



Agenda
Minnetonka Economic Development Authority
Monday, July 18, 2022
Following the 6:30 p.m. regular meeting
Council Chambers

1. Call to Order
2. Roll Call: Schaeppi-Coakley-Kirk-Schack-Wilburn-Calvert-Wiersum
3. Approval of Agenda
4. Approval of Minutes:
 - A. June 27, 2022 EDA meeting minutes
5. Business Items:
 - A. Cliff's Apartments Repayment - Transfer to Affordable Housing Trust Fund
Recommendation: Adopt the resolution (4 votes)
6. Adjourn

Minutes
Minnetonka Economic Development Authority
Monday, June 27, 2022

1. Call to Order

Wiersum called the meeting to order at 7:15 p.m.

2. Roll Call

Commissioners Deb Calvert, Bradley Schaeppi, Kissy Coakley, Brian Kirk, Rebecca Schack, Kimberly Wilburn and President Brad Wiersum were present.

3. Approval of Agenda

Calvert moved, Kirk seconded a motion to approve the agenda, as presented.

All voted "yes". Motion carried.

4. Approval of Minutes:

A. March 21, 2022 meeting minutes

Calvert moved, Kirk seconded a motion to approve the minutes, as presented.

All voted "yes". Motion carried.

5. Business Items:

A. Modification of the Tax Increment Financing District No. 1-2 (Boulevard)

Kirk moved, Coakley seconded a motion to adopt EDA Res. 2022-05.

All voted "yes". Motion carried.

6. Adjournment

Wilburn moved, Calvert seconded a motion to adjourn the meeting at 7:18 p.m.

All voted "yes". Motion carried.

Respectfully submitted,

Becky Koosman
City Clerk



**Economic Development Authority Item 5A
Meeting of July 18, 2022**

Title: Cliff's Apartments Repayment - Transfer to Affordable Housing Trust Fund

Report From: Alisha Gray, EDFP, Economic Development and Housing Manager

Submitted through: Mike Funk, Executive Director
Julie Wischnack, AICP, Community Development Director

Action Requested: Motion Informational Public Hearing
Form of Action: Resolution Ordinance Contract/Agreement Other N/A
Votes needed: 4 votes 5 votes N/A Other

Summary Statement

This action transfers the Cliff's Apartment repayment to the Affordable Housing Trust Fund, which will allow these dollars to be used for affordable housing programming outlined in the Economic Improvement Plan (EIP)

Recommended Action

Adopt the resolution.

Strategic Profile Relatability

Financial Strength & Operational Excellence Safe & Healthy Community
 Sustainability & Natural Resources Livable & Well-Planned Development
 Infrastructure & Asset Management Community Inclusiveness
 N/A

Statement: The funds will be used for affordable housing purposes.

Fiscal Impact

Is there a fiscal impact? No Yes
Financing sources: Adopted Budget Budget Modification New Revenue
Source Use of Reserves Other [Enter]

Background

In 1985, the city of Minnetonka and the Housing and Redevelopment Authority (HRA) provided a \$2.1M loan to assist with the construction of 458 units of affordable housing at the Cliffs. On [Dec. 6, 2021](#), Cliffs, LLC, repaid the loan, and the city deposited the loan repayment into the development fund. The Dec. 6, 2021 report indicated that the loan proceeds would be utilized for future affordable housing projects. The list of eligible trust fund uses is outlined in the adopted [Ordinance No. 2020-22](#). For tracking and auditing purposes, staff recommends transferring the \$2.1M repayment to the Affordable Housing Trust Fund.

EDA Resolution No. 2022-

Resolution transferring funds from the development fund of the Economic Development Authority in and for the City of Minnetonka, Minnesota to the affordable housing trust fund of the City of Minnetonka, Minnesota for affordable housing purposes

Be it resolved by the Board of Commissioners (the "Board") of the Economic Development Authority in and for the City of Minnetonka, Minnesota (the "Authority") as follows:

Section 1. Recitals.

- 1.01. On December 6, 2021, the Board approved a settlement in the amount of \$2,100,000 (the "Settlement") from The Cliffs LLC, a Minnesota limited liability company and the successor in interest to Cliffs Limited Partnership and Cliffs II Limited Partnership, pursuant to a Settlement Agreement between the Authority and The Cliffs LLC.
- 1.02. The Authority has received the Settlement and has deposited the proceeds of the Settlement in the Authority's Development Fund.
- 1.03. The Authority has proposed to transfer the proceeds of the Settlement from the Development Fund to the Affordable Housing Trust Fund of the City of Minnetonka, Minnesota (the "City").

Section 2. Approvals.

- 2.01. The Authority hereby approves the transfer of the proceeds of the Settlement from the Development Fund to the City's Affordable Housing Trust Fund.
- 2.02. The proceeds of the Settlement transferred to the Affordable Housing Trust Fund must be accounted for separately and may be used only for the following purposes: making grants, loans, and loan guarantees for development, rehabilitation or financing of housing or providing matches for other federal, state, or private resources for housing projects.
- 2.03. This resolution is effective upon approval.

Adopted by the Board of Commissioners of the Economic Development Authority in and for the City of Minnetonka, Minnesota on July 18, 2022.

Brad Wiersum, President

ATTEST:

Becky Koosman, Secretary

Action on this resolution:

Motion for adoption:

Seconded by:

Voted in favor of:

Voted against:

Abstained:

Absent:

Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Board of Commissioners of the Economic Development Authority in and for the City of Minnetonka, Minnesota, at a duly authorized meeting held on July 18, 2022.

Becky Koosman, Secretary