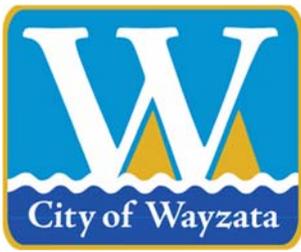


**City of Wayzata Housing and Redevelopment Authority**  
**Special Meeting Agenda**  
Thursday, June 22, 2017

**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 April 27, 2017
4. Old Business
5. New Business
  - a. Consider Approval of the Declaration of Access Easement for 150 Lake Street West
  - b. Consider Approval of a Resolution 01-2017HRA to Amend the Widsten TIF Plan
  - c. Other Redevelopment Updates
6. Next Meeting Date: 7:30 am on July 27, 2017
7. Adjournment





# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> June 22, 2017	<b>AGENDA ITEM:</b> 3
<b>TITLE:</b> Approval of Minutes from April 27, 2017 Meeting	
<b>PROPOSED MOTION:</b> To Approve the Minutes from the April 27, 2017 HRA Meeting	
<b>PREPARED BY:</b> Jeffrey Dahl, Executive Director	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

Staff recommends approval of the minutes.

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

N/A

**ATTACHMENTS:**

1. Draft Minutes from April 27, 2017 Meeting

1 HRA members present: T. Shaver, R. Wothe, B. Petit, B. Ambrose and S. Fox  
2 HRA members absent and excused:  
3 City Staff present: Becky Malone, Jeff Thomson, Jeff Dahl, David Schelzel  
4 Others present:  
5

6 Chairman Shaver called the meeting of the HRA to order at 7:31 a.m.  
7  
8

9 APPROVAL OF AGENDA

10  
11 Petit motioned to approve the April 27, 2017 meeting agenda as presented, seconded  
12 by Ambrose. The motion passed 5/0 by voice vote.  
13

14  
15 APPROVAL OF MINUTES OF FEBRUARY 3, 2017

16  
17 Ambrose stated on page 2, line 25 the word “precedence” should be changed to  
18 “precedent” and on page 3 line 12 the vote should read “3/0 voice vote”.  
19

20 Ambrose motioned to approve the minutes of February 3, 2017 as amended, seconded  
21 by Fox. The motion passed 5/0 by voice vote.  
22

23  
24 OLD BUSINESS

25  
26 a. Receipt of HRA 2016 Financial Report

27  
28 Dahl reviewed the HRA Financial Statements for 2016 including the Widsten Tax  
29 Increment, the Bay Center Tax Increment, and 440 Housing.  
30

31 Ambrose stated the HRA members are approved by the City Council. He asked who  
32 selected the members.  
33

34 Dahl stated members go through an application and vetting process.  
35

36 Shaver stated approval of the Omnibus Tax Bill, which includes the amendment of the  
37 Widsten District, would be a win for the City  
38

39 Dahl stated the Widsten District, in theory, should have been closed 2-years ago  
40 because the obligation had been paid off. However, prior to the District expiring the City  
41 began looking into the parking ramp as an eligible TIF expenditure and requested an  
42 amendment to current state statutes. The amendment would allow the City to extend  
43 the 5-year rule for expenses. The District will continue to accrue increment until  
44 12/31/2022. At that time, the City will legally have to decertify the District. This District  
45 pays about \$400,000 per year and once the amendment is approved these funds can  
46 be used to pay for some of the costs incurred by the City for the ramp. When the  
47 amendment is approved the HRA will be asked to amend the TIF Plan.  
48

1 Wothe motioned to accept the 2016 HRA Financial Report as presented, seconded by  
2 Petit. The motion passed 5/0 by voice vote.

3  
4

5 NEW BUSINESS

6  
7

a. Receipt of ULI's "Navigating Your Competitive Future" Report

8  
9

10 Dahl reviewed the key points, summary sheet, and conclusion. The City will use this  
11 information In the Comprehensive Planning process and other projects. The City did  
12 have a strategic planning meeting and there are other studies that the City may move  
13 forward with to work with this report.

14

15 Wothe stated Gordon Hughes had mentioned the ability to buy older homes and rehab  
16 them. This would create be more affordable housing. He stated this was not happening  
17 in Wayzata.

18

19 Petit stated the reality of market forces in a complex place, such as Wayzata, is that  
20 going against what is happening in town is a big deal. The City does not have a  
21 problem with getting stuff but the do have a problem with getting stuff done well and this  
22 was lacking in the presentation.

23

24 Ambrose stated a potential place for more density would be vertically on Wayzata  
25 Boulevard.

26

27 Petit stated he would like to see the Comprehensive Plan be more tailored to Wayzata  
28 and include better content than the standard language.

29

30 Wothe stated he Comprehensive Plan had originally been designed to be a living  
31 document that changes over time but the Mayor has stated hat this is a document that  
32 tells the City what must be done.

33

34 Thomson stated the City has started the process to update the Comprehensive Plan.  
35 Once a consultant has been identified the first step would to invite community  
36 engagement and input on what the community vision is. The City will use past Comp  
37 Plans and the work on the Lake Effect as a foundation to build from. The focus would  
38 be to look at solutions to issues the City identifies over the next 20-years so the City has  
39 a document they can build on for development. As the Comp Plan gets done the City  
40 will focus on the implementation and ensure that the City's Ordinances are consistent  
41 with the goals of the Comp Plan.

42

43 Shaver stated the City does not have a clear process on design including architecture  
44 and landscaping. These things can influence the look of a community. This would be  
45 an opportunity for he community to have an impact of the look and feel of Wayzata.

46

47 Petit expressed concerns about hiring a consultant group to work with on the Comp  
48 Plan because it is difficult to keep energy and momentum going. He suggested the City  
take control and guide the consultants to meet the City's goals.

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b. Other Redevelopment Updates

Dahl stated the first deck of the Mill Street Ramp is set to open mid-June and completion mid-July, which is 2-weeks ahead of schedule. The City has used half of the contingency fund set aside for the project. The City is confident that the project will be under budget. The City may look at some of the additional wants for the ramp including cameras, kiosk in the front, and electric car charging stations.

Petit stated that the residents up the hill are stating they have cracks resulting from the project.

Dahl stated if the construction caused damage the City has insurance to cover this. There are vibration monitors and the City took pictures of the units inside and out in order to determine if any damage was a result of the project.

Wothe asked about the development plans for the Hoyt property on Lake Street.

Dahl stated he and Mr. Thomson had been meeting with the property owners to determine if the City can move forward with planning for a future TIF District. The building owners are willing to do what is necessary to create a TIF District with the notion that the City will look into building or financing public and/or private parking opportunities. The first step would be to put together a document that would outline what needs to happen including allowing the City onto the properties and establishing who would pay for the study. If it is determined that this would be TIF compliant then the HRA would have a large role in establishing the District. He stated the City has met with Mr. Hoyt and he is intrigued with looking at this as a TIF District and has talked about constructing an office building that would utilize shared parking. The main focus has been to ensure that everything is looked at and the City does not preclude themselves from setting up a TIF District with a parking ramp down the road. The next steps with the Lake Street items would be a joint workshop or review with the City Council and HRA for a predevelopment agreement or memorandum of understanding.

Petit stated he would like to see more of a rental component in the redevelopment along Lake Street. The City needs to have people who are there year-round.

Shaver stated Staff would like a general understanding that the HRA is supportive of a redevelopment district so they can continue to move forward with this.

It was the consensus of the HRA to support taking the next steps in establishing a TIF district and would like to remain involved in the process.

NEXT MEETING DATE: 7:30 am on July 27, 2017

ADJOURNMENT

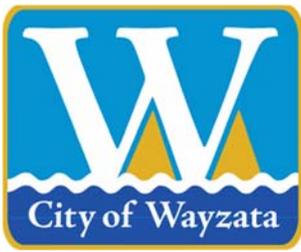
1  
2 There being no further business; Wothe motioned to adjourn at 8:14 a.m., seconded by  
3 Ambrose. The motion passed 5/0 by voice vote.

4  
5 Respectfully submitted,

6  
7  
8 Becky Malone  
9 Deputy City Clerk  
10 City of Wayzata

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

DRAFT



# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> June 22, 2017	<b>AGENDA ITEM:</b> 5a
<b>TITLE:</b> Consider Approval of Easement at 150 Lake Street West	
<b>PROPOSED MOTION:</b> To Approve the Declaration of Access Easement for 150 Lake Street West	
<b>PREPARED BY:</b> Jeffrey Dahl, Executive Director	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

Staff recommends approval of the attached draft easement.

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

TCF Bank is selling its property at 150 Lake Street West. As a part of the due diligence process of the sale, it was noted that there is currently no access easement to the City's water treatment plant on the west side of the site through the parking lot. The City's water treatment plant is owned by the HRA and thus the HRA should have an access easement with the private property to ensure access is maintained.

**ATTACHMENTS:**

1. Draft Access Easement for 150 Lake Street West



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**DECLARATION OF ACCESS EASEMENT**

This Declaration is made this \_\_\_\_ day of June, 2017, by TCF National Bank, a national banking association (“Declarant”), in favor of the City of Wayzata Housing and Redevelopment Authority, a body corporate and politic under the laws of the State of Minnesota (“Grantee”).

**RECITALS**

A. Declarant is the fee owner of the following property (the “Burdened Parcel”):

Lot 24, Block 1, Westlake, Hennepin County, Minnesota

B. Grantee is the fee owner of the following property (the “Benefitted Parcel”):

Outlot A, Westlake, Hennepin County, Minnesota

C. Grantee has requested and Declarant has agreed to grant to Grantee a permanent easement for ingress and egress over those portions of the Burdened Parcel which are paved and used by Declarant and its successors and assigns from time to time as owners of the Burdened Parcel for ingress and egress to and from, and parking upon, the Burdened Property (the “Easement Area”).

D. Declarant is willing to grant said easement to Grantee, upon and subject to the terms and conditions of this Declaration.

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, Declarant hereby agrees as follows:

1. Easement. Declarant hereby grants, warrants and conveys to Grantee, its successors and assigns as owners of the Benefitted Parcel, a permanent easement for ingress and egress over the Easement Area to and from the Benefitted Parcel (the Easement”), subject to and conditioned upon the terms of this Declaration.

2. Maintenance and Repairs. Declarant, and its successors and assigns as owners of the Burdened Parcel, shall be responsible for the repair and maintenance (including snow and ice removal) of the Easement Area during their respective times of ownership. Declarant agrees to maintain the Easement Area in good condition, free from obstructions and in compliance with all governmental requirements. Decisions with respect to the timing, method, and extent of the repair and maintenance of the Easement Area shall be made in the sole discretion of Declarant and its successors and assigns as owners of the Burdened Parcel, so long as all repair and maintenance is conducted in a commercially reasonable manner.

3. Parking. Grantee shall be entitled to use up to two (2) parking spaces in the Easement Area in connection with its use of the Benefitted Parcel in such locations as Declarant or its successors may designate from time to time. No other portions of the Easement Area may be used by Grantee, its employees, guests, or invitees for parking or any purpose other than ingress and egress to and from the Benefitted Parcel.

4. Right to Change. Declarant may alter the layout of the Easement Area, and construct improvements thereon from time to time in its sole discretion upon at least sixty (60) days' notice to Grantee. Such alterations may alter the route available for access to the Benefitted Parcel, so long as a portion of the Easement Area measuring at least twenty (20) feet in width is at all times available to Grantee and its successors and assigns to cross over and access the Benefitted Parcel.

5. Enforcement. The obligations and liabilities contained in this Declaration shall be enforced by the parties hereto, and their respective heirs, administrators, successors and assigns by injunctive relief, prohibitive or mandatory, to prevent breach of or to enforce performance or observance of these obligations and liabilities.

6. No Waiver. Failure to enforce any of the terms and provisions contained in this Declaration upon the violation thereof shall in no event be deemed a waiver of the right to do so as to any subsequent violation.

7. Terms and Conditions. Invalidation of any of the terms and conditions of this Declaration, whether by Court Order or otherwise, shall in no way affect any of the other terms and conditions, which shall remain in full force and effect.

8. Binding Effect; Covenant Running With Land. This Easement Agreement is intended to be a covenant running with the land and shall be binding upon and inure to the benefit of Declarant and Grantee, and their respective successors and assigns.

9. Governing Law. This Declaration shall be governed by and construed in accordance with the laws of the State of Minnesota.



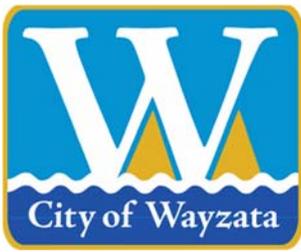
4  
CITY OF WAYZATA HOUSING AND  
REDEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF HENNEPIN    )

The foregoing instrument as acknowledged before me this \_\_\_\_ day of June, 2017 by \_\_\_\_\_  
\_\_\_\_\_, the \_\_\_\_\_ of City of Wayzata Housing and  
Redevelopment Authority, a body corporate and politic under the laws of the State of Minnesota,  
on behalf of the Authority.

\_\_\_\_\_  
Notary Public



# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> June 22, 2017	<b>AGENDA ITEM:</b> 5b
<b>TITLE:</b> Consider Approval of a Resolution to Amend the Widsten TIF Plan	
<b>PROPOSED MOTION:</b> To Adopt Resolution 01-2017HRA, Requesting that the City Council Call for a Public Hearing on the Modification to Tax Increment Financing District #3 (Widsten)	
<b>PREPARED BY:</b> Jeffrey Dahl, Executive Director	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

Staff recommends approval of the attached draft resolution.

**FINANCIAL OR BUDGET CONSIDERATION:**

The Widsten TIF Amendment will ultimately allow the City to use the remaining increment generated from the Widsten TIF District, estimated at \$2.4 mil, for expenses related to construction the Mill Street Parking Ramp.

**BACKGROUND:**

For the past several years, the City has been lobbying its representatives at the State Capitol to pass special legislation in order to allow the City to use remaining increment from the Widsten TIF District, for its originally intended purpose---public parking. Because special legislation passed this Spring, we are now going through the necessary public process.

**ATTACHMENTS:**

1. Memo explaining details of the TIF modification, dated June 16, 2017
2. HRA Resolution Requesting the City Council Call for Public Hearing on TIF Modification
3. Draft Schedule



# Memo

**To:** Jeffrey Dahl, City Manager  
**From:** Jason Aarsvold and James Lehnhoff  
**Date:** June 16, 2017  
**Subject:** Widsten TIF District #3 Plan Modification

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The proposed modification to the existing Widsten TIF District #3 Plan (the “TIF Plan”) will incorporate recently approved special legislation, update the TIF Plan’s budget, and bring the TIF Plan into compliance with current statutory requirements. As a result of the special legislation and proposed modifications, the City will be able to use increment generated by the TIF District to help offset costs to the new municipal parking ramp.

In May 2017, Governor Dayton signed the tax bill that included the City’s request for special legislation to allow for certain modifications to the existing TIF Plan. Originally approved in 1995, the TIF Plan included provisions for constructing a new municipal parking ramp. However, because the ramp did not start construction within five years of the TIF Plan’s original approval, special permission was needed from the legislature to use the tax increment generated in the district to pay for costs related to the parking ramp.

The TIF District is projected to generate approximately \$400,000 of revenue per year for the remaining six-year life of the District or approximately \$2.4 million (these estimates will be analyzed and updated for the TIF Plan modification). The bond debt service is approximately \$500,000 per year. The revenue from this TIF District represents an important portion of the funds needed to help pay for the debt service on the bonds for the parking ramp.

The TIF Plan budget will be updated to reflect revised project costs. The TIF Plan Modification does not extend the life of the district and it will still decertify at the end of 2022.

The schedule for the TIF Plan modification is attached to this memo. On June 22, 2017, the HRA is being asked to approve a resolution requesting that the City Council approve a resolution calling for a public hearing to review the proposed TIF Plan modification. On July 5, 2017, the City Council would then approve a resolution scheduling the public hearing for September 5, 2017. The final details and draft TIF Plan modification will be prepared for review in advance of the public hearing.

**WAYZATA HOUSING AND REDEVELOPMENT AUTHORITY  
CITY OF WAYZATA  
HENNEPIN COUNTY, STATE OF MINNESOTA**

**RESOLUTION NO. 01-2017HRA**

**RESOLUTION REQUESTING THE CITY COUNCIL OF THE CITY OF WAYZATA  
CALL FOR A PUBLIC HEARING ON THE MODIFICATION TAX INCREMENT  
FINANCING DISTRICT NO. 3.**

BE IT RESOLVED, by the Board of Commissioners (the “Board”) of the Wayzata Housing and Redevelopment Authority (the “HRA”) as follows:

WHEREAS, the City Council (the “Council”) of the City of Wayzata, Minnesota (the “City”) established Tax Increment Financing District No. 3 (the “District”) within the Central Area Redevelopment District pursuant to Minnesota Statutes, Sections 469.001 to 469.047, inclusive, as amended (the “HRA Act”), in an effort to encourage the development and redevelopment of certain designated areas within the City; and

WHEREAS, the HRA is proposing the modification of the Tax Increment Financing Plan for the District (the “TIF Plan Modification”), pursuant to and in accordance with the HRA Act and Minnesota Statutes, Sections 469.174 to 469.1794, as amended.

NOW, THEREFORE BE IT RESOLVED by the Board as follows:

1. The HRA hereby requests that the Council call for a public hearing on September 5, 2017 to consider the proposed adoption of the TIF Plan Modification and cause notice of said public hearing to be given as required by law.
2. The HRA directs the Executive Director to transmit a copy of the TIF Plan Modification to the Planning Commission of the City and requests the Planning Commission's written opinion indicating whether the proposed TIF Plan Modification is in accordance with the Comprehensive Plan of the City, prior to the date of the public hearing.
3. The Executive Director of the HRA is hereby directed to submit a copy of the TIF Plan Modification to the Council for its approval.
4. The HRA directs the Executive Director to transmit the TIF Plan Modification to the county and the school district in which the District is located not later than August 4, 2017.
5. Staff and consultants are authorized and directed to take all steps necessary to prepare the TIF Plan Modification and related documents and to undertake other actions necessary to bring the TIF Plan Modification before the Council.

Approved by the Board of Commissioners of the Wayzata Housing and Redevelopment Authority  
this 22nd day of June, 2017.

---

Tom Shaver, Chair

ATTEST:

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Jeffrey Dahl, Executive Director

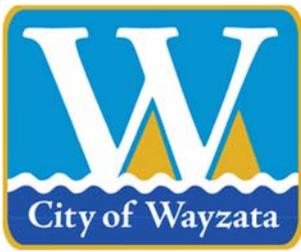
# SCHEDULE OF EVENTS

## WAYZATA HOUSING AND REDEVELOPMENT AUTHORITY AND THE CITY OF WAYZATA HENNEPIN COUNTY, MINNESOTA

### FOR THE MODIFICATION TO THE TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 3: WIDSTEN SCHOOL PROJECT (a redevelopment TIF District – 2017 Modification)

#### Draft as of June 9, 2017

- |                   |   |
|-------------------|---|
| June 22, 2017     | HRA requests that the City Council call for a public hearing.   |
| July 5, 2017      | City Council calls for a public hearing.  |
| July 18, 2017     | Letter received by County Commissioner giving notice of a potential modification to a redevelopment tax increment financing district (at least 30 days prior to publication of public hearing notice). <i>[Ehlers will fax and mail on or before July 18, 2017]</i>   |
| July 27, 2017     | HRA adopts a resolution approving the TIF Plan Modification.  |
| August 4, 2017    | Fiscal/economic implications received by School Board Clerk and County Auditor (at least 30 days prior to public hearing). <i>[Ehlers will fax and mail on or by August 4, 2017.]</i>   |
| August 14, 2017   | Ehlers conducts internal review of the TIF Plan Modification.   |
| August 17, 2017   | Date of publication of hearing notice and map (at least 10 days but not more than 30 days prior to hearing). <i>[Wayzata Plymouth Sun Sailor publication deadline: August 10, 2017 – Ehlers will submit notice, map, and instructions on or by August 10, 2017, via email to sunlegals@ecm-inc.com]</i>                                       |
| August 21, 2017   | Planning Commission reviews TIF Plan Modification to determine if it is in compliance with City's comprehensive plan and adopts a resolution approving the TIF Plan Modification.   |
| September 5, 2017 | City Council holds a public hearing at 7:00 P.M. on the Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 3: Widsten School Project and passes resolution approving the TIF Plan Modification. <i>[Ehlers will send Council packet information, via email, to the City on or by August 29, 2017.]</i> |
| <u>TBD</u>        | Ehlers files TIF Plan Modification with the MN Department of Revenue, Office of the State Auditor, and Hennepin County.   |



# City of Wayzata Housing and Redevelopment Authority Agenda Report

<b>MEETING DATE:</b> June 22, 2017	<b>AGENDA ITEM:</b> 5c
<b>TITLE:</b> Other Redevelopment Updates	
<b>PROPOSED MOTION:</b> N/A	
<b>PREPARED BY:</b> Jeffrey Dahl, Executive Director	
<b>REVIEWED BY:</b> N/A	

**ACTION REQUESTED:**

N/A

**FINANCIAL OR BUDGET CONSIDERATION:**

N/A

**BACKGROUND:**

Staff will provide a verbal update of the following items:

- Progress on Mill Street Parking Ramp Construction;
- Exploration of Lake Street TIF District between Ferndale and Barry and discussion of development options; and
- Update on exploration of Special Services District (“Mobility District”).

**ATTACHMENTS:**

N/A