

**Unapproved  
Minnetonka  
Economic Development Advisory Commission  
Minutes**

**April 27, 2023**

**1. Call to Order**

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

**2. Roll Call**

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

Staff present: Community Development Director Julie Wischnack, Economic Development and Housing Manager Alisha Gray and Community Development Coordinator Rob Hanson.

Consultants present: Attorney Julie Eddington of Kennedy and Graven and financial consultant Keith Dahl of Ehlers and Associates.

Councilmember Deb Calvert was present.

**3. Approval of the EDAC Jan. 26, 2023 Meeting Minutes**

Tyacke moved, Falk seconded, a motion to approve the Sept. 8, 2022 meeting minutes as submitted. Falk, Tyacke and Yunker voted in favor of passing the motion. Jacobsohn and Johnstohn abstained. Duginske Cibulka and Hromatka were absent. Motion carried.

**4. Marsh II - Doran Financing Request**

Chair Yunker introduced the item and called for the staff report.

Gray provided the staff report. Staff recommends commissioners review the contract for private development and make a recommendation.

Attorney Julie Eddington of Kennedy and Graven was available by phone.

Jacobsohn thought that a little more control on the cost of a parking stall for a resident of an affordable unit would be good to prevent the cost of parking from being a significant part of their budget.

In response to Tyacke's question, Ryan Johnson of Doran Companies explained that the members of the special purpose entity that would be named in the contract would be Anne Behrendt, Tony Kuechle and Ryan Johnson.

In response to Tyacke's question, Wischnack confirmed that the maximum amount of financial assistance from the city would be capped at \$4.6 million.

Jacobsohn moved, seconded by Johnston, to recommend that the city council approve the financial assistance request for the Marsh II as provided in the staff report with a modification to tighten up the cost charged to affordable housing residents for a parking stall.

Falk, Jacobsohn, Johnston, Tyacke and Yunker voted in favor of passing the motion. Duginske Cibulka and Hromatka were absent. Motion carried.

This item is scheduled to be reviewed by the city council at its meeting on May 22, 2023.

## **5. 2024-2028 Economic Improvement Program (EIP)**

Gray provided the staff report. Staff recommended commissioners review and make comments on the draft of the 2024-2028 EIP.

Jacobsohn likes how the EIP gets easier to understand each year. He suggested identifying the items that do not have funds allocated to them from items that have allocated money to cover their cost from a specific fund.

Jacobsohn confirmed with Gray that Homes Within Reach typically purchases one to two houses a year. There have also been years when no house was purchased. It depends on the housing market.

Jacobsohn asked if it would be possible to allow public employees such as teachers and first responders who work in Minnetonka and meet income restrictions to be given a better chance at securing an affordable-housing unit. Wischnack explained that the Fair Housing Act prohibits preferential treatment to a group of people. Marketing the units locally could be done.

Jacobsohn asked about the vacancy rate in Minnetonka. Wischnack answered that the vacancy rate is very low and underserved in rental units in Minnetonka and the surrounding southwest area even with the inclusion of apartments currently being constructed.

Gray continued the staff report.

Falk asked for more information on workforce collaboration. Gray explained that the initiative aims to provide better communication with the business community regarding opportunities on how to attract a work force including access to portals for employers trying to attract employees and utilizing partnerships between schools and communities. A new staff person at Hennepin County is working to implement these techniques.

Gray continued the staff report.

Tyacke asked for the city's purpose for purchasing The Marsh. Wischnack answered that councilmembers expressed a commitment to the preservation of land that would expand the city campus' natural footprint and the need for recreational uses for the community.

Calvert agreed and added that studies had been done to find out the recreational needs of the community. A new swimming pool would cost \$25 million. The Marsh has two pools and was purchased for \$4.275 million. It was an unexpected expenditure, but the city was able to purchase the facility for pennies on the dollar. Plans to remodel the community center were being discussed due to a shortage of meeting spaces and office spaces for the recreation department. The Marsh building has a lot of well-appointed-office spaces. The option to purchase the site before it went on the market allows the city to control the site now and in the future. Memberships for The Marsh are on sale now.

Jacobsohn saw the purchase of The Marsh as an unexpected opportunity. Calvert agreed. The Marsh expands the opportunity of the city to reconfigure space and expand the recreational activities that residents engage in.

Jacobsohn acknowledged that the geographic location of The Marsh property being adjacent to the city hall campus makes the purchase a unique opportunity.

Chair Yunker looks forward to learning the results of the business survey which may provide some good ideas.

Yacke was impressed by the number of senior residential facilities that have been built throughout the city. Senior residents are looking for that type of housing. He supports TIF and other funding options being utilized for senior housing opportunities.

Johnston likes the current draft of the EIP.

## **6. Staff Report**

Hanson and Wischnack provided the staff report:

- Construction on the SWLRT is set to begin. Bren Road East is expected to close for two to three months. Yellow Circle Drive will be closed for eight weeks.
- Metro Transit is collecting feedback on the near-term future of the regional-transit system.
- Development updates on The Pointe, Minnetonka Station, Doran, The Townline Apartments (Wellington), Greystar Development, Ridgedale Park project and The Marsh.
- The city recently formalized an agreement with Hennepin County to enact Elevate Hennepin as the business consulting provider for the city. Open to Business serves as a navigator of Minnetonka business consulting services. The demand for the consulting service remains high.

- The winter issue of Thrive was issued in February.
- Staff is partnering with the Minneapolis Regional Chamber and will participate on the workplace advisory board.
- Provided an update on the business-work plan. Creating an emergency-assistance fund is being worked on.
- The His House Foundation used approximately \$19,780 to support four families experiencing an emergency homeless situation in Minnetonka. There is \$180,220 left to be used.
- There is still mortgage assistance available at HomeHelpMN. Ten thousand six hundred applications have been received. Seventy-one percent of the funds have been disbursed.
- Rental assistance has been provided to 205 households and funds are still available.
- The city council will host a study session on Feb. 6, 2023 to receive an update on the pathways and housing programs.

#### **7. Other Business**

An affordable housing summit is scheduled to take place on May 9, 2023 from 7:30 a.m. to 6 p.m. at the Minneapolis Marriott City Center.

The next EDAC meeting is scheduled to be held on May 11, 2023.

#### **8. Adjournment**

The meeting was adjourned at 7:14 p.m.