was adjourned at 10:17 p.m.
33

34 Respectfully submitted,

35 Jenny Groess

36 *TimeSaver Off Site Secretarial, Inc.*