

1. Agenda And Packet

Documents:

[FEBRUARY 22, 2022 WORK SESSION AGENDA.PDF](#)
[FEBRUARY 22, 2022 WORK SESSION PACKET.PDF](#)

City of Excelsior
Notice of City Council Work Session
of the Excelsior City Council

NOTICE IS HEREBY GIVEN that the City Council of the City of Excelsior will hold its Work Session on Tuesday, February 22, 2022 at 5:30 P.M. via a telephonic and/or electronic meeting. The agenda for the meeting is attached hereto.

In accordance with the requirements of Minn. Stat. Section 13D.021, the Mayor, the city manager, and the city attorney have determined that an in-person meeting is not practical or prudent because of the recent increase in COVID infections in Minnesota and our region. Due to this recent spike in infections, it has been determined that attendance at the regular meeting location by members of the public. Therefore, all staff and City Council members will be participating by telephone or other electronic means.

Members of the public may attend the work session by joining via Zoom either online or by telephone at:

Join Zoom Meeting

<https://us02web.zoom.us/j/81934685139>

Meeting ID: 819 3468 5139

Dial by your location

+1 312 626 6799 US

+1 301 715 8592 US (Germantown)

Meeting ID: 819 3468 5139

City of Excelsior
City Council Work Session

Agenda

Tuesday, February 22, 2022

5:30 P.M.

(Please Note: Times Listed Are Approximate)

1. Call to Order/Roll Call
2. Agenda Approval
3. 339 Third Street Scoping Document
4. Adjournment

Note: The purpose of a Work Session is for the Council to discuss matters informally and in greater detail than is allowed at formal Council meetings. All meetings of the Council including Work Sessions will be open to the public. While the privilege of participating in these discussions is generally limited to the Council, staff, and consultants, the Mayor may open a discussion from the floor.

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MEMORANDUM

Work Session Item 3

Re: 339 Third Street Scoping Document

Date: February 22, 2022

To: City Council

From: Kristi Luger, City Manager

At the last City Council meeting the Council approved an Exclusive Development Rights (EDR) Agreement with Red Leaf Partners (RLP). One of the exhibits to the EDR Agreement is a Scoping Document, which identifies nineteen issues that need to be resolved as the project moves forward.

RLP will be at the work session to walk through the Scoping Document with the Council and to provide a preview of the work that is currently underway. It will also be an opportunity for the Council to tell RLP what information they may need in order to provide direction at future work session.

The Scoping Document will be discussed over the course of two work sessions:

- February 28th – Design Focused (scale, massing, height, parking, sidewalks/streets)
- March 14th – Economics Focused (preliminary proforma, sources/uses, TIF, operating income, parking maintenance)

No decisions will be made on the Scoping Document at this work session. The intent is to ensure that the Council will be prepared to provide direction at the future work sessions and what information, if any, the Council may need to make those future decisions.

Issue	RLP Vision	Council Reaction (Agreed/Comments)
1. Project Uses	Public Parking Component, For-Rent Apartment Component, For-Sale or Rent Rowhome Component, possible civic spaces and public realm. Limited service or retail uses to be further studied on the corner of Third Street and West Drive, but unlikely to be included. Residential components to be market-rate and designed to appeal to a variety of resident ages and incomes.	
2. Scale and Height	Height to be determined by appropriate scale studies, project economics, and ability to construct underground parking that expands current public parking capacity. Anticipated to be 2 Story rowhomes on Third Street and along West Drive. Apartment building to be a terraced structure with setbacks, minimum 3 Story, maximum 4 Story (only if scale impact is determined to be appropriate for site)	
3. Unit Count	To be determined based on scale studies and market research, project economics, and TIF feasibility. Initially estimated at 10-15 rowhomes and 40-60 apartment units.	
4. Economics/Feasibility	Project financial feasibility conditioned upon TIF funding of the public components of the parking structure and other infrastructure and a unit count supportive of the Purchase Price.	
5. Design Drivers/Inspiration	To be led by the architect. Key inspiration includes the eclectic streetscape of the back side of Water Street, lush greenery of the adjacent hill, and creation of green pedestrian & auto boulevard along West Drive.	
6. Public Spaces	Design to consider connections between the Lake Minnetonka Regional Bike Trail, West Drive, Excelsior Commons Park, local businesses, and creation of public spaces that spur new pedestrian friendly connections.	

<p>7. Public Parking Requirement net of Resident Parking</p>	<p>Parking Structure to accommodate resident parking + current parking capacity of West Lot + growth factor to be determined by Council (ie: 125-150% of current capacity – contingent on TIF capacity generated from the residential components of the project).</p>	
<p>8. Public Engagement Process</p>	<p>City-led neighborhood meetings, RLP/City/SK open houses at various stages of design to articulate project benefits and garner public feedback.</p>	
<p>9. Commission Review Process</p>	<p>Project subject to planning commission and council review per Sketch Plan and PUD process. Project is not within boundaries of Downtown Historic District.</p>	
<p>10. City Hall Direction</p>	<p>Design will provide alternate visions to accommodate contingency plan for city hall location on-site.</p>	
<p>11. Remnant Site Direction</p>	<p>To be considered in design. Options include retaining as parking, city hall location, retail, or conversion to siren park area.</p>	
<p>12. Siren Location</p>	<p>Design will identify a location within the project for retention of siren. RLP also open to relocation of siren to other suitable location in city, if directed by Council.</p>	
<p>13. Timing Objectives</p>	<p>Schedule in accordance with provided council decision dates, allowing construction to commence by the end of 2022.</p>	
<p>14. Staging Plan</p>	<p>Any project construction will be staged to minimize impact on summer parking and city hall functions.</p>	
<p>15. Ownership Structure</p>	<p>City to own Public Parking Component and any civic spaces, if applicable. RLP to own apartments and row homes. Upon completion, the components shall be subdivided via vertical registered land survey (VRLS) and establishment of a reciprocal easement and operating agreement (REOA) between the components.</p>	
<p>16. Project Management</p>	<p>Project to be managed, financed, and delivered by RLP with a project advisory team including city staff and two council representatives.</p>	
<p>17. TIF Analysis and District Boundaries</p>	<p>To be determined by TIF analysis and requirements to fund parking ramp.</p>	

18. Acquisition Price	\$2M based on the scope identified. Subject to enhancement or reduction if project is modified to account for more or less housing and city hall location.	
19. Due Diligence & Development Costs	RLP to fund purchase price, due diligence costs, design, engineering, and construction costs. City to be responsible for costs related to updated survey & TIF Analysis. The parties to each be responsible for their legal costs. Any costs of environmental remediation and geotechnical impacts to be reviewed in the context of project viability once understood.	