

City of Greenwood – Special Council Meeting
Greenwood City Council Chambers
20225 Cottagewood Road Deephaven, MN 55331 952-474-6633
Monday, March 9, 2009 10:00 a.m.

Minutes

1. Call to Order/Roll Call

Mayor Kind called the meeting to order at 10:00 a.m.

Council present: Page, Fletcher, Kind and Quam

Council absent: Rose

Staff present: Attorney Kelly, Clerk Whipple

Staff absent: none

Mayor Kind summarized the Southshore Center situation leading to this meeting. The dissolution of the Friends terminates the lease and upon that termination, the building may be sold. The first purchase option goes to Shorewood and the second option is to sell to a third party at a fair market value. There is no provision in the 1996 cooperative agreement for the cities to share operational and capital expenses. If the building is not sold, Greenwood has taken the position that they will be responsible for their share, 3.95% of the bills; not 20% as proposed. Deephaven has voted 5-0 to sell the Center, Tonka Bay is on the fence but leaning towards selling, Excelsior would like to see the Center continue, Shorewood is suggesting a 'dual track' which will be considered at their City Council meeting tonight. The four options for Greenwood to consider are: 1) agree to a new cooperative agreement, 2) sell for fair market value, 3) terminate our participation, or 4) do nothing. Mayor Kind read a letter from a Greenwood resident, Marietta Jacobson, urging the Council not to sell the building.

Greenwood does not recognize the lease between Friends and the newly-formed SouthShore Senior partners (SSSP).

Councilmember Page noted that it appeared the Board of the Friends has done very little fundraising over the last 12-24 months.

The five cities need to find someone or some organization that will manage the building. Councilmember Quam had contacted Dr. Dennis Peterson, Minnetonka Superintendent of Schools, to see if the school district had an interest in purchasing the Southshore Center. A purchase is not an option for them, but they may be interested in a long-term lease.

The Council hopes that if the building is sold, the same type of programming be available to the public. Councilmember Quam suggested a city survey be conducted to find out what the issues or needs of Greenwood residents are. Also, a fair market value for the building needs to be determined.

Chris Lizee, Mayor of Shorewood, asked to speak. She felt the Cities would need to put roughly \$5,000 a year in a capital improvements fund. She wanted the Councils to look forward and consider how this building will be used by future generations.

The Council agreed that:

*They may support a new cooperative agreement if they could stay at the 3.95% share

*They may consider selling after a fair market value has been determined

*The last option would be to terminate participation in the 1996 coop agreement

*Doing nothing was not a good option

Recess at 11:00 a.m. Reconvene at 11:05 a.m.

Councilmember Fletcher read a motion, which was approved then amended by Councilmember Page, to be sent as a letter from Mayor Kind to the other four cities in the cooperative agreement. The amended motion read as follows:

"The City of Greenwood's strong preference is to maintain the use of the building as a Community and Senior Center. The City is not comfortable with the stability or financial wherewithal of the former leaseholder for the Center and would like to have a new manager/leaseholder for the Center if the Cities decide to continue its mission. We agree with the City of Shorewood's position in its letter to Mr. To Anderson dated February 25, 2009, that the Lease Agreement with the Friends has been terminated by the dissolution of the Friends and are asking our City Administrator to send a letter to that effect to Mr. Anderson.

The City of Greenwood does not wish to become involved in managing the Center. The City of Greenwood urges the fair market value of the building to be determined.

If there does not appear to be a viable option for maintaining the building as a Community and Senior Center, the City of Greenwood would be open to considering the outright sale of the building. However, we are strongly concerned that once the building is sold, there may be no realistic option for recreating a community and senior center that serves the five cities. Thus, our preference would not be to rush into this option, but we would not stand in the way of this option if a majority of the other Cities feel that this is the way to proceed or are uninterested in working together jointly to make the Center viable again."

Second by Councilmember Quam Motion carried 4-0

Councilmember Page questioned how valuable an asset the building is to Seniors as only \$10 was listed for donations in 2008. The Council has set a tentative six month timeline to settle the Southshore issue.

Councilmember Page moved to adjourn with a second by Councilmember Fletcher at 11:26 a.m.

Respectfully submitted,

Roberta Whipple
City Administrator