

**Unapproved
Minnetonka Economic Development Advisory Commission
Virtual Meeting
Minutes**

May 19, 2022

1. Call to Order

Chair Yunker called the meeting to order at 6 p.m.

2. Roll Call

EDAC commissioners Ann Duginske Cibulka, Lee Jacobsohn, Steven Tyacke and Charlie Yunker were present. Maram Falk, Jay Hromatka and Melissa Johnston were absent.

Staff present: Community Development Director Julie Wischnack and Economic Development and Housing Manager Alisha Gray.

Councilmember Deb Calvert was present.

3. Approval of EDAC March 10, 2022 Meeting Minutes

Tyacke motioned Jacobsohn seconded to approve the March 10, 2022 meeting minutes as submitted. Duginske Cibulka, Jacobsohn, Tyacke and Yunker voted yes. Falk, Hromatka and Johnston were absent. Motion passed.

4. 2023-2027 Economic Improvement Plan (EIP)

Gray provided the staff report. Staff recommends commissioners review and provide feedback on the draft 2023-2027 EIP.

In response to Jacobsohn's question, Gray answered that Homes Within Reach purchased a property in Minnetonka in 2021 which makes a current total of 60 Homes Within Reach houses in Minnetonka. The average is to add one house per year. Finding a house in the correct price range has been difficult.

Duginske Cibulka asked where the money to fund the housing trust would come from. Gray explained that staff does not know the order in which projects that utilize the affordable housing trust fund will occur. It currently has \$5.7 million. Redevelopment of city-owned sites are in the initial stages of completing an environmental review and appraisal. The housing trust has been used to provide rental assistance and fund a few projects in Opus. Gray will provide an update on the use of those funds. There is no required timeline on the spend-down of the housing trust funds.

Duginske Cibulka would appreciate more information on the parameters of how the trust fund may be used, its best practices and more background. Wischnack noted that the

legislation was passed last year and Minnetonka is one of only three cities that received it. Staff will provide more background at the next meeting.

Duginske Cibulka asked if rental assistance funds could be reloaded if depleted. Gray answered that the American Rescue Plan Act (ARPA) funds are fully committed to rental assistance since it has an expiration date. The homeless initiative and Pathways program are also a priority. Money from the trust fund could be utilized if the \$50,000 would not be enough to cover the cost of rental assistance.

Duginske Cibulka asked if there is a plan on how to use the ARPA funds. Wischnack explained how the city partners with other organizations to manage rental assistance and the prevention of homelessness. The Pathways to Homeownership program may not be as complicated because the city already has a structure for a similar program. If the city took in the ARPA funds and had them designated already, then it would open up the general fund to use new dollars. It makes it easier for compliance later on if the funds are included in the city budget and not attached too much to ARPA.

Gray continued the staff report.

Calvert asked if the funds to provide technical assistance to businesses are still considered sufficient based on recent economic predictions regarding inflation, a recession and another COVID wave. Gray explained that leaving the funds open to be used for whatever businesses need seems the appropriate approach. The existing funds that have been committed need to be spent. The approach is to be creative and get the funds out the door. Staff will think about how outreach to businesses could be done to get some feedback on what things are impacting the business community. Wischnack noted that she and Gray had invited the businesses at Ridgedale Center to meet with them next week to find out what they need. Wischnack hopes to have the structure in place to deal with unpredictable events.

Tyacke asked if the Pathways program is a pilot or permanent program. Gray explained that it is a pilot program that will be brought back for additional funding if it is successful. Funds could be utilized from the affordable housing trust fund for a long-term commitment. The \$300,000 could potentially serve up to six households.

Tyacke felt that the staff recommendations were well thought out and had a lot of value. The draft EIP is a good start and has a lot of good ideas.

Jacobsohn proposed including the recommended changes to the EIP along with the suggestions for future programs. Tyacke and Duginski Cibulka agreed.

Duginske Cibulka stated that this is a more creative year. She appreciates the new programs because there are unique funds available. No one knows what is in store, but there is enough creativity, innovation and flexibility in the programs to adjust. She would like to see housing remain a main priority. There is a variety of housing types being focused on as well as support for businesses. Staff has done a great job recognizing and responding to the uniqueness of this year.

Tyacke asked if there are any economic programs to encourage more housing for people 55 years of age and older and to make them feel more at home in Minnetonka. Tyacke was thinking of ways to provide transit to Ridgedale Center and the parks for less mobile residents. Gray stated that there is an active senior population in Minnetonka. The Minnetonka Memo and Senior Script provide information on events for seniors. There could be a proactive effort to invite residents of a new senior building to those opportunities. Wischnack described how staff holds events at new multi-family residential buildings to meet new residents. The last one was held at Avidor before COVID restrictions were in place.

Tyacke would like something done to promote the businesses in the Ridgedale Center area to help keep it a successful mall. Wischnack noted that the street and sidewalk improvements, trail connections and the planned park will help enhance Ridgedale Center. It is important for the city to keep being engaged in Ridgedale's success even though things look good right now.

Chair Yunker likes the great ideas and well-thought-out concepts in the draft EIP. He likes the code compliance program. That is a really good idea to help businesses bring their facilities up to code and be ADA compliant. That helps the business and the city overall.

Gray explained that the draft EIP will go to city council for review and then return to the EDAC in July.

5. Staff Report

Gray and Wischnack reported:

- The SWLRT PLACES committee will be touring the SWLRT Opus Station tomorrow. Nearly 60 percent of civil construction is complete. Most of the utility work is complete on the private side. Eleven of the 16 stations are underway or complete. The downtown Hopkins Station is complete. Twenty-six light-rail vehicles have been delivered.
- Regional Metro Transit ridership has started to recover from pandemic lows. As ridership increases, service will increase in Minnetonka.
- Development updates on The Pointe, Minnetonka Station, Doran, Shady Oak Office Center (Wellington), Abdo Market House, Minnetonka Mills Church, Lake Minnetonka Care Center, Ridgedale area park project, Buhl Investments and Dick's House of Sport.
- King Technology is investing \$14.5 million and creating 50 jobs with their move to Minnetonka. The company received \$617,000 through the Job Creation Fund to support the move.
- Staff purchased a Community 360 metrics analysis for the city to provide insight into the people who live and work in Minnetonka.

- Staff will have a Meet Minnetonka event at Ridgedale on May 25th from 11 a.m. to 2 p.m.
- Provided a business work-plan update.
- Housing update regarding utility bill grants and mortgage and rent assistance.
- CDBG Updates.
- Efforts to prevent homelessness.
- Staff created an interactive, searchable map that includes all of the 8,440 rental units currently in the city. Of those, 3,262 are affordable units. There are 24,000 households in Minnetonka.

Chair Yunker likes the dashboard and its historical data.

6. Other Business

The next EDAC meeting is scheduled to be held on June 16, 2022 at 6 p.m.

7. Adjournment

The meeting was adjourned at 7:25 p.m.