



**Hyland Greens Task Force
January 13, 2016
6:30 – 8:30 p.m.
Haeg Conference Room
2nd Floor, Bloomington Civic Plaza
1800 W. Old Shakopee Road, Bloomington, MN**

Call To Order:

Facilitator Irina Fursman called the sixth meeting of the Hyland Greens Task Force to order at 6:30 p.m. in the Haeg Conference Room at Bloomington Civic Plaza.

Task Force Members Present: 13

Rod Axtell
Doug Bruce (with Larry Welte serving the second half of the meeting)
Jack Baloga (as an alternate for Andrew Carlson who was absent)
Liz Heyman
Diann Kirby
Mike Kolthoff
Laura Perreault
Randy Quale
Cindy Rollins
Jim McCarthy
Virg Senescall
Rick Sitek
Cary Weatherby

Task Force Members Absent: 2

Andrew Carlson
Roger Willette

Other Staff Present: 1

Alison Warren, Office Support Specialist, Parks and Recreation Division (to take minutes)

Facilitators Present: 2

Irina Fursman, *Huelife*
Erik Juhl, Web Coordinator, Community Services Department, City of Bloomington

Members of the Public Present: 10

Welcome and Introductions/Agenda Review - 6:30 p.m.

Irina welcomed the Task Force members and guests to the sixth meeting for the Hyland Greens Task Force. She requested that the members introduce themselves. The introductions were as follows:

- Irina Fursman introduced herself as the co-facilitator of the Hyland Greens Task Force.
- Cindy Rollins is serving as a member of City staff (Budget Manager)
- Rod Axtell is serving as a representative of the business community
- Jack Baloga is serving as a representative of the City Council
- Doug Bruce is serving as a representative of the community
- Larry Welte is serving as a representative of the community
- Rick Sitek is serving as a member of City staff (Golf Manager)
- Liz Heyman is serving as a member of City staff (Planner)
- Randy Quale is serving as a member of City staff (Parks and Recreation Manager)
- Jim McCarthy is serving as a member of the Parks, Arts and Recreation Commission
- Laura Perreault is serving as a representative of the neighborhood
- Mike Kolthoff is serving as a Hyland Greens user
- Virg Senescall is serving as a representative of BAA Golf
- Cary Weatherby is serving as a representative of the community
- Diann Kirby is serving as a member of City staff (Community Services Director)

I. Fursman reviewed the purpose of the Task Force and recapped the past five meetings. At the first meeting the Task Force worked on the charge and developed the guidelines on how to work together. J. Baloga read the guidelines aloud. During the second meeting, the Task Force reviewed the budget. The third meeting was focused on identifying the problems that the Task Force was asked to solve and creating criteria in which alternatives would be reviewed. During the fourth meeting, three categories of alternatives were reviewed. At the fifth meeting, four scenarios were reviewed as a part of the golf option. I. Fursman stated that today's meeting intention is to study the redevelopment option.

D. Kirby reviewed the contents of the meeting materials which included the agenda for the January 13, 2016 meeting; the minutes from the December 30, 2015 meeting; a presentation about the Partial Development Option; a "What do we need to know?" handout; the evaluation summary from the December 30, 2015 meeting; and the evaluation form for the January 13, 2016 meeting.

D. Kirby also noted that although tonight's meeting is the last originally scheduled meeting, an additional meeting scheduled on an as-needed basis for January 26 would be held. At the end of the meeting tonight, D. Kirby stated that there would be a request for three to four volunteers from the Task Force to work on a sub-committee to draft the recommendations to the City Council that would be used as a baseline for the January 26 meeting.

Partial Development Option – 6:45 p.m.

L. Heyman presented an overview of the partial development option including answers to questions that were asked by the Task Force at previous meetings. She started by reminding the Task Force what it would take to sustain the partial development alternative including access, public and private transit, willing buyers and/or tenants, basic city services such as water and trash services, and park maintenance if a park were to be included in the development.

L. Heyman then addressed the question, "When did the City last transfer an open space designated for park and recreation to a development site?" She stated that this is the first time that the City has looked into this type of transaction. A second question asked about the steps that would need to be taken to make the transfer happen. L. Heyman stated that a review by the City's Legal Department found no restrictions for selling all or part of the Hyland Greens

property for development. She said that development steps could include public hearings at the Planning Commission and City Council per the City Code, potential rezoning, and putting out a request for qualifications to possible developers. M. Kolthoff asked how long this process would take. L. Heyman noted that the timeline is variable, with many factors affecting the length of the process.

L. Heyman reviewed the land use context in the area of Hyland Greens. There is currently multi-family housing on the east side of the golf course that transitions to single family housing to the west. L. Heyman added that there are many different kinds of land use that could be developed in this area, but the actual type would be determined later in the process.

L. Heyman reviewed the types of access to the area that are currently available to the Hyland Greens parcel. She noted that this area has a level of public transit service that is typical for a suburban area. She stated that there are express routes along Nesbit Avenue and Normandale Boulevard and a 30-minute route on 98th Street within the Normandale Village complex. Regarding bicycle access, L. Heyman said that there are many existing and planned off-street bicycle trails in the area. She noted the possibility of an issue with Normandale Boulevard access due to the highway being owned by Hennepin County, but stated that this would not be detrimental to the process of developing the site.

L. Heyman then shared the different scenarios for partial redevelopment at Hyland Greens. She said that partial development scenario B was unchanged from the original presentation at the previous meetings. With scenario B, the impact to the golf operation would be the loss of the driving range, but L. Heyman also noted that this scenario would not affect the maintenance building and would not require wetland mitigation.

L. Heyman stated that the partial development scenario A had been redefined and split into three sections to better represent the different options. Section 1 encompasses 10.5 acres and has almost no impact to the golf course operation. L. Heyman did note that with this section, wetland mitigation would be required on the southwest corner of the parcel. Section 2 adds an additional 3 acres while eliminating the current maintenance building. Section 3 would add an additional 11.5 acres with significant impacts to the golf course. L. Heyman stated that under section 3, the golf course would lose the driving range and would have to move and reconstruct three holes.

Next, L. Heyman reviewed the potential revenue projections under the partial development option. She noted that past projections for full development was \$9.9 million to \$12 million and partial development was \$5.6 million to \$6.9 million. She stated that these revenue projections were created using a very low density of development at 13.4 units per acre. L. Heyman then presented revised potential revenue forecasts using a higher density at 50 units per acre. This higher density was based this on past interest by developers and other recent local and regional projects with a similar scope. She also shared pictures of regional projects to give the Task Force an idea of what 50 units per acre would look like.

Using the new projections, L. Heyman presented that the potential revenues for partial development as follows:

- Scenario A, Section 1 only (10.5 acres) – \$7.4 million to \$9.6 million
- Scenario A, Sections 1 and 2 (13.5 acres) – \$9.5 million to \$12.2 million
- Scenario A, Sections 1, 2 and 3 (25 acres) – \$17.5 million to \$22.5 million
- Scenario B (25.2 acres) – \$7.5 million to \$22.7 million

L. Perreault questioned the type of development that was used to come up with the new revenue projections, asking if single-family development was ruled out. L. Heyman stated that this projection provided information on the higher end of the spectrum in case the City was interested in seeing this type of development. L. Perreault requested projections based on single-family development. L. Heyman also noted that additional revenue the City would gain each year from property taxes would not decrease the levy but just widen the base from which the taxes are taken from.

Regarding how the revenues from sale of the property could be spent, L. Heyman stated that it is the City's best practice to spend one-time revenues on one-time expenditures. She said that it would be up to the City Council to determine how the money would be spent.

L. Heyman finished her presentation by providing the Task Force with the potential opportunities and challenges related to the partial development option for Hyland Greens. The opportunities included a large parcel, existing interest in the property, close proximity to an existing commercial node, introduction of new land uses, maintaining all of some of the golf amenities, potential revenues and the potential to improve golf and/or other City amenities. The challenges included potential loss of the driving range, potential reconstruction of golf facilities including holes and/or maintenance building, golf safety issue, site access, potential wetland mitigation, the need for willing buyers and/or tenants and neighborhood acceptance. L. Heyman then opened up the floor for any additional question from the Task Force.

M. Kolthoff asked if there are any requirements for low income or senior housing in this area. L. Heyman said that those requirements would be up to the City Council. D. Bruce inquired about the ability for the City to require certain aspects for development such as walkability. L. Heyman stated that the City could issue goals and vision for what it is looking for at the site. The developers would then have the opportunity to apply, prove that they have experience with this type of development and provide an outline for development. She noted that because this land is City-owned, the City can drive the process in a specific direction and set expectations.

The Task Force took a break at 7:11 p.m. and reconvened at 7:15 p.m.

Group Discussion on Guidelines for the Partial Development Option – 7:25 p.m.

D. Bruce left the meeting and L. Welte replaced him on the Task Force for the remainder of the meeting.

E. Juhl asked the Task Force to individually brainstorm ideas for priorities as far as guidelines for a recommendation to the City Council in relation to the partial development option for Hyland Greens. He asked members to write down 8 – 10 ideas on individual sheets of paper.

While brainstorm, J. Baloga inquired as to why partial development with a golf course was being discussed and not full development. D. Kirby stated that a survey of Task Force members prior to the December 30 asked about the interest level of each option for Hyland Greens. At that time, two options rose to the top – 1) maintaining the golf option; and 2) partial development while maintaining the golf course. After Task Force members had written down their top priorities, E. Juhl asked members to pair up and come up with 6 – 7 overall ideas to post on the white board at the front of the room. After each round of additions to the white board, the Task Force attempted

to come up with general groupings for all of their ideas. The final list of priorities is listed at the end of the minutes.

E. Juhl then asked each pair to provide their top two priorities to be shared with the group. The following responses were received:

- Parcel 1 development with the option to carve out more land without disturbing the golf course operations
- Walking bridge to commercial area
- High demand for new townhomes and apartments
- Keep driving range and golf course
- Minimal impact to golf course operations – Parcel 1 development only
- Invest money into the golf course
- Minimize impacts on the golf operations
- Parcel 1 development only – otherwise the golf course will not function
- Dedicate proceeds from partial development to golf
- Proceeds reinvested into golf, parks and trails making sure to divide equally between east and west sides of the City
- Limited development to maintain green space – reassurance to keep green space no matter what happens to the golf course in the future

After coming up with a few general groupings for the Task Forces' ideas, E. Juhl asked the Task Force to provide two additional recommendations for the white board. The following responses were received:

- Walk-able and bike-able development
- Incorporate a public space
- Normandale Boulevard access with limited impact on current neighborhood
- Townhouse development
- Senior housing
- Public transportation is not an issue
- Less dense development
- Establish goals for the golf course to continue – if we are going to maintain, it needs to start hitting goals to continue, otherwise we are going to end up in the same spot
- Senior housing
- Golf course subsidy is still needed
- Cut expenses and improve revenues of golf operations
- Integrate golf course into the development design – don't just put the back towards the golf course, but essentially have two front doors with one opening up to the course
- 102nd street access only

After reviewing the additional responses, J. Baloga stated that many of the responses did not pertain to development. I. Fursman noted that this scenario includes the golf course and the recommendation could also include information relating to the golf course. J. Baloga inquired as to how a subsidy would fit into a partial development recommendation. C. Rollins stated that the influx of money from the sale of the land would not cover the golf course forever and that a subsidy would likely be needed in some form to prevent the golf course from repeating its current state. R. Axtell stated that a one-time sale of some land would not be a cure-all. He noted that the golf course is not going to cover itself and provide enough money for capital investment.

R. Axtell added that the golf course is an amenity that taxpayers should pay for similar to the aquatics facilities. M. Kolthoff stated that if the City were to remove the accounting transfers from Dwan as well as the internal services charges, Hyland Greens would be projected to make money. R. Axtell noted that even if this were the case, there still would not be enough money to provide capital improvements to the course.

The Task Force took a five minute break.

When working to determine general guidelines for the recommendation, L. Heyman suggested that the Task Force consider a range of density rather than a type of housing such as senior housing or townhomes. She noted that the high end of density would be 50 units per acre and a lower end would be 13.4 units per acre. She said that this would better allow the City Council to understand the Task Force's guidelines for the area. C. Weatherby stated that she would suggest medium density. R. Axtell asked the group if anyone would like to see a four-story apartment building development along Normandale Boulevard. He then noted that with little response from the Task Force, it seemed as if the members were considering a softer impact with more green space.

L. Heyman stated that although her presentation was high level, there are lots of design considerations that would lessen the impact visually for the neighborhood. She described an example of a four-story building on the north side that would angle down or decreasing the number of levels to the south to better integrate the development with the neighborhood. She also stated that without seeing an actual visual representation, it is hard to imagine what it may actually feel like. L. Perreault stated that although design can affect the aesthetics of the development, density doesn't only impact aesthetics but also affects traffic and resources in the area. M. Kolthoff inquired whether a fence surrounding the golf course was required if there were to be a development on the eastern portion of the property. D. Kirby stated that there is no requirement for a fence.

E. Juhl then asked the Task Force to provide any remaining recommendations for the white board. The following responses were received:

- Maintain golf course and driving range
- Sustainable design for development
- Some senior housing and some townhomes
- Affordable housing
- Subsidized housing
- Golf consultant

Questions arose regarding what subsidized housing and affordable housing really meant. L. Heyman stated that subsidized housing does not necessarily mean Section 8 housing but could encompass many other options. She also noted that affordable housing can cover a huge range depending on who the target market is. C. Weatherby stated that she would like to see more ownership rather than rental, noting that ownership creates more responsibility and more of a neighborhood feel. She also said that she would like to see a lower density of housing and noted that with affordable or subsidized housing, units are generally smaller and higher density.

At this point in the discussion, I. Fursman asked the group if they were in agreement regarding density or if this item should not be included in the recommendation. She asked, "What would be

helpful to the City Council regarding types of development?” The Task Force looked to J. Baloga as a member of the City Council. He stated that he did not feel comfortable speaking for all the members of the Council without prior discussion. C. Rollins suggesting giving the City Council all of the options that the Task Force came up with. J. Baloga mentioned the possibility of two recommendations being written with a majority recommendation and then a subset of opinions to also be included. He said that with these types of discussions, it is nearly impossible to come to 100% consensus.

After all of the recommendations were posted on the white boards and grouped together by the Task Force, the following guidelines were proposed:

- Minimize impact on golf operations
- Reinvest in golf and green space
- Maximize operation efficiencies at the golf course
- Neighborhood participation and access – minimize disruption (include discussion with the neighborhood about access)
- Holistic and fluid development

One additional guideline was discussed but not agreed upon by the Task Force members:

- Consider medium density and stable home options (What does this include? - Townhomes, senior housing, mixed use, single family?)

Fursman then asked the group, “What is missing?” C. Weatherby stated that other types of development besides residential were not discussed. R. Axtell stated that he felt as if the market would drive the development. L. Perreault stated that as a City she didn’t think the development should be solely driven by the market due to tradeoffs related to different types of density including the health of the golf operations.

L. Heyman stated that at this point, partial development is being looked at from a higher level and not necessarily the specific kind of land use. C. Weatherby inquired if the City would be able to require that the development be residential. L. Heyman said that it depends on what kind of proposals developers bring to the table. She also noted that the City Council could designate the area as housing and go from there with a request for qualifications.

J. Baloga stated that he believed from a developer’s stand point, this area would be best suited for a residential type of development, noting his experience as a developer. He mentioned that offices are most successful when part of a cluster such as near Normandale Lake or have freeway access and good visibility. In relation to commercial or retail space, J. Baloga said that there are already many retail vacancies in Bloomington. He added that a developer would not want to create new space if they are not able to fill the current space. J. McCarthy inquired about a space similar to the Penn American district with residential and small retail shops on the first floor. J. Baloga stated that that type of development is transit oriented development and would not be suitable for the Hyland Greens parcel due to the level of transit available.

I Fursman asked for volunteers to start drafting a recommendation as a baseline for the Task Force to use at the next meeting. V. Senescall, M. Kolthoff, C. Weatherby and R. Axtell volunteered. D. Kirby and L. Heyman will be assisting the group.

J. Baloga expressed his desire to make one final comment. He stated that one of the things about focusing on golf is that if the rounds continue to diminish, it may make it difficult to look at the scenarios that are current viable options for the golf operation. He said that he thought the group should focus more on what to do with golf and how to increase rounds and decrease expense to maintain the viability of the course. R. Axtell noted that although it may help day-to-day operations, it would not solve the reinvestment issue. He said that if the community wants the amenity of the Hyland Greens golf course, they have to be willing to assist in paying for it. V. Senescall stated that the last meeting, Task Force members discussed the golf options and that the intent of this meeting was to focus on the partial development option.

J. Baloga said that he added golf consultant to the board as a part of the partial development recommendation because developing along Normandale Boulevards creates an additional visual barrier to the course. He said that this could have a negative effect on the course and that a golf consultant knows the best types of design. L. Welte agreed that a golf consultant would be able to assist in changing the operations at the golf course, noting that if nothing changes operationally the Task Force will only have created a short-term solution. R. Axtell stated again that although there may be the ability to make changes in revenues and expenses, there is still not enough excess to reinvest into the golf course. He reaffirmed the need for a subsidy that is no different than aquatics or the parks. He said that the City Council and the residents of the City need to decide if this is an amenity that is wanted and should be subsidized.

Closing and Evaluation – 8:25 p.m.

The meeting closed at 8:37 p.m. I. Fursman requested that Task Force members complete meeting evaluation forms found in the Hyland Greens Task Force Binders. She stated the next meeting of the Task Force is January 26, 2016.