

MINUTES

Greenwood City Council Special Meeting

7pm, Thursday, April 11, 2013
20225 Cottagewood Road, Deephaven, MN 55331

1. Call to Order ~ Roll Call ~ Approve Agenda

Mayor Kind called the meeting to order at 7:15 pm.

Council present: Mayor Deb Kind, Councilmembers Bill Cook, Tom Fletcher, and Rob Roy
Council absent: Councilmember Bob Quam
Others present: City Attorney Mark Kelly, City Clerk Gus Karpas and City Engineer Dave Martini

Cook moved to approve the agenda. Second by Roy. Motion carried 4-0.

2. Consider: Resolution 13-13 Receiving Feasibility Report and Ordering Public Hearing for Excelsior Boulevard Watermain Project Petition Zone 2 (properties between 21150 and 21030 Excelsior Boulevard)

City Engineer Martini summarized the feasibility report for the project in petition zone 2 saying it would also piggyback on the Met Council's project along Excelsior Boulevard. He said the estimated per property cost for the project is \$10,915. Martini mentioned there would also be a per household charge of \$1,143 to cover the gap between where the existing Excelsior line ends and where the Greenwood line would begin. Councilmember Fletcher thought that cost was going to be covered as a Met Council cost. Martini said the Met Council has only committed to putting in more conventional connections for the existing Greenwood homeowners, but said the proposed pipe in the gap area is something the city could negotiate with the Met Council.

Councilmember Fletcher asked if the process was still on track. Councilmember Cook said he has received the agreement with the Met Council and is currently reviewing it. He has made some suggested changes that he will pass on. He believes the bid process will begin at the end of April and the project will begin either late Fall or early Spring.

Cook moved, Roy seconded, Adopting RESOLUTION NO. 13-13, "A Resolution Receiving Feasibility Report and Calling Hearing on Proposed Improvement." Motion passed 4/0.

Mayor Kind drew the Council's attention to an email she received from the City of Excelsior indicating the proposed change to paragraph 4 was viewed as more than just a minor change and in the opinion of their city attorney reflects a change in the intent of the Excelsior City Council. Councilmember Fletcher said he doesn't support signing a bad agreement given there is no clear indication exactly what could be changed. City Attorney Kelly said the document has not been drafted in good faith and now that the city has brought this provision to the City of Excelsior's attention, it puts the City of Greenwood on the record as knowing what the exact terms were when they signed the agreement leaving little chance of a future court challenge if an unfavorable change is made to Excelsior's ordinance. Mayor Kind said she's not supportive of the agreement with the clause as written. Councilmember Cook agreed and noted that without the "paragraph 4" language in place of "agreement" there is no agreement in his opinion. Councilmember Fletcher doesn't understand the stance of the City of Excelsior since the language is pretty basic and doesn't tie them down or commit them to anything out of the ordinary.

The Council agreed to have Mayor Kind and Councilmember Cook attend the next Excelsior City Council meeting to discuss the city's concern about paragraph 4.

3. 1st Reading: Ordinance 217 Home Occupations Ordinance Amending Code Chapters 4 & 12

Mayor Kind summarized Ordinance 217 saying it was an ordinance to regulate home occupations and includes a definition of home occupation and defines a couple of specific types of home occupations.

Mayor Kind, in reference to the definitions of Event Center and Hotel, Motel asked the City Attorney if the lease term should be shown in days or months since the definition has a blank for both. City Attorney Kelly said either could be used.

City Attorney Kelly explained the Home Occupation ordinance was being developed prior to a recent issue regarding a transient use came to the attention of the city. He said concern about the potential use did prompt a change in the draft of the ordinance to create a suggested prohibition on transient uses. Mayor Kind noted that another ordinance would be discussed later that outlines the penalty for violations of the home occupation ordinance.

Councilmember Cook is concerned about the definition of hotel which would limit the rights of all property owners to rent their property. He said residents should have a right to lease their house on a month-to-month basis if they can't find a commitment for a long-term lease. City Attorney Kelly said state law anticipates that rental property terms will become a month-to-month lease and the proposal is not intended to make a month-to-month rental property a hotel. Cook said he was in a similar position last year where he had to potentially rent his house. He supports anything less than a month. He wants to protect a homeowner's ability to rent their home on a month-to-month basis.

Councilmember Fletcher asked about the definition of a home occupation and if it included those situations where you may have an actual business elsewhere, but also had a home office. City Attorney Kelly said the ordinance looks at those elements that become obtrusive in a residential district. Fletcher expressed concern that his commercial vehicle may be in violation of the ordinance. Zoning Coordinator Karpas suggested the proposed ordinance language be changed to prohibit the outdoor parking of vehicles associated with the home occupation, rather than listing the vehicles permitted to park on properties hosting home occupations.

Kristi Conrad, 21780 Fairview Street, expressed concern about her business being conducted outside the principal structure, including the storage of materials. Mayor Kind said any home occupation may vary from two of the requirements with a license issued by the city. City Attorney Kelly said the intent was to keep a garage from becoming a service center.

Mayor Kind asked the members of the public if they had any thoughts on the minimum time limit on rentals.

Joan Moser, 21670 Fairview Street, is totally opposed to short-term rental periods. She said there is a lot of initial excitement when someone first gets on the lake and that excitement will be never ending if there is continual turnover. The character has to be maintained and transient neighbors will add lots of noise and commotion. She supports a minimum one-year lease even though she understands it may be more difficult to find tenants. She believes the very minimum should be four months. She said the people in the neighborhood spend a lot of money to live there and should have the right to some stability.

Amy Connors, 21650 Fairview Street, agrees she doesn't want to change the neighborhood. She state she and her husband would like to retire to their Greenwood home in the future, but until then they want to be able to rent it out to cover their taxes. She understands the concerns about creating a transient neighborhood. She has no intention of changing the neighborhood and doesn't believe anyone will know the difference. She feels there is a right to rent their home.

Mayor Kind asked what she believed was a reasonable rental period. Ms. Connors believes that you have more control over what happens on the property with shorter leases.

Mayor Kind said the city needs to be careful since there may be a number of properties that rent on a month-to-month basis in the city, including Georgetown Manor.

Ms. Moser said the council needs to consider what the vision is for the city.

Jeannie Bowers-Stead, 21600 Fairview Street, said she went to the website and looked at the rental rates for the property. She feels what makes the property on Fairview Street different from other residents renting their home is the fact it is an LLC. It was purchased as a business and it has an absentee landlord. She feels the best way to protect the character of the neighborhood is by having non-transient rentals.

Ed Townsend, Tonka Bay, Amy Connors father discussed a situation where he had to rent his home and spoke to

his daughter's desire to move back to the area once her husband retires.

Councilmember Roy said he tends to lean towards a 90-day period though he's conflicted with some of the situations that people run into.

Councilmember Cook still supports a 30-day maximum. He's sympathetic to not turning neighborhoods into hotel zones, but the city shouldn't address this issue by establishing an arbitrarily long lease period which may have unintended consequences. He views establishing a long lease term as solving the problem of one neighborhood.

Councilmember Fletcher understands the desire for longer leases in areas such as the Fairview neighborhood but feels the council has to be careful and give consideration to other places in the city that may have month-to-month rentals. He state that he owns rental properties and prefers month-to-month leasing because it provides flexibility for both parties.

Mayor Kind suggested the council direct staff to survey the existing rental properties to see what their current lease structures are to gauge what type of impact the ordinance could have on them. The Council agreed. Kind suggested inserting a 30-day minimum lease period for the first reading with an understanding that period could be adjusted if necessary as part of the second reading.

Fletcher moved, Cook seconded, adopting the first reading of Ordinance 217 amending Greenwood Ordinance Code Chapter 4, Permits and Licenses to Add Section 480, Home Occupations and Adding Related Definitions to Chapter 12. The motion sets the initial lease period for the hosting of private gatherings and the consideration of the structure being a private rental at 30 consecutive days. Motion passed 4/0.

4. 1st Reading: Ordinance 218 Amending Penal Code Chapter 9 to Add Prohibited Uses of Residential Properties

City Attorney Kelly explained the proposed ordinance adds a prohibition of the defined uses in Ordinance 217 in residential districts and would apply the existing legal remedies within the code to force compliance.

Fletcher moved, Cook seconded, adopting the first reading of Ordinance 218 amending Greenwood Ordinance Code Chapter 9, Nuisances and Penal Regulations, by the Addition of Section 910.70 Prohibited Use of Residential Property. Motion passed 4/0.

5. Adjournment

Cook moved to adjourn at 8:45pm. Second by Roy. Motion carried 4-0.

Respectfully submitted by Gus Karpas, City Clerk