

**MINUTES  
MINNETONKA CITY COUNCIL  
REGULAR MEETING, MONDAY, JANUARY 5, 2009**

Mayor Schneider was sworn in.

**1. CALL TO ORDER.**

Mayor Schneider called the meeting to order at 6:30 p.m.

**2. PLEDGE OF ALLEGIANCE.**

All joined in the Pledge of Allegiance.

**3. ROLL CALL.**

Councilmembers James Hiller, Dick Allendorf, Brad Wiersum, Bob Ellingson, Tony Wagner, and Terry Schneider were present.

**4. APPROVAL OF AGENDA.**

City Manager John Gunyou noted an addendum to item 14B.

Wiersum moved, Wagner seconded a motion to accept the agenda with the addendum. All voted "yes." Motion carried.

**5. APPROVAL OF MINUTES:** December 8, 2008 regular meeting.

Allendorf moved, Wiersum seconded a motion to approve the minutes of the December 8, 2008 Minnetonka City Council regular meeting. All voted "yes." Motion carried.

**6. SPECIAL MATTERS:**

**A. Presentation of 2009 Reflections Award.**

Schneider read the nomination honoring Deanne Roberg, owner of Deanne's Dance Studio. Roberg thanked the Jahns family for the nomination.

Schneider presented the award to Jerry Greene, owner of EverGreene Jewelers. Greene said he was honored to receive the award and thanked everyone who represents the city as well as the school districts in the city.

**B. Proclamation designating Monday, January 19, 2009 as Martin Luther King, Jr. Day in Minnetonka.**

Schneider read the proclamation.

**7. REPORTS FROM CITY MANAGER & COUNCIL MEMBERS.**

Gunyou reported on the schedule for upcoming council meetings.

Schneider noted a slight protocol change in meeting procedures related to going through the mayor before speaking. He said the change was meant to make the council discussions a little more informal.

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

No one appeared.

**9. BIDS AND PURCHASES:**

**A. Information technology upgrade for legal department.**

Gunyou gave the staff report.

Wagner moved, Hiller seconded a motion to authorize an agreement with CIT Information Services in the estimated amount of \$39,710, with authorization to the city manager to approve any reasonable increase that is within his purchasing authority. All voted "yes." Motion carried.

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

**A. Resolution designating an Acting Mayor and Alternate Acting Mayor for 2009.**

Allendorf moved, Hiller seconded a motion to adopt Resolution No. 2009-001 designating Council Member Brad Wiersum Acting Mayor and Council Member Tony Wagner as Alternate Acting Mayor for the year 2009 All voted "yes." Motion carried.

**B. Request for twelve-month extension to file the final plat of HELEN L. COOLEY ADDITION, a two-lot subdivision at 2202 Meeting Street.**

Allendorf moved, Wiersum seconded a motion to approve the twelve-month time extension. All voted "yes." Motion carried.

**C. Labor agreement between the city of Minnetonka and Teamsters Local #320 – police sergeants and communications manager.**

Allendorf moved, Wiersum seconded a motion to approve the 2009 – 2010 labor agreement. All voted “yes.” Motion carried.

**11. Items requiring Five Votes:** None.

**12. INTRODUCTION OF ORDINANCES:**

**A. Items concerning Morrie’s Maserati, Mazda, Bentley located at 13708 and 13712 Wayzata Blvd.**

City Planner Loren Gordon gave the staff report.

Allendorf asked how the proposal conforms or does not conform with the recently passed ordinance relating to car dealerships. Gordon replied that ordinance dealt with new car dealerships and this proposal is for an existing dealership. He noted the ordinance related to existing car dealerships might be reconsidered once staff is finished revising environmental ordinances.

Allendorf said he is concerned a proposal might come forward right before the ordinance is changed. He asked that staff look at how proposals for existing dealerships might or might not fit in with potential changes to the ordinance so the Planning Commission can take that under consideration. Schneider agreed since the BMW dealership proposal was reviewed before changes to the existing ordinance were approved by the council.

Wagner asked for clarification on the variances being requested. Gordon said the variances being proposed are new variances. The first is for a reduction of the drive aisle along the north property line. The other is for increased site coverage.

Wagner noted there is concern about unloading cars in the area. He asked if a stipulation could be added to any approvals. Gordon replied staff has had discussions with the applicant to improve site circulation.

Wiersum said his understanding was the drive aisle will increase the impervious surface while reducing the green buffer between the neighborhood and the parking lot. Gordon confirmed that was correct.

Hiller said along with the issue about site circulation, there was a list of other issues he would like to see addressed as part of the process.

Wiersum moved, Wagner seconded a motion to introduce the ordinance and refer to planning commission. All voted "yes." Motion carried.

**B. Ordinance regarding abatements and collections.**

Gunyou gave the staff report.

Wiersum moved, Allendorf seconded a motion to introduce the ordinance. All voted "yes." Motion carried.

**13. PUBLIC HEARINGS:**

**A. Public hearing to consider applications by Pairings Food & Wine Market, LLC, for:**

- 1) on-sale wine and on-sale 3.2 percent malt beverage liquor licenses for Pairings Food Market.**
- 2) off-sale intoxicating liquor license for Pairings Wine Market.**

Gunyou gave the staff report.

Schneider continued the hearing at 6:59 p.m. No one spoke.

Schneider closed the hearing at 7:01 p.m.

Wagner moved, Hiller seconded a motion to:

- 1) grant the licenses for the on-sale wine and 3.2 percent malt beverage licenses, and
- 2) grant the licenses for the off-sale intoxicating liquor license,

All voted "yes." Motion carried.

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

Schneider reverted back to this agenda item upon request by Kevin Smith.

Smith of 3525 Elmwood Place, said he addressed the council last year about seasonal lighting at County Road 101 and Minnetonka Boulevard. He asked for an update.

Community Development Director Julie Wischnack said her department provides a liaison service to the business owner group in the area. The city has done several things to support the

businesses in the area. Alley improvements, garbage enclosures, and the sidewalk issue have been recently completed. Landscaping plans are being worked on for next spring. She said seasonal lights have not been as high a priority to the businesses as the other issues.

**14. OTHER BUSINESS:**

**A. Discussion of public process for possible redevelopment of the Minnetonka Mills area north of Minnetonka Boulevard.**

Wischnack said staff has been participating in an Urban Land Institute's affordable housing project. Through that process staff learned about an organization called the Local Initiative Support Corporation. She said involving that organization could provide a new opportunity for public engagement.

Gretchen Nicholls, a program officer for the Twin Cities Local Initiative Support Corporation, gave the presentation.

Wagner asked Nicholls to discuss how having or not having council or board and commission members at the meetings changes the discussion. Nicholls said the dynamic of a broad range of interests in a conversation allows for issues to be raised that otherwise would not be raised. She said the facilitator would keep the discussion on a peer basis. Her organization would not determine what stakeholders need to be in the process. That decision would be made by the city.

Wagner asked if the city has already done planning work on the area, and how that input is included in the process. Nicholls said the process would build from where the city is, rather than starting over. The first session would do the initial overview of what planning documents and policies are currently in place and what parameters and goals the city has. From that base the different ideas that come forward would be processed.

Wiersum said the process would get people involved at a time when they wouldn't just be working on the extras of a project. He said a similar process was used for park renewals. He asked what type of participation levels are usually present and how sufficient neighborhood involvement is achieved. Nicholls said that if a community is familiar with how to participate there is great participation throughout the process. It is useful for people to continue to come to the sessions because it provides a continuum of information.

Allendorf asked with the recently completed comprehensive plan process and with the city's current neighborhood planning meeting process, what the LISC process would add to a possible Minnetonka Mills development. Wischnack said public processes often can be frustrating and cumbersome. In this case, the city needs to take a step back and figure out if it is the right development to come into the neighborhood and allow the neighbors to feel part of the process rather than just present a proposal and solicit feedback. She said the area is a complicated one to redevelop. The LISC process would also add value as a neutral facilitator.

Gunyou said the city is seeing development interest in the Minnetonka Mills area, but there are a lot of questions about what can and should happen. He said the area would be a good one to test the LISC process to see if all the pieces can be addressed. The LISC process would also include feasibility considerations, which aren't typically part of the city review process.

Hiller said the LISC process is proactive. The process presents feasible and realistic ideas to the community. After those are established the next step is to get the developers and others involved in the process. Funding sources are identified and then implementation occurs. He said he questioned using this process for this particular development. There already is a developer who has options and interests in the area who has a right to make certain definitions of what he wants to come out of the development. Hiller said the comprehensive plan looked at, and included ideas, for the area.

Ellingson said Hiller made some good points but thought the process would be appropriate for the Minnetonka Mills area. He said the reason the area wasn't looked at during the comprehensive guide plan was that it was anticipated a more thorough process would be done. He isn't convinced high density housing is appropriate for the area but that would be looked at during this proposed process.

Nicholls said there are no pre-conceived notions. The process is a testing ground for ideas and the review of design features is an important component.

Wagner said the change the council and city have undergone is moving from always being reactive to a comprehensive plan that includes village center concepts. Also, the recently approved EDA

levy will potentially encourage a more active EDA to encourage redevelopment. He said he wouldn't want to go through this initiative without a developer as a partner. If a developer is not involved, the city is planning for something that has no partnership and the capital to make it happen. The process would help determine what the interested community wants for the Mills area.

Wiersum said he liked the proactive approach. The challenge the city faces with development, particularly higher density development, is that there is a lack of understanding of the numbers by the people impacted. Having a discussion about the economics upfront would be valuable and would reduce the bad feeling that often develops between the neighborhood and a developer.

Ellingson agreed with Hiller that the process should be used in areas designated for high density housing. He said Gunyou made a good point about using the process in the Mills area as a trial run to see how it works.

Schneider said he has seen the process work before in different settings. If the community can be engaged effectively, the process works. He asked at what point in the process the city would get the assurance the neighborhood is willing to participate. Nicholls replied that people could be asked to RSVP in order to get a sense of who is signing up to be involved. She said it would be up to the city to determine if the right people and enough people are involved.

Gunyou said the Mills area is unique in that the process would not only involve the neighborhood and the businesses but also would involve other interested parties, like the watershed district and county.

Schneider said he agreed with Hiller that if the city had the choice of picking the best sites for the process he could think of others that would benefit more. But he said it would be beneficial to test the process.

Allendorf said he supported trying the LISC process but he was concerned about taking the final decision out of the council's hands with the argument that because the development went through a process moderated by a neutral party, and the idea is thought to be the best it can possibly be, the proposal should be approved.

Schneider said staff does not have the ability to do the feasibility analysis that this process would bring.

Wagner noted the process would be used in an area where the city has not committed to changes in the comprehensive plan.

The developer, Michael Halley, said he supports using the LISC process. His biggest concern about the development is spending a lot of money on a project that would not have the support of the neighbors.

Hiller noted that comments made by Wagner, Allendorf and Gunyou addressed his concerns about using the process for the Mills area.

**B. Council vacancy.**

Schneider called a recess at 8:32 p.m.

Schneider called the meeting back to order at 8:52 p.m.

Schneider suggested 15 to 20 minute interviews with the candidates.

Hiller asked if the plan was to interview the candidates or merely allow them to talk about themselves for that amount of time. He said there were pros and cons to each method. Schneider said because the applications covered most of the things the candidates would want to express about themselves, more would be gained by the council asking questions of the applicants. He said the challenge would be differentiating between the top candidates.

Allendorf suggested using a 1 to 10 scale rather than a 1 to 5 scale to evaluate the candidates. The broader range would allow for a greater differentiation between the candidates.

Wagner suggested giving the applicants some time to highlight something they would bring to the council that isn't in their application. It would be worthwhile for the council to discuss some of the key areas the applicants should address in their interviews. He said one of the key criteria for him was experience on some type of oversight board. He wanted to learn about the applicants' approach to decision making.

Wiersum said he would like to give the applicants a few minutes to make an opening statement demonstrating what drives them and

what their interests are. The council would then ask questions and give the applicant time to make a closing statement. He suggested asking the applicants to not be present while the other applicants are being interviewed.

Schneider said 20 minutes per applicant was appropriate. He queried the council about how many of the applicants should be interviewed, given there was no natural break in the scoring of applications.

Allendorf said everyone below the top four scorers received at least one "1" from a councilmember and most of those applicants received two "1's." He suggested interviewing the top four scorers.

Hiller said he was more inclined to interview more candidates because there was an opportunity to conduct a second interview with a handful of applicants. He said the council was trying to find someone who represents the breadth of the community and that could only be found by seeing a fair number of people.

Schneider said the initial rating was only based on written materials. More insight is gained by having a dialogue with the applicants. He agreed with Hiller that interviewing more candidates was a better approach.

Allendorf said another way to determine the number of applicants to interview was to say that the person should have received at least half of the total number of votes cast. Because the most an applicant could score was "30," another natural breakpoint would be to interview those who scored at least "16." Under that scenario 14 people would be interviewed. Wiersum and Schneider thought that was too large a number to interview.

Wagner said interviewing those that scored at least a "17" would reduce the number to 11 interviews. Allendorf said there were no criteria for choosing that number of people to interview.

Wiersum suggested interviewing the top 25 percent. Under that proposal, nine candidates would be interviewed. Hiller noted the top nine applicants had at least two "5's" in their scores.

Schneider said there was one candidate who noted in her application she would be willing to serve out the term and not run for re-election. He asked if that concept had any merit.

Allendorf said the question was previously raised and the discussion concluded with the thought that if the person decides they have done a good job on the council, they should not be held to an earlier indication they would not run for the seat in the fall.

Wiersum agreed because the council could never be in the position to holding someone to that promise if the person should choose to change their mind. Because the council cannot hold someone to that commitment, it should not be part of the selection process.

Hiller moved, Wiersum seconded a motion to select the following applicants for interviews: Amber Greves, Craig Acomb, Bonnie Burton, Paul Ansolabehere, Tim Goodyear, Denny Lambert, Derrick Agate, Joseph Bodell, Anne Malm Hossfeld. All voted "yes." Motion carried.

Schneider said the schedule called for interviews of the nine candidates on January 12. A special meeting was scheduled for January 21 to select the finalists. A smaller number of finalists could be asked return at the January 26 council meeting to be reinterviewed. Wagner suggested that if the next round of scoring produced a group of two or three finalists, that the council conduct interviews on January 21. Schneider noted Allendorf would be out of town until January 16. Allendorf said he would appreciate the opportunity to watch the interviews and participate with the rest of the council on January 21.

Wiersum suggested including the council members' rankings in the January 21 council packet. That would give everyone the same amount of information. Wagner said additional interviews could be conducted on January 21. This would provide for a full council as soon as possible. Schneider said the plan is to swear in the new councilmember on February 9. He said his preference was not to conduct interviews on January 21.

Gunyou suggested one option would be to conduct the final interviews on January 26 and make a selection that night. Wiersum said when he was selected, interviews were conducted with the final three candidates and the council made the decision that night. He said once the field is narrowed down to three or four candidates it was reasonable to make the decision that night. Schneider noted four votes were needed to make the decision but he would like to see a unanimous vote on the finalist.

## **15. APPOINTMENTS and REAPPOINTMENTS:**

**A. Appointment to the community commission.**

Schneider moved, Wiersum seconded a motion to appoint Betty Johnson to the community commission, to serve the remainder of a two year term, effective January 6, 2008 and expiring on January 31, 2010. All voted "yes." Motion carried.

**16. ADJOURNMENT.**

Wiersum moved, Wagner seconded a motion to adjourn the meeting at 8:55 p.m. All voted "yes." Motion carried.

Respectfully submitted,

David E. Maeda  
City Clerk