

**MINUTES
MINNETONKA CITY COUNCIL
REGULAR MEETING, MONDAY, FEBRUARY 24, 2003**

1. CALL TO ORDER.

Mayor Karen Anderson called the meeting to order at 6:33 p.m.

2. PLEDGE OF ALLEGIANCE.

All joined in the pledge of allegiance.

3. ROLL CALL.

Assistant City Manager Geralyn Barone called the roll. Council members Al Thomas, Jan Callison, Ken Tauer, Brad Wiersum, and Karen Anderson were present. Council member Dick Allendorf was excused from this evening's meeting. Council member Terry Schneider arrived at 8:03 p.m.

4. REORDERING THE AGENDA.

Gunyou noted a change to a condition of approval for item 14A regarding the Smith lot division and a resolution adopting a comprehensive field use policy added for consideration on Item 14C.

Callison moved, Wiersum seconded a motion to approve the agenda. All voted "yes." Motion carried.

5. MINUTES.

Thomas moved, Tauer seconded a motion to approve the minutes of the February 10, 2003 regular council meeting. Thomas, Tauer and Anderson voted "yes", and Callison and Wiersum abstained. Motion carried.

6. SPECIAL MATTERS.

A. Recognition of employees who reached significant milestone years of service in 2002.

Anderson invited the following employees with 30 years of service to the podium:

- Dale Eggenberger
- Gary Lauwagie
- John Lane

- Joan Post

Anderson, Thomas, Wiersum, and Callison read a brief synopsis of the accomplishments of each.

Eggenberger thanked the council for its recognition, the city manager for his support, and the finance department staff for its fine work.

Lauwagie thanked the city, noting his department has always been a good one in which to work, and has good supervision.

Lane expressed his appreciation for his time spent at the city, noting his belief that quality starts at the top and trickles down. He thanked Eggenberger for his help over the years.

Post thanked the council and expressed appreciation for the opportunity to work part time for 30 years. She said she really enjoys her job, and the employees with whom she works.

B. Recognition of Kay Elscott, Community Heritage Commission.

Anderson recognized the service of Community Heritage Commissioner Kay Elscott and presented her with an award.

Elscott said it had been a pleasure to serve on the commission, noting the council has always been very supportive and city staff always very helpful.

C. Recognition of “Reduce the Use” as the CADCA’s (Community Anti-Drug Coalition Association’s) National Outstanding Coalition.

Anderson invited “Reduce the Use” coordinator Sharon MacDonald, Hopkins School Superintendent Dr. Mike Kremer and Police Chief Joy Rikala to the podium. She recognized the “Reduce the Use” coalition for its recent receipt of the national award.

MacDonald noted the coalition is about partnerships and thanked the city and police department under Chief Rikala’s leadership.

Dr. Kremer noted that efforts to reduce the use of drugs and alcohol by youth is succeeding, but is not yet good enough. He noted that MacDonald is a gifted leader and a blessing to the school community. He said with everyone working together, the job would get done.

Anderson said it is very gratifying that the district received this national award.

7. REPORTS FROM THE CITY MANAGER AND COUNCIL MEMBERS.

Gunyou reported that the March 3 council study session is cancelled, there would be no council meeting on March 10 due to the National League of Cities conference, and that the next regular meeting is scheduled for March 17, 2003.

Gunyou noted the governor's budget has been released, and reviewed the implications for Minnetonka. He said the City of Minnetonka faces a reduction of \$970,000, or about five percent of the city's operating budget. Of that, about \$150,000 is Local Government Aid and the remainder is a shift in the state's responsibility to buy down property taxes for lower income homeowners. The governor proposes making cities cover the cost of this state program.

Gunyou said the city anticipated these reductions as a worst case scenario, and began making adjustments a year ago. Spending caps were adopted to reduce the rate of growth over five years, capital project expenditures were rescheduled, and the storm water utility fee was implemented to offset some of the capital project cuts.

Gunyou said the city is in reasonable shape to accommodate the state cuts because these steps were taken. He added that the adjustments were not easy -- four positions were cut and other spending was reduced in anticipation of the state reductions.

Tauer said he recently attended a meeting with representatives from other cities that will be devastated by the state cuts. He appreciated that Minnetonka had anticipated the reductions and had taken steps to accommodate the impacts.

Callison asked Gunyou about an article that appeared in last week's daily newspaper about a settlement in a police case. Gunyou responded with the city's position on the settlement. He also noted that a full explanation is available on the city's web site.

Anderson announced that the Hopkins School District's girls cross-country ski team won the state title two weeks ago.

Anderson acknowledged the students in the audience and thanked them for attending the meeting.

8. CITIZENS WISHING TO DISCUSS MATTERS NOT ON THE AGENDA.

No one wished to discuss any matters.

9. BIDS AND PURCHASES.**A. Consideration of bids for the park renewal projects at Ford, Orchard and Victoria-Evergreen Parks.**

Gunyou provided an overview of this item.

Anderson said she is pleased to see the ravine restoration as part of the Ford Park project and that referendum funds will not be used for this component of the renewal.

Gunyou responded that correction to the considerable erosion of the ravine would be paid from the storm water fund. He added the Ford Park project is a shared venture with St. Louis Park. Minnetonka will take the lead, but costs of reconstruction and maintenance will be shared.

Tauer noted the substantial savings between the engineer's estimate and the final bid. Anderson said this would help the referendum funds go a little further.

Callison moved, Thomas seconded a motion to award the bid to Michael Watercott Construction, Inc. for the park renewal work at Ford, Orchard and Victoria-Evergreen Parks with a base bid of \$707,741.58 and select alternative bids (5-01, 5-02, 5-03, 5-04, 6-01, 6-04, 6-05 and 6-06) in the amount of \$57,165.00 for a total bid award of \$764,906.58. All voted "yes." Motion carried.

B. Consideration of bids for the Ice Arena B addition and remodel.

Gunyou provided an overview of this item.

Tauer asked if having a concrete floor would make repair of a leak difficult. Gunyou responded the cooling system is different than Ice Arena A where metal pipes and freon are used. He said in Arena B, plastic piping and brine would be used. Director of Recreation Services Dave Johnson added there would be a cost to break up the concrete if repair work is necessary.

Callison asked about what uses would be programmed, especially since the suggested options could compete for space. Johnson

said the multipurpose proposal is the one that would be used. Gunyou added that the space would be valuable as a backup location for some of the city's recreational programs.

Wiersum moved, Callison seconded a motion to accept the base and two alternate bids submitted by the Rochon Corporation in the amount of \$1,170,635. All voted "yes." Motion carried.

C. Consideration of bids for the Platwood Road Storm Sewer/Cherrywood Area Mill and Overlay Project Nos.7003S/4418.

Gunyou provided an overview of this item.

William Anderson, 2222 Platwood Road, said he was before the council on June 24, 2002 to discuss his environmental and safety concerns with curb and gutter for this project. He expressed concerns about the impact on home values, the installation of curb and gutter on a dead-end street, the original petition being submitted by a former planning commission member, and the discrepancy between the original estimate and the current estimate.

Director of Engineering Lee Gustafson explained the reasons why curb and gutter is proposed for this area. He said he did not have information available to explain the differences in the engineer's estimated project costs.

Director of Community Development Ron Rankin noted the assessing staff does not add market value to a home if curb and gutter is installed. He suggested that Mr. Anderson contact the city assessor to discuss the matter further.

Tauer noted that he was not even aware that the petitioner was a former planning commissioner. He added the road was clearly in need of such repairs.

Anderson added that a resident of Minnetonka brought the petition forward, and that any resident has a right to petition the city.

Callison moved, Tauer seconded a motion to award the bid for the Platwood Road Storm Sewer/Cherrywood Area Mill and Overlay Project Nos. 7003S/4418 to Northwest Asphalt, Inc. in the total amount of \$543,421.81. All voted "yes." Motion carried.

D. Approval of a purchase agreement with Mr. and Mrs. Philip Gatlin for the King's Drive Storm Sewer Project No. 4652S.

Gunyou provided an overview of this item.

Callison moved, Wiersum seconded a motion to approve the purchase agreement with Mr. and Mrs. Philip Gatlin for the King's Drive Storm Sewer Project No. 4652S. All voted "yes." Motion carried.

10. CONSENT AGENDA (Items Requiring a Majority Vote):

A. Claims for council authorization.

Tauer moved, Thomas seconded a motion to approve the February 14, 2003 claims list, including checks numbered 172644 through 172984 totaling \$2,064,011.84. All voted "yes." Motion carried.

11. Consent Agenda (Items requiring Five Votes).

A. Items concerning the subdivision of 26 Kingsview Lane for Gonyea Properties, Inc.:

- 1) Ordinance approving a rezoning from R-1 low density residential, to R-2 low density residential, to create two lots, each with a minimum lot size of 15,000 square feet.**
- 2) Resolution approving a two-lot subdivision, with a buildable area variance from 2,400 square feet to 2,340 square feet.**

Callison said this item requires a variance from the buildable area requirements, which makes sense since the alternative is a skewed lot line.

Callison moved, Tauer seconded a motion to:

A. Adopt Ordinance No. 2003-04, which approves the proposed rezoning. This ordinance is based on the following findings:

1. The rezoning would be consistent with the City's comprehensive plan.
2. The rezoning would be consistent with the public health, safety and welfare.

- B. Adopt Resolution No. 2003-010 approving a lot division with a buildable lot area variance from 2,400 square feet to 2,340 square feet at 26 Kingsview Lane.

Approval is based on the following findings:

1. Except for the variance, the proposal meets the required standards and ordinances for a lot division.
2. The proposal meets the required standards for a variance, because:
 - a. There is a unique hardship to the property caused by the location of the wetland in the southwest corner of proposed Parcel A.
 - b. The variance would meet the intent of the ordinance because the applicant could reconfigure the lot lines to meet the buildable area requirement; however, in doing so the effective buildable area would not change. If the plans were revised to meet the buildable area, the result would be an irregular shaped lot line, which could cause future problems to the landowners of these two properties.

Approval is subject to the following conditions:

1. The following items must be submitted to the City before the City releases this resolution:
 - a. The following documents for the City Attorney's approval:
 - (1) Ten-foot-wide drainage and utility easements next to any public street right-of-way and seven-foot-wide drainage and utility easements along all other lot lines.
 - (2) Drainage easements over wetlands and storm water ponds
 - (3) Conservation easements over the area starting 20 feet outward from the north edge of the wetland to the south lot

line. A drawing of the easements must be submitted for the approval of the City Attorney. The easements and drawing must be recorded with the resolution. These documents must be recorded with the lot split resolution, and a drawing of any easements must be attached to the easement deed.

b. A park dedication fee of \$2,375.

c. Title evidence that is acceptable to the City Attorney. Title evidence must be current within thirty days before release of the lot split resolution.

2. The following must be completed before the City issues a building permit:

a. A grading and tree preservation plan must be submitted to the City for each lot, subject to staff approval. The plans must be substantially in compliance to the agreed building areas as required with final approval. The sewer and water services must be shown to minimize impact to the significant trees. This plan will be subject to the planning director's approval.

b. Drainage calculations from a registered engineer must be submitted to demonstrate the flood elevation for 2 back-to-back 100-year storm events or maximum elevation based on overflow to Parkers Lake Road. The basement elevation must be minimum of 2 feet above the flood elevation of the 2 back-to-back storm events or maximum elevation with overflow, whichever applies.

c. The installation and maintenance of a temporary rock driveway, erosion control, tree protection and wetland protection fencing must be installed subject to review and approval of the City's Environmental Resources Coordinator.

- d. A copy of the recorded resolution and a copy of any easements or restrictive covenants required to be recorded must be submitted to the City.
 - e. A hook-up fee for sanitary sewer and water.
 - f. A letter from the surveyor stating that boundary and lot stakes have been installed as required by ordinance.
3. During construction, the streets must be kept free of debris and sediment, and the tree protection fencing, and erosion control fencing must be maintained.
 4. Trees must be planted to compensate for significant trees removed from the site that would be outside of the building pad and driveway area. The trees must be primarily species native to the area. They must be at least 2 1/2 inches in diameter for deciduous trees and 6 feet tall for coniferous trees. The property owner or original developer must replace the required trees if they die within one year after installation.
 5. This resolution must be recorded by the county within one year, unless the City Council approves a time extension. If the council does not approve the extension, the lot division approval will be void

All voted "yes." Motion carried.

12. INTRODUCTION OF ORDINANCES.

- A. **Introduction of an ordinance approving a rezoning from R-1 low density residential to PUD planned unit development and approving a PUD master development plan, with final site and building plans, for a 30-unit townhouse project called "The Sanctuary" at 3230 and 3306 Groveland School Road and 3305 County Road 101 for Halley's Custom Homes, Incorporated.**

Anderson provided an overview of the process for introduction of an ordinance.

Callison excused herself from the meeting due to a conflict of interest.

Anderson noted there would be a public hearing at the planning commission meeting. Gunyou said the neighborhood would be notified of specific meeting dates, and the area notified will extend beyond the typical 400' requirement.

Tauer asked if this project could require a guide plan change. City Attorney Desyl Peterson responded the ordinance must come before the city council twice, while the guide plan amendment comes before the council only once. She said the guide plan change would come before the council at a later meeting.

Wiersum said he had received a number of calls on this item. Some of the concerns related to safety, traffic, property values, and change in the nature of the neighborhood. He asked how these issues would be reviewed.

Gunyou said studies on the traffic and drainage impacts are underway, and the results would be presented to the planning commission and eventually to the city council.

Anderson asked about the best way for people to receive information, such as the traffic study. Gunyou responded the general approach is for everyone to receive the information at the same time so that an informed discussion can occur. He added this information would be available to the public at the same time it is available to the planning commission and EDA.

Director of Planning Geoff Olson said a brief project description could be found on the city's web site. He added as staff reports are done, they would be posted on the site. He suggested people beyond the 400' notification area could call the city to be placed on the notification list. Olson said people could also give the city an e-mail address to receive periodic project updates.

Anderson said for a project of this size, the city does not normally require a traffic study. Olson agreed, but said due to the questions in this case, a study would be done. He added the city hires an independent traffic consultant to conduct the study, and the findings will be presented at the planning commission's public hearing.

Dan Dumbaugh, 17515 Bay Lane, asked who is applying for the zoning variances. He said he understands it to be Halley's Custom Homes, even though there are three property owners.

Olson affirmed there are three property owners and the applicant is Halley's Custom Homes. He noted this is the typical way applications come to the city.

Joe Dantzinger, 3116 Groveland School Road, asked if the developer has to have purchase agreements to get the ball rolling.

Anderson said state law specifies how quickly an application must be acted upon by the city.

Peterson said the applicant who is not the underlying owner is required to provide evidence of sufficient interest in the property, normally at the time of application.

Dantzinger asked if the applicant is eligible, and Anderson responded that staff would contact him with this information.

Dumbaugh asked if everything is in order regarding the application, and Anderson said she assumed so. Dumbaugh asked if referring this item to the planning commission starts the clock, and Anderson said the clock starts when the application is received by the city.

Tauer asked when and where the EDA meeting would be on this item, and Rankin provided this information.

Tauer moved, Thomas seconded a motion to introduce an ordinance approving a rezoning from R-1 low density residential to PUD planned unit development and approving a PUD master development plan, with final site and building plans, for a 30-unit townhouse project called "The Sanctuary" at 3230 and 3306 Groveland School Road and 3305 County Road 101 for Halley's Custom Homes, Inc. and refer it to the planning commission and Economic Development Authority for public hearings. All voted "yes." Motion carried.

Callison returned to the meeting at this time.

B. Introduction of an ordinance approving a rezoning from R-1 low density residential to PID planned I-394 district, and approval of a master development plan, with final site and building plans, for a 60-unit condominium project at 408 Parkers Lake Road for Yellowstone Trail LLC.

Gunyou provided a brief overview and recommended referral to the planning commission.

Anderson said she understood there is a small element of affordable housing in this project and wondered why it is not being referred to the EDA for review. She noted there is no direct city financial contribution being proposed.

Gunyou said the reason "The Sanctuary" project was referred to the EDA is because the nature of the affordable housing was unclear. Given the EDA's expertise in this area, it seemed appropriate for the EDA to give advice on how to structure that component of "The Sanctuary" project. Gunyou added it did not seem necessary for the EDA to review the project on Parkers Lake Road.

Tauer moved, Callison seconded a motion to introduce ordinance approving a rezoning from R-1 low density residential to PID planned I-394 district, and approval of a master development plan, with final site and building plans, for a 60-unit condominium project at 408 Parkers Lake Road for Yellowstone Trail LLC and refer it to the planning commission. All voted "yes." Motion carried.

- C. Introduction of an ordinance amending a PID master development plan for the Bonaventure Shopping Center to allow outdoor seating for the Bacio restaurant at 1571 Plymouth Road.**

Callison moved, Thomas seconded a motion to introduce an ordinance amending a PID master development plan for the Bonaventure Shopping Center to allow outdoor seating for the Bacio restaurant at 1571 Plymouth Road and refer it to the planning commission. All voted "yes." Motion carried.

- D. Introduction of an ordinance amending Section 815 regarding standards and enforcement of the food code.**

Peterson provided an overview of this item.

Wiersum moved, Tauer seconded a motion to introduce an ordinance amending Section 815 regarding standards and enforcement of the food code. All voted "yes." Motion carried.

- E. Introduction of an ordinance amending Sections 1045.015 and 1135.010(2) regarding public nudity and indecency.**

Peterson provided an overview of this item.

Council member Terry Schneider arrived at 8:03 p.m.

Peterson said Callison had raised an issue that she will try to address when this item returns to the council for final approval. It relates to the public indecency prohibitions in public places.

Peterson noted the courts say the city can regulate the conduct addressed in the ordinance because of secondary impacts. If these activities occur, especially in public areas, she said there are secondary impacts on adjoining properties. Peterson pointed out that studies which cite these secondary impacts are included in the council's packet.

Tauer said he assumes the proposed revisions pass the muster of the courts, and Peterson responded affirmatively.

Callison moved, Tauer seconded a motion to introduce an ordinance amending Sections 1045.015 and 1135.010(2) regarding public nudity and indecency. All voted "yes." Motion carried.

F. Introduction of an ordinance amending Section 615.050(2) regarding licensing of sexually oriented businesses.

Peterson provided an overview of this item. Anderson asked if there are any sexually oriented businesses in Minnetonka, and Peterson said there are none.

Tauer moved, Callison seconded a motion to introduce an ordinance amending Section 615.050(2) regarding licensing of sexually oriented businesses. All voted "yes." Motion carried.

13. PUBLIC HEARINGS.

A. Public hearing to consider a resolution approving the projected use of funds for year 2003 of the Urban Hennepin County Community Development Block Grant.

Gunyou introduced this item, and Rankin provided an overview.

Anderson noted the city is limited in its use of CDBG funds and can expend only 15% on social services. She asked whether an increased amount for one group would necessitate a reduction for others. Rankin said it would.

Anderson asked if the city receives any reports on how the funds are used. Rankin said there is information in the packet regarding this, and information is also received during other times of the year.

Anderson opened the public hearing and received comments.

Laurie Possin from the Minneapolis Greater Daycare Association thanked the council for its ongoing support of human service activities, and particularly day care. She noted the funds would go toward working families and quoted a letter from a recipient of the funds.

Nora Davis from the Hopkins Area Family Resource Center said the center is located in Hopkins, but does serve the Minnetonka area. She noted the economic downturn is having an effect on Minnetonka residents, and she cited statistics related to this. She said the biggest jump in services is for seniors. She expressed appreciation for the council's support.

Anderson expressed appreciation to Davis for the work she does.

Davis said the resource center is ten years old and she has been there for nine years. She noted the center is indirectly being affected by budget cuts at agencies that provide services, and that there is a need to become more creative and involve the community.

Wiersum asked what the other funding sources are for the center. Davis said funds are received from the faith communities, grants, individual donations, and the cities of Hopkins and Minnetonka. Davis mentioned the upcoming Empty Bowls fundraiser to be held at the Hopkins Center for the Arts on March 18.

Anderson closed the public hearing.

Callison described the impact of recent state funding cuts on Community Action for Suburban Hennepin (CASH). She said the organization is charged with fighting poverty in this area, and as a result of the governor's unallotment, one third of CASH's budget is lost.

Schneider moved, Tauer seconded a motion to adopt the resolution approving the CDBG budget for 2003:

Community Action for Suburban Hennepin	\$ 4,417
Greater Minneapolis Day Care Association	\$ 7,500
Home Line	\$ 690
Hopkins Area Family Resource Center	\$ 5,809
Senior Community Services	\$ 15,381

Northwest Hennepin Human Services Council	\$ 403
Housing Rehabilitation	\$193,800
	Total \$228,000

All voted "yes." Motion carried.

14. OTHER BUSINESS.

A. Resolution approving a two-lot subdivision, with a front yard setback variance from 25 feet to 3 feet, for the existing home at 13326 North Street for Gary and Shirley Smith.

Anderson noted the correction outlined on the addendum. Olson provided an overview of this item.

Callison said this lot is 1.5 acres in size, and the house sits near the front (near the street). She asked if it could have been subdivided into three lots. Olson responded the potential to do so exists, but the current proposal would rule that out.

Schneider asked if a special agreement is needed if this is obtained as right-of-way to be combined with a private drive. Olson said it would be necessary to enter into an agreement. He added waving special assessment rights would allow the city to construct a public street.

Tauer inquired about the private driveway locations related to public right-of-way. Olson responded there would be an acceptable amount of separation between the private drives.

Callison said that two lots is a better solution than three lots, and planning for a future development with public easements is a good practice.

Callison moved, Tauer seconded a motion to adopt Resolution No. 2003-012, approving a two-lot subdivision with a front yard setback variance from 25 feet to 3 feet for the existing home at 13326 North Street for Gary and Shirley Smith. This resolution is based on the following findings:

1. Except for the variance, the proposal meets the required standards and ordinances for a lot division.
2. The proposal meets the required standards for a variance, because:

- a) There is a unique hardship to the property caused by the locations of the existing house and the previously dedicated public right-of-way.
- b) The variance would meet the intent of the ordinance because the new public right-of-way easement increases the width of the previous right-of-way easement to City standards.

Approval is subject to the following conditions:

- 1. The following items must be submitted to the City before the City releases this resolution:
 - a) If applicable, evidence of watershed district approval
 - b) The following documents for the City Attorney's approval:
 - (1) A 20-foot-wide public right-of-way easement along the west property line, including the area required to accommodate the cul-de-sac turn-around, subject to the City Engineer's approval.
 - (2) A 10-foot-wide public right-of-way easement on the north side of North Street.
 - (3) Ten-foot-wide drainage and utility easements next to any public street right-of-way and seven-foot-wide drainage and utility easements along all other lot lines
 - (4) A private driveway easement between the street right-of-way and Parcel B that is acceptable to the City Attorney. The easement must state the maintenance responsibilities of each owner. The minimum driveway width must be as required by the Fire Marshal.
- These documents must be recorded with the lot split resolution, and a drawing of any easements must be attached to the easement deed.
- c) A park dedication fee of \$2,375.

- d) Title evidence that is acceptable to the City Attorney. Title evidence must be current within thirty days before release of the lot split resolution.
 - e) Restrictive covenants to be recorded against the individual lots with the lot split resolution. The covenants must include the conditions below that have not been met as of the release of the resolution. These covenants must first be submitted for the approval of the City Attorney.
2. The following must be completed before the City issues a building permit or a driveway permit:
- a) A right-of-way permit must be approved by the City Attorney. The permit must include the applicants' agreement to waive their right to appeal an assessment for the future construction of a cul-de-sac to serve Parcel B based on a current cost estimate of \$47,500. The agreement shall provide for annual cost adjustments of the cul-de-sac costs based upon accepted consumer price indices.
 - b) The private driveway plans must be approved by the City Engineer. No construction impacts will be permitted to the abutting property to the west.
 - c) A grading and tree preservation plan must be submitted to the City for Parcel B, subject to staff approval. The plans must be substantially in compliance to the agreed building areas as required with final approval. The sewer and water services must be shown to minimize impact to the significant trees. This plan will be subject to the Planning Director's approval.
 - d) The installation and maintenance of a temporary rock driveway, erosion control, tree protection and wetland protection fencing must be installed subject to review and approval of the City's Environmental Resources Coordinator.
 - e) A copy of the recorded resolution and a copy of any easements or restrictive covenants required to be recorded must be submitted to the City.

- f) A hook-up fee for sanitary sewer and water.
 - g) A letter from the surveyor stating that boundary and lot stakes have been installed as required by ordinance.
3. The drive for Parcel B must be paved from at least the street to the house on Parcel A before the City makes a final inspection of the house on Parcel B. The driveway must have at least a seven-foot setback from the side lot lines. The City may approve a time extension if weather prevents paving of the drive.
 4. During construction, the streets must be kept free of debris and sediment, and the tree protection fencing and erosion control fencing must be maintained.
 5. Trees must be planted to compensate for significant trees removed from each site that would be outside of the building pad and driveway area. The trees must be primarily species native to the area. They must be at least 2 1/2 inches in diameter for deciduous trees and 6 feet tall for coniferous trees. The property owner or original developer must replace the required trees if they die within one year after installation.
 6. This resolution must be recorded by the county within one year, unless the City Council approves a time extension. If the Council does not approve the extension, the lot division approval will be void.

All voted "yes." Motion carried.

B. Presentation of 2003 Assessment Report.

City Assessor Dick Toy provided a detailed overview of the 2003 assessment report.

Callison asked what is done with tax-exempt properties once the city has this information. Toy responded the reassessment is done on tax-exempt properties every six years, but there is no reason to appeal the values, since there are no property taxes paid.

Gunyou pointed out that one common misconception is the assumption that when assessments increase, the city automatically receives more money. He explained that the city sets its total dollar levy, and then this amount is allocated among all the properties in

the city according to multiple state formulas and the relative changes in other property values. He noted that this year the city will receive a revenue increase of 3.7%.

Anderson said taxes decreased between 2000 and 2001 because of changes in the state formula, even though values increased.

Schneider asked how residents would be impacted when the limited market value is phased out. He also asked whether the concept of market value credit could be repealed as a result of state cuts to the market value credit program.

Gunyou said he had not heard of any such prospects being discussed, and confirmed that all of Minnetonka's market value credit is captured in the governor's budget proposal.

Anderson said the first step in the assessment process is to call city staff if people have questions when they receive their valuation notices. She extended her appreciation to Toy and his staff.

Schneider moved, Thomas seconded a motion to receive the 2003 assessment report. All voted "yes." Motion carried.

C. Resolution Adopting a Comprehensive Athletic Field Use Policy.

Gunyou provided an overview of this item.

Park Board Chair Paul Lehman said he has had a chance to use the city's facilities as a parent and with his involvement with a girls' athletic association. He said staff did a good job in preparing the information.

Tauer said it makes sense to have a uniform policy.

Schneider moved, Wiersum seconded a motion to adopt Resolution No. 2003-013, the Comprehensive Athletic Field Use Policy as recommended by the Park Board. All voted "yes." Motion carried.

15. APPOINTMENTS.

A. Appointment of Patrick Murphy to the Community Heritage Commission.

Anderson moved, Tauer seconded a motion to appoint Patrick W. Murphy, 16831 Saddlewood Trail, to the Community Heritage Commission to serve a two-year term of office, effective February 24, 2003 and expiring on February 25, 2005. All voted "yes."
Motion carried.

16. ADJOURNMENT.

Thomas moved, Tauer seconded a motion to adjourn the meeting at 9:25 p.m. All voted "yes." Motion carried.

Respectfully submitted,

Geralyn R. Barone
Assistant City Manager