

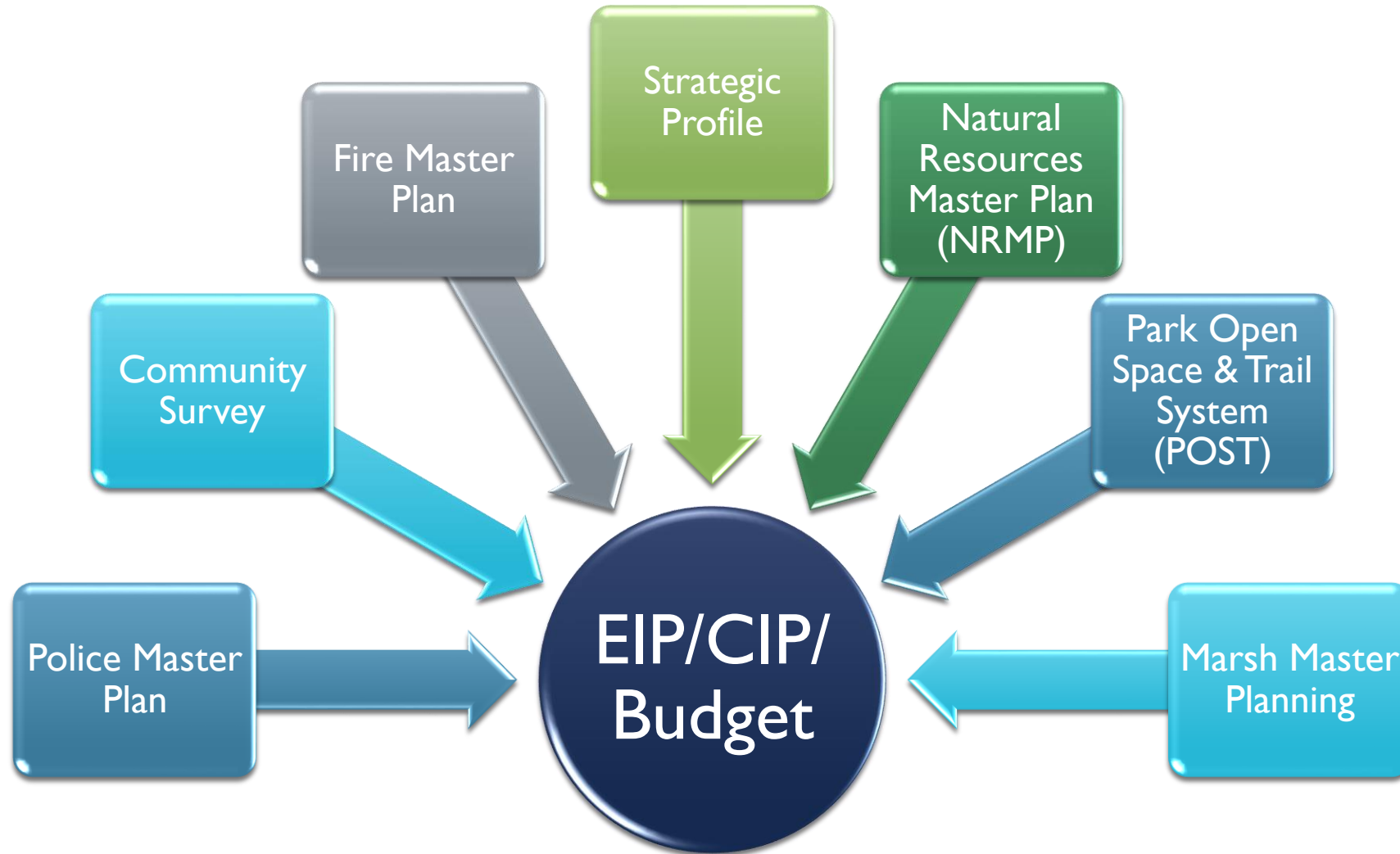
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# CITY OF MINNETONKA 2024-2028 CAPITAL IMPROVEMENT PROGRAM (CIP)

JUNE 12, 2023 STUDY SESSION



# LEVY CONSIDERATIONS



# STRATEGIC PROFILE

- **Financial Strength & Operational Excellence**

Maintain a long-term positive financial position by balancing revenues and expenditures for operations, debt management and capital investments. Provide innovative, responsive, quality city services at a level that reflects community values and is supported by available resources.

**Key Strategy:**

- Develop an annual budget that meets community needs and is in alignment with the strategic plan and financial priorities.

- **Infrastructure and Asset Management**

Provide safe, efficient, sustainable, cost-effective and well-maintained infrastructure and transportation systems. Build, maintain and manage capital assets to preserve long-term investment and ensure reliable services.

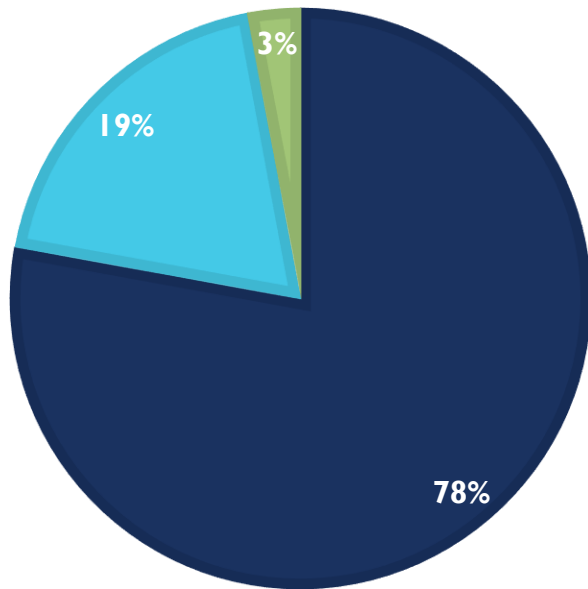
**Key Strategies:**

- Provide and preserve a quality local street and trail system.
- Develop an annual capital improvement plan that supports the sustainable maintenance and replacement of assets.

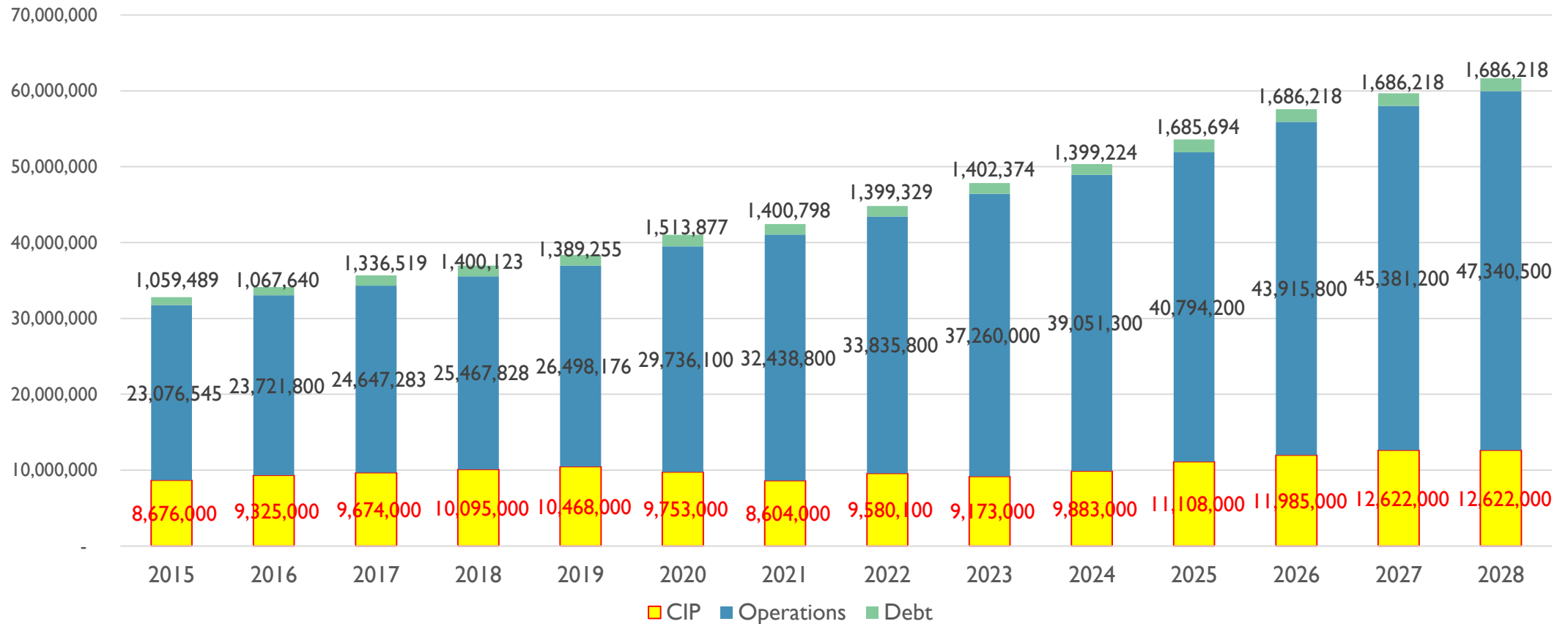
# 2023 PROPERTY TAXES

## 2023 DOLLARS

■ GF Operations ■ Capital (CIP) ■ Debt



# MINNETONKA LEVY ALLOCATION





# 2024 PROPOSED CAPITAL IMPROVEMENT LEVY

	<u>Levy</u>	<u>Percentage</u>
■ Street Improvement Fund	\$6,380,000	65%
■ Capital Replacement Fund	1,630,000	16
■ Park & Trail Improvement Fund	500,000	5
■ Technology Development Fund	650,000	7
■ Forestry Fund	98,000	1
■ Public Safety Fund	625,000	6
<b>TOTAL PROPOSED LEVY</b>	<b>\$9,883,000</b>	

# 2024-2028 CIP

- What the CIP Funds
  - The 2024-2028 CIP supports almost \$140 million of capital projects over the next 5 years
  - The reduction is mainly due to reprioritizing water and sewer utility improvements and eliminating the community center renovation project.

<b><i>CIP (\$000's)</i></b>	<b><i>2021-25</i></b>	<b><i>2022-26</i></b>	<b><i>2023-27</i></b>	<b><i>2024-28</i></b>
Street Improvements	\$63,684	\$52,455	\$51,605	\$52,675
Water, Sewer & Drainage	36,616	32,570	34,960	28,855
Parks, Rec & Trails	31,380	27,610	20,880	20,699
Equipment	15,764	19,314	22,042	23,190
Buildings	5,577	5,186	16,310	14,335
Total CIP	<u>\$153,021</u>	<u>\$137,135</u>	<u>\$145,797</u>	<u>\$139,754</u>



# 2024-2028 CIP

- Background
  - Capital improvements are projects that require acquisition, construction or replacement of infrastructure and other assets
  - CIP is a multi-year program that allows the city to plan for current and long-term needs
  - Project areas include:
    - Buildings, Parks and Trails, Equipment, Technology, Streets, Storm Drainage, and Water and Sewer Utilities
  - CIP is not a budget
    - Once the CIP is adopted, 2024 projects will be added to the 2024 budget for final approval in December
  - CIP is integral piece of the Strategic Profile
    - The CIP aids in ensuring the city is providing safe, efficient, sustainable, cost-effective and well-maintained infrastructure, equipment and transportation systems

# 2024-2028 CIP

- Environmental Sustainability and Stewardship Efforts
  - Sustainability and natural resources is one of the city's strategic priorities
  - Over the years, many CIP projects have had a sustainability focus or provided positive environmental improvements, and the proposed CIP continues that strong initiative
  - Sustainability symbol added to the applicable project pages
- The city continues to build-off of projects that provide positive environmental improvements by focusing on the stewardship or management of its natural resources
  - Evident through the recently adopted Natural Resources Master Plan and the 2021 Parks Open Space and Trail (POST) plan
  - A financial commitment to natural resources stewardship is evident in this year's CIP and is indicated with a stewardship symbol in the upper right-hand corner of the project pages.

# 2024-2028 CIP

- COVID-19 Impact
  - \$4 million of CRF in 2020
    - Allowed the transfer of significant dollars to the Capital Replacement Fund to replace ventilation systems scheduled for 2021-2023, reduced levy by \$400,000 for each of these years
    - Other shifts in capital projects allowed the levy increase to be reduced from 5.8% to 3.5%
      - Fleet replacement delayed one year and a Zamboni for the ice arena delayed one year
  - \$4.7 million of ARPA in 2021-2023
    - \$1.0 million transferred to the Street Improvement Fund
    - \$450,000 transferred to the Park and Trail Improvement Fund
    - \$1.5 million used to subsidize the General Fund levy
    - Various other uses (Residential/Business Support, Workers Comp, Williston and Ice Arena support)

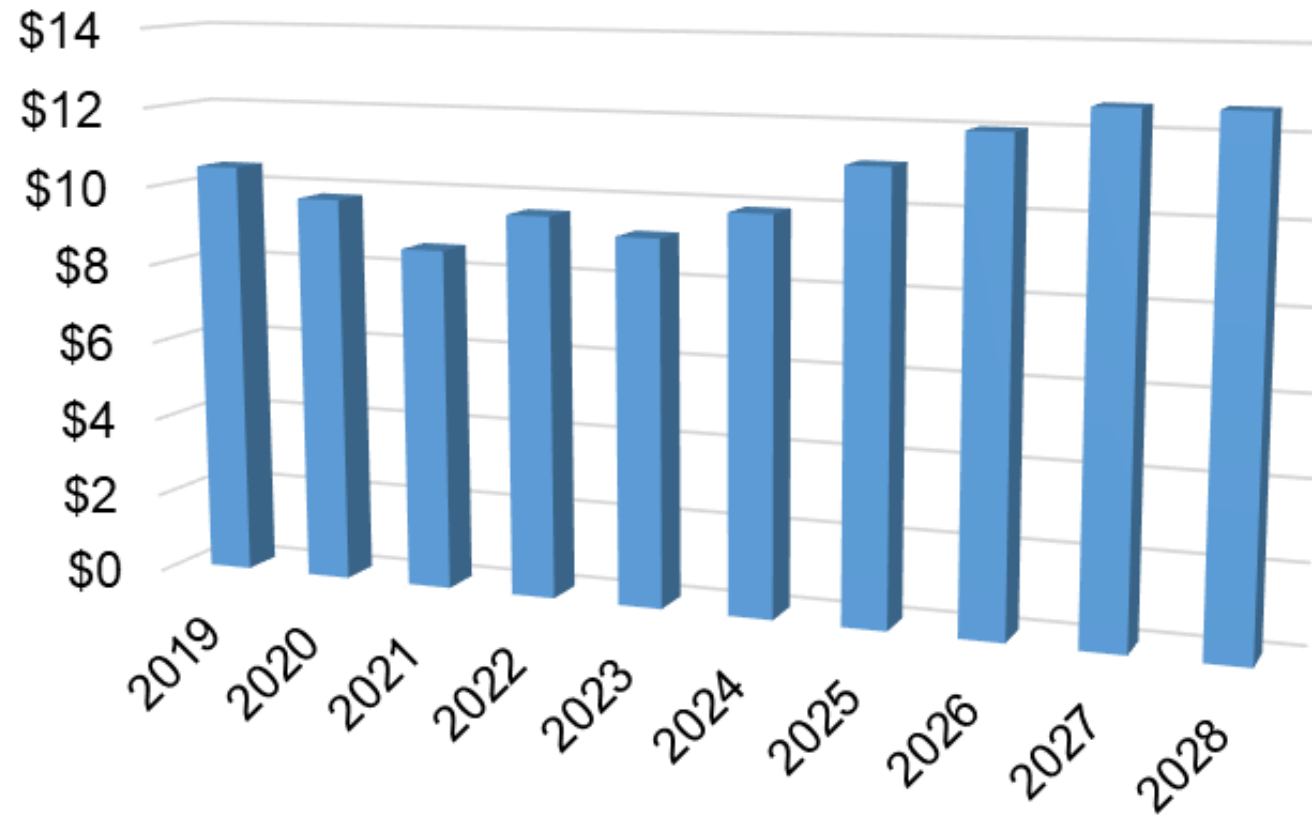
# 2024-2028 CIP

## ■ Property Taxes

- 2020, 2021, 2022 and 2023 CIPs reduced property tax funding compared to 2019
  - 2020-2024 CIP redirected a portion of the CIP levy towards the new public safety facility and increased operational costs related to restructuring the city's compensation methodology
  - Original intent prior to the onset of the pandemic was to restore the capital levy in 2021 to 2019 levels
  - COVID-19 further reduced the CIP levy in 2021 along with reductions in 2022 and 2023 for specific projects paid for with passed through federal funding
  - Final 2023 capital levy reduced funding by \$407,000 compared to 2022 capital levy. Utilized individual capital funds' reserves plus additional General Fund budget stabilization transfer to minimize tax increase and impact on property owners
  - 2024 proposed capital levy is \$9.88 million
  - Full restoration of the capital levy is now planned for 2025 at \$11.1 million

# 2024-2028 CIP

CIP Property Taxes (\$ millions)



# Financial Management Plan (FMP)

	2022	2023	2024	2025	2026	2027	2028
	Actual	Budget	Proposed	Forecast	Forecast	Forecast	Forecast
<b>General Fund</b>							
Revenue							
Property Taxes	33,808,853	37,004,000	37,793,600	38,703,200	41,491,800	43,063,100	44,687,000
License & Permit	5,897,467	3,215,400	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000
Intergov	3,597,247	1,217,700	1,217,700	1,217,700	1,217,700	1,217,700	1,217,700
Transfers	1,469,200	1,494,800	1,524,200	1,554,500	1,585,800	1,618,200	1,651,700
All Other	1,875,485	3,762,100	4,356,200	5,265,200	4,096,900	4,199,400	4,304,400
Non-Property Tax Revenue	12,839,399	9,690,000	10,448,100	11,387,400	10,250,400	10,385,300	10,523,800
<b>Total GF Rev</b>	<b>46,648,252</b>	<b>46,694,000</b>	<b>48,241,700</b>	<b>50,090,600</b>	<b>51,742,200</b>	<b>53,448,400</b>	<b>55,210,800</b>
Expenditures							
General Services	6,165,720	7,384,400	7,628,100	7,879,900	8,140,000	8,408,700	8,686,200
Public Safety	18,106,932	20,066,400	20,728,600	21,412,700	22,119,400	22,849,400	23,603,500
Streets & Utilities	6,673,694	7,968,100	8,231,100	8,502,800	8,783,400	9,073,300	9,372,800
Parks & Environment	4,024,381	4,320,100	4,462,700	4,610,000	4,762,200	4,919,400	5,081,800
Recreation	3,186,501	3,648,100	3,768,500	3,892,900	4,021,400	4,154,200	4,291,300
Development	3,212,096	3,506,900	3,622,700	3,742,300	3,865,800	3,993,400	4,125,200
All Other	0	50,000	50,000	50,000	50,000	50,000	50,000
<b>Total GF Exp</b>	<b>41,369,324</b>	<b>46,944,000</b>	<b>48,491,700</b>	<b>50,090,600</b>	<b>51,742,200</b>	<b>53,448,400</b>	<b>55,210,800</b>
Rev over Exp	5,278,928	(250,000)	(250,000)	-	-	-	-
Capital Transfers Out	1,650,000	3,200,000	1,625,000	900,000	975,000	775,000	775,000
Operating Transfers Out	1,697,361	521,000	121,000	121,000	121,000	121,000	121,000
YrEnd avail fund bal (BudStabiliz+Unassign after tsf)	27,595,096	24,145,096	22,270,096	21,370,096	20,395,096	19,620,096	18,845,096
% of next yrs budget	58.8%	49.8%	44.5%	41.3%	38.2%	35.5%	33.0%
YrEnd \$ amt above 40%	8,817,496	4,748,416	2,233,856	672,660	(984,781)	(2,464,783)	(3,968,007)
Budget Stabiliz Bal after all future years Cap Tsfs	20,120,096	19,095,096	18,845,096	18,845,096	18,845,096	18,845,096	18,845,096
Budget Stabiliz % after all future years Cap Tsfs	42.9%	39.4%	37.6%	36.4%	35.3%	34.1%	33.0%
<i>Wages</i>		2.000%	2.000%	2.000%	2.000%	2.000%	2.000%
<i>Benefit &amp; Market</i>		1.250%	1.000%	1.000%	1.000%	1.000%	1.000%
<i>Other Costs</i>		1.000%	0.300%	0.300%	0.300%	0.300%	0.300%
<i>Total Inflator</i>		4.250%	3.300%	3.300%	3.300%	3.300%	3.300%

# Financial Management Plan (FMP)

	2022	2023	2024	2025	2026	2027	2028
	Actual	Budget	Proposed	Forecast	Forecast	Forecast	Forecast
<b>CIP Levy Funds</b>							
Capital Replacement Fd	1,517,100	1,385,000	1,630,000	1,905,000	2,080,000	2,155,000	2,155,000
Forestry Fund	133,000	83,000	98,000	123,000	225,000	262,000	262,000
Public Safety Fd	550,000	550,000	625,000	700,000	800,000	1,000,000	1,000,000
Parks & Trails Fd	650,000	425,000	500,000	575,000	650,000	725,000	725,000
Street Improvement Fd	6,080,000	6,080,000	6,380,000	7,005,000	7,380,000	7,580,000	7,580,000
Storm Water							
Technology Dev Fd	650,000	650,000	650,000	800,000	850,000	900,000	900,000
<b>Total CIP Levies</b>	<b>9,580,100</b>	<b>9,173,000</b>	<b>9,883,000</b>	<b>11,108,000</b>	<b>11,985,000</b>	<b>12,622,000</b>	<b>12,622,000</b>
	11.3%	-4.2%	7.7%	12.4%	7.9%	5.3%	0.0%
GF Levy (not actual proceeds)							
Park Bond Debt Svc Levy	284,340	284,445	289,695	289,485	289,170	289,170	289,170
Public Safety Bldg - Bond Debt Svc + Constr Levy	1,114,989	1,117,929	1,109,529	1,111,209	1,112,048	1,112,048	1,112,048
Interfund Loan Repayment (Marsh \$6.275M @ 1%)				285,000	285,000	285,000	285,000
Abatements & Cancellations	176,000	176,000	176,000	176,000	176,000	176,000	176,000
Ridgedale Tax Abatement	75,000	80,000	85,000	90,000	95,000	100,000	105,000
Admin primary cycle (base change)			145,000	(145,000)	145,000	(145,000)	145,000
Cable staffing, services, & supplies moved to GF			326,700	330,000	333,300	336,600	340,000
Fire Standards of Cover Study							
Police Standards of Cover Study							
2024 and Beyond Challenges (See PowerPoint)			450,000	450,000	450,000	450,000	450,000
Fire Staffing (Placeholder)				1,050,000	1,084,700	1,120,500	1,157,500
PD Staffing (1 in 2025 and 1 in 2027)				140,000	140,000	280,000	280,000
Election poll booth replacements (one-time purchase)			75,000				
HRA Levy	325,000	300,000	300,000	325,000	325,000	300,000	325,000
<b>Total Property Tax</b>	<b>45,364,282</b>	<b>48,135,374</b>	<b>50,883,524</b>	<b>53,912,894</b>	<b>57,912,018</b>	<b>59,989,418</b>	<b>61,973,718</b>
Increase from prior year	2,262,791	2,771,092	2,748,150	3,029,370	3,999,124	2,077,400	1,984,300
Property Tax Change	<b>5.25%</b>	<b>6.11%</b>	<b>5.71%</b>	<b>5.95%</b>	<b>7.42%</b>	<b>3.59%</b>	<b>3.31%</b>
<i>Impact of Tax Abatement Change on above %</i>	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
<i>Levy % change CIP</i>	2.3%	-0.9%	1.5%	2.4%	1.6%	1.1%	0.0%
<i>Impact of PS Facility</i>							
Final Total Levy wo/HRA	45,039,282	47,835,374	50,583,524	53,587,894	57,587,018	59,689,418	61,648,718
	<b>5.23%</b>	<b>6.21%</b>	<b>5.75%</b>	<b>5.94%</b>	<b>7.46%</b>	<b>3.65%</b>	<b>3.28%</b>

# 2024-2028 CIP

- Leveraging Property Taxes
  - Annual CIP expenditures range from \$20 to almost \$35 million. Property taxes pay for about \$10 million of those costs.
  - Other financing sources include:
    - User fees (water, sewer, storm utility fees)
    - Franchise fees (charge to utilities to utilize ROW)
    - Grants (federal, state, local)
    - Bonding (city and state bonding)
    - State-aid (Municipal State-Aid, one-time Public Safety Aid)
    - Partnerships (Both public agencies and private industry)
      - TIF
      - Park Dedication
    - Donations



# 2024-2028 CIP

- Challenges (Capital related items from last week's slides)
  - Inflation
  - Supply chain issues
  - Project timeliness (contractors having same issues with supplies and labor shortages)
  - Ensuring streets, water, sewer infrastructure continue to receive needed attention
  - Police and Fire master plans
  - Recreational facilities study (Marsh, Community Center, Williston Fitness Center, Glen Lake Activity Center)
  - Opus Park

# 2024-2028 CIP

- CIP Categories (Review CIP sections and notable projects)
  - Municipal Buildings
  - Recreational Facilities
  - Parks, Trails & Open Space
  - Major Equipment
  - Technology
  - Local Street Improvements
  - MSA Street Improvements
  - Storm Drainage Improvements
  - Water & Sewer Improvements

# 2024 BUDGET

- Budget Timeline
  - June 5 – 2024 budget kick-off session
  - **June 12 – CIP study session**
  - Late June/Early July – Community Survey
  - August 21 – Operating budget study session
    - Traditionally focuses on major impacts to the budget and levy, i.e. new programs and major impacts to the budget and levy
  - September 18 – Preliminary levy and budget adopted
  - November 20 – Operation budget study session
    - Review of draft budget by fund and department
  - December 4 – Budget public hearing and adoption of final budget and levy
  - December 18 – Alternate budget approval date



# QUESTIONS

- What questions and/or discussion points does the council have in regards to the proposed 2024-2028 CIP projects, funding or tax levy?



CITY OF  
MINNETONKA

# COMMUNITY SURVEY

What do you like most about living in Minnetonka?

- Safe 12%
- Schools 13%
- Trees/Nature 11%
- The lake 13%
- Quiet 11%

What do you like least about living in Minnetonka?

- Nothing 28%
- Traffic congestion 19%
- High taxes 17%

# COMMUNITY SURVEY

If you could increase the budget by 1%, which would be the highest priority?

- Police/Fire 27%
- Parks and Trails 26%
- Streets 18%

What park amenities does your household use most often?

- Trails 34%
- Playground equipment 19%
- Athletic fields 11%
  
- Would you be willing to see a property tax increase to fund the city's work on environment & sustainability?
  - Strongly yes and yes – 77%

# 2024-2028 Economic Improvement Program

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# Program Review

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## Program Review Considerations

- Alignment with the city's strategic plan
- Programs that “but for” the city's funding, there would be no program and if that program purpose aligns with other city goals (i.e. comprehensive plan, housing plan, etc.)
- What area of economic development (transportation, housing, business, or redevelopment) does the program serve and is currently under committed?

# EIP Schedule

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## The schedule for approval is as follows:

- April 27 EDAC – Review the existing 2023-2027 EIP and provide feedback for the 2024-2028 EIP.
- June 12 City Council Study Session – Review draft 2024-2028 EIP and provide feedback
- July 13 EDAC – Finalize full EIP document and make a recommendation to the city council
- Sept. 18 City Council – Review and approve EIP

# EIP Overview

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EDAC to make recommendation to City Council/EDA on:

- **Development Account (Pre-development)**
  - Fund balance of \$5,643,602
- **Livable Communities Account (HWR)**
  - Fund balance of \$773,111
  - 473,000 Previously committed to HWR for purchase/rehabilitation of homes and ongoing admin.
- **Community Development Block Grant**
  - Fund Balances
    - \$99,331 (HWR remaining funds - Rehab)
    - \$132,024 (2023 Allocation for CDBG)
- **HRA Levy (Housing, SWLRT, Business)**
  - Fund balance of \$1,281,865
    - \$ 636,436 committed to housing loans
    - \$ 126,532 marketing use
    - \$ 50,000 emergency business assistance
    - \$ 75,000 SWLRT (2024/2025 remaining)
- **Affordable Housing Trust Fund**
  - Fund balance of \$4,178,680
- **American Rescue Plan Act (Indirect ARPA)**
  - \$300,000 Pathways
  - \$50,000 Rent Assistance (2023/2024)
  - \$100,000 Code Compliance
  - \$200,000 His House

# 2023 Approved Programming

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## **HRA Levy**

- \$100,000 continued funding for down-payment and housing rehabilitation programs (increase in some transactions for expanded program)
  - \$636,436 Remaining
- \$125,000 continued contribution for Homes Within Reach
  - \$773,111 Remaining in fund

## **Indirect ARPA (New Programs)**

- \$300,000 for Pathways to Homeownership program
  - May 1, 2023 City Council Review
  - Pilot program
- \$200,000 for Homelessness Prevention Pilot Program
  - \$180,2020 remaining
  - Assisted 4 Minnetonka households
- \$50,000 for Rental Assistance
  - 2-year commitment for 2023/2024
  - \$67,000 remaining

## **Affordable Housing Trust Fund (New Initiatives)**

- Noah Preservation Opportunities
- Scattered site acquisition/affordable housing ownership production
- Redevelopment of city owned sites/affordable housing production (Baker/Rowland in 2023)
- Housing Insecurity (Homelessness)

# Opportunities for 2024

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## **HRA Levy**

- \$100,000 continued funding for down-payment and housing rehabilitation programs (increase in some transactions for expanded program)
- \$125,000 continued contribution for Homes Within Reach

## **Affordable Housing Trust Fund (New Initiatives)**

- Noah Preservation Opportunities
- Scattered site acquisition/affordable housing ownership production Redevelopment of city owned sites/affordable housing production (Belmont/Welland)

## **Housing Initiatives**

- Housing Insecurity (Homelessness)
  - Development of Housing Dashboard
  - Discussions with Hennepin County/Funding Partners
- Affordable Housing Dashboards
- Discuss Rental Registry Program Research - July
- Discuss Tenant Protections – Fall 2023

## **Grants**

- Policy Grant – Zoning review – Secured \$50,000
- Metropolitan Council rental assistance grant – up to \$500,000
- Met Council – Homeownership Pilot

## **Omnibus Housing Bill - \$1B**

# Housing 2024-2028 EIP

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- The total five-year estimated cost of the programs is \$41,446,000.

Program	2024	2025	2026	2027	2028	5-Year Total
CDBG Entitlement	32,000	34,000	35,000	35,000	35,000	\$171,000
Homes Within Reach	125,000	125,000	125,000	125,000	25,000	\$525,000
Housing Improvement Areas	10,000,000	10,000,000	5,000,000	5,000,000	5,000,000	\$35,000,000
Minnetonka Home Enhancement	50,000	50,000	50,000	50,000	50,000	\$250,000
Welcome to Minnetonka	50,000	50,000	50,000	50,000	50,000	\$250,000
Housing Trust Fund	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	\$5,250,000
<b>Total</b>	<b>\$11,307,000</b>	<b>\$11,309,000</b>	<b>\$6,310,000</b>	<b>\$6,310,000</b>	<b>\$6,210,000</b>	<b>\$41,446,000</b>

Conceptual Programs  
Housing Program Research

# Staff Recommended Changes/Additions

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## Housing Chapter:

- Update all housing program pages with new projections
- Update Affordable Housing Production Chart
- Updates to Active Pages
- Housing Program Research
  - Pathways Program – May 1, 2023 council
  - Homelessness prevention – Pilot in progress
  - Rental Registry – discussion at July study session
- Update pages with strategic profile
- Redevelopment of city owned properties
  - 5501 Baker Rd – Demo underway
  - 5321 Rowland Rd – Demo underway
  - Newly acquired 10505 Belmont and 1805 Welland

# 2023 Approved Business Programming

## HRA Levy (New)

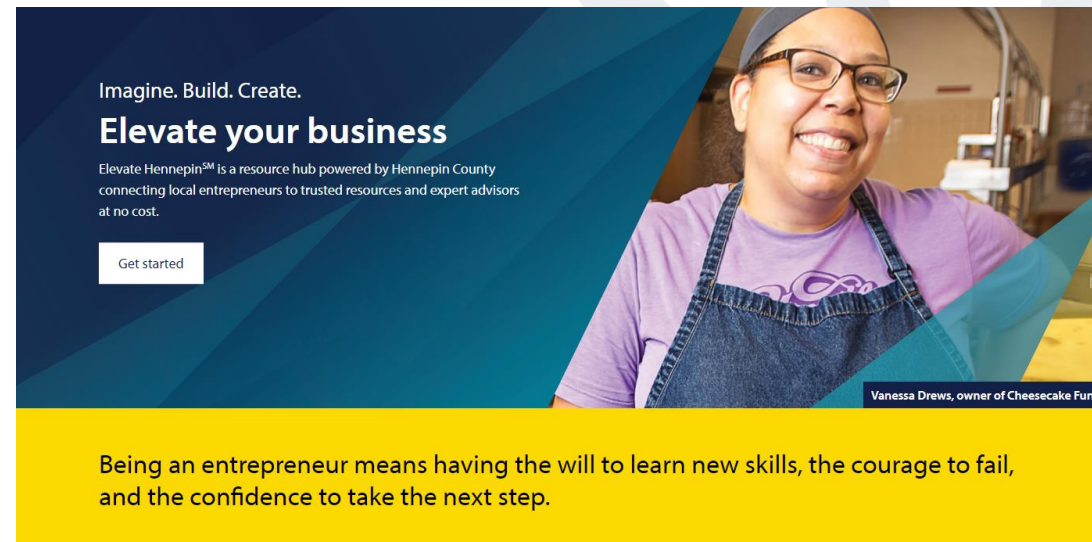
- \$50,000 in emergency assistance (HRA levy 2022) for technical assistance to businesses – approved in 2023

## ARPA (New)

- \$100,000 in ARPA funding approved for commercial business code compliance improvement grant (ADA improvements, building/health code deficiencies) – approved in 2022

## HC Elevate and Open to Business

- \$40,000 (2023/2024) – new in 2023



Imagine. Build. Create.  
**Elevate your business**

Elevate Hennepin<sup>SM</sup> is a resource hub powered by Hennepin County connecting local entrepreneurs to trusted resources and expert advisors at no cost.

[Get started](#)

Vanessa Drews, owner of Cheesecake Funk

Being an entrepreneur means having the will to learn new skills, the courage to fail, and the confidence to take the next step.



# Opportunities for 2024

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## **2024 Opportunities**

- Promote cultural business organizations
- Workforce Collaboration
- Continue Implementation of business work plan
- Business Survey update
- CPTED review for businesses and multifamily in review process

## **Business Analyst Software - ESRI**

## **Business Chapter Updates**

- Update all business program pages with new projections
- Create page for Emergency Business Assistance
- Create page for Code Compliance Program
- Add Contractor Expo to Business Marketing

## **General Updates**

- Update pages with strategic priorities and comprehensive plan strategies

# Business Chapter 2024-2028 EIP

- The total five-year estimated cost of the programs is \$13,103,000.

Program	2024	2025	2026	2027	2028	5-Year Total
Fire Sprinkler Retrofit	50,000	50,000	50,000	50,000	50,000	\$250,000
Housing/Redev. Grants	2,000,000	2,000,000	1,000,000	500,000	500,000	\$6,000,000
GreaterMSP	25,000	25,000	25,000	25,000	25,000	\$125,000
MIF/JCF	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	\$6,000,000
Business Advisory Services	20,000	20,000	20,000	20,000	20,000	\$100,000
Outreach	0	25,000	25,000	25,000	0	\$75,000
MPLS Regional Chamber	600	600	600	600	600	\$3,000
SAC/REC Program	50,000	50,000	50,000	50,000	50,000	\$250,000
Commerial Code Compliance	50,000	50,000	50,000	50,000	50,000	\$250,000
Emergency Business Assistance	10,000	10,000	10,000	10,000	10,000	\$50,000
<b>Total</b>	<b>\$4,205,600</b>	<b>\$3,230,600</b>	<b>\$2,230,600</b>	<b>\$1,730,600</b>	<b>\$1,705,600</b>	<b>\$13,103,000</b>
Conceptual Programs						
Special Service Districts						\$0

Programs in blue indicate city funded programs/initiatives  
 Programs in green indicate pass-through funding

# Transit Opportunities for 2024

## Transit Improvements

- Network Now outreach began April 12

## General Updates

- Update all transit program pages with new projections

## TOD Planning Efforts



# Network**NOW**

## What should Metro Transit's network look like now?

Over the coming year we will develop a plan for the future that continues to invest in improving our service as more resources, such as additional drivers, are available. We want your input in shaping our plans for today and the next five years to best meet the needs of our region.

# Transit Chapter 2024-2028

- The total five-year estimated cost of the program is \$180,000.

Program	2024	2025	2026	2027	2028	5-Year Total
Commuter Services (494)	32,000	34,000	36,000	38,000	40,000	\$180,000
Total	\$32,000	\$34,000	\$36,000	\$38,000	\$40,000	\$180,000

Conceptual Programs

\$0

Programs in blue indicate city funded programs/initiatives  
Programs in green indicate pass-through funding

# Development/Redevelopment Opportunities 2024

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## **Conceptual – Development and Redevelopment**

- Updates to Housing dashboard to include townhomes and senior housing
- LRT Payback nearly complete
- 2030 Comp Plan studies noted

## **General Updates**

- Update all development and redevelopment program pages with new projections
- Update pages with strategic priorities and comprehensive plan strategies

# Development/Redevelopment Chapter 2024-2028 EIP

- The total five-year estimated cost of the programs is \$750,000.

Program	2024	2025	2026	2027	2028	5-Year Total
Predevelopment	75,000	75,000	75,000	75,000	75,000	\$375,000
LRT & Station Areas	75,000	75,000	0	0	0	\$150,000
Village Center Studies	0	0	75,000	75,000	75,000	\$225,000
<b>Total</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$750,000</b>

Conceptual Programs  
Special Service Districts

\$0

Programs in blue indicate city funded programs/initiatives  
Programs in green indicate pass-through funding

# Additional Edits

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## **TIF**

- Update document with 2022 TIF Management Report
- Add new TIF commitments (Marsh II Redevelopment District Pending)

## **General Updates**

- Update pages with strategic priorities and comprehensive plan strategies

# 2024 Proposed Funding Summary

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## HRA LEVY

### *Housing*

- \$100,000 Housing Programs
- \$125,000 Homes Within Reach
- \$75,000 Southwest LRT Commitment

**Total \$300,000**

## Committed Funding (programs in development)

- \$300,000 Pathways Program
- \$50,000 Business Grant
- \$50,000 Policy Grant – zoning

## Opportunities

- Rental Assistance \$500,000 Grant
- Omnibus Bill Programs

## Affordable Housing Trust Fund (New Opportunities)

- Noah Preservation Opportunities
- Scattered site acquisition/affordable housing production
- Redevelopment of city owned sites/affordable housing production

**Available balance will be used – project dependent**

**Omnibus Housing Bill - \$1B – More info in 2023/2024**



# Discussion Question

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- Does the council wish to offer additional direction regarding the recommended 2024-2028 EIP?





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# Transit-Oriented Development

- TOD focuses on creating “compact, walkable, pedestrian-oriented, mixed-use communities centered around high-quality train systems.”
- **Met Council’s TOD policy has 4 goals:**
  1. Maximize the development impact of transit investments by integrating transportation, jobs and housing.
  2. Support regional economic competitiveness by leveraging private investment.
  3. Advance equity by improving multimodal access to opportunity for all
  4. Support 21st century transportation system through increased ridership and revenues.
    - Some examples of TOD Studies and Projects in the Twin Cities can be found here - <https://www.metrotransit.org/tod-studies-and-projects>

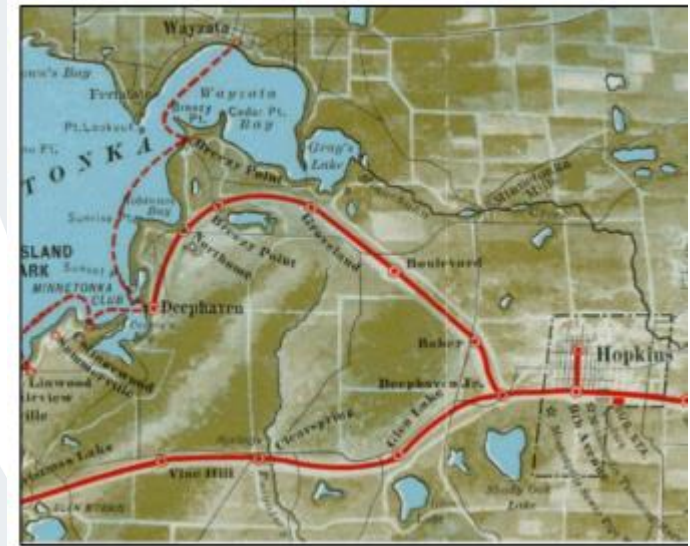
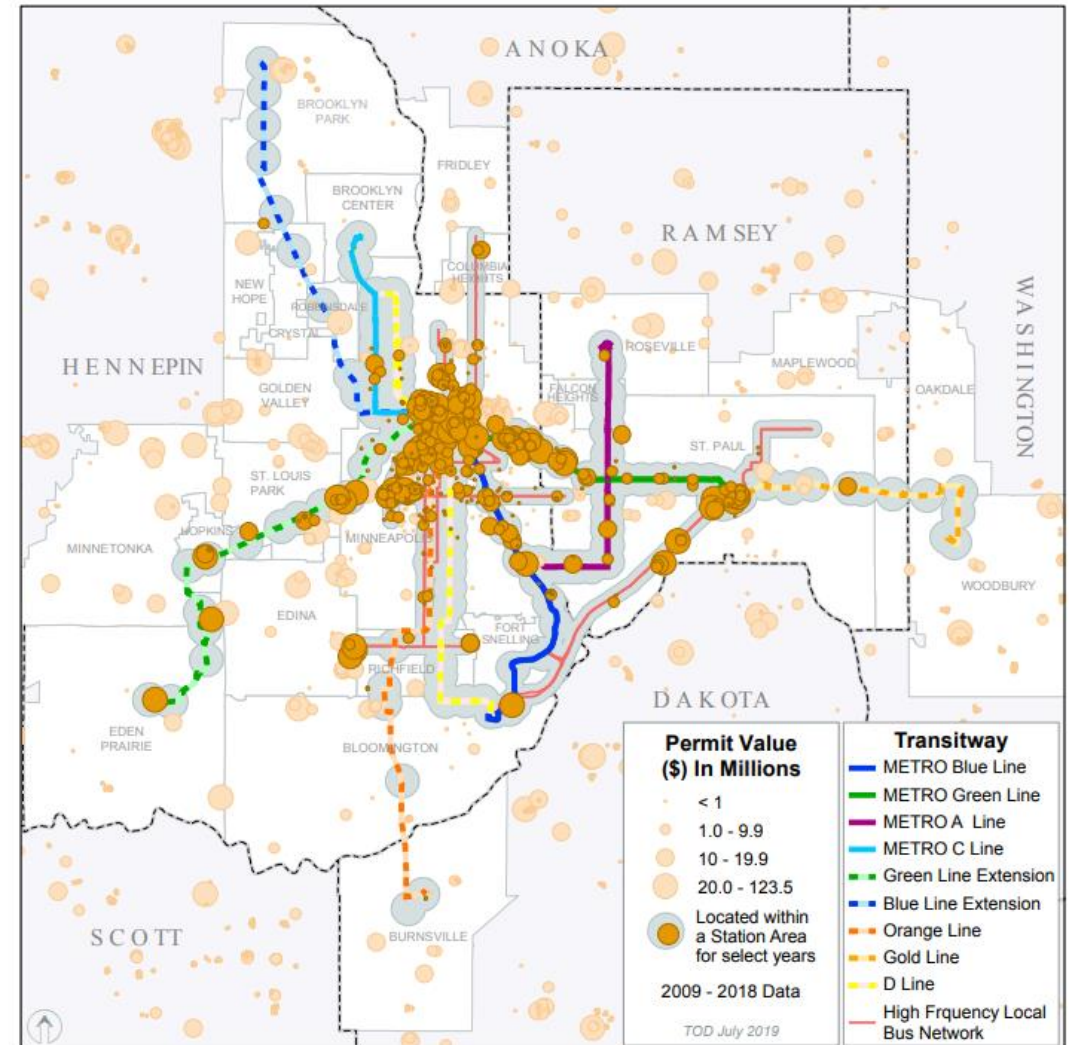


Image of historic streetcar system

# Transit-Oriented Development

- **Investment in TOD areas**
  - A Met Council article from 2018 highlighted nearly \$8 billion in investments along the Metro Green Line Extension since the project was approved.
  - Nearly \$500 million in housing redevelopment investment occurred at the Opus Station Area over the past six years alone.
  - In 2019, Metro Transit published a report titled “Development Trends Along Transit” that provides additional insight into development trends along high-frequency transit.

Map 1: Multifamily Residential Development near High Frequency Transit



Map 1 shows the expected concentration of residential developments near urban cores. However, noticeable clusters of multifamily developments also occur along the Green Line between Minneapolis and St. Paul, along the Blue Line through south Minneapolis, and along other high frequency transitways.

# Transit-Oriented Development

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- **Future LRT Initiatives and Plans**
    - Network Now – Metro Transit
    - Last Mile Connections
  - **City of Minnetonka Initiatives and Planning for TOD**
    - 2002 – Feasibility study
    - 2009 – Hennepin County Rail Authority station area planning
    - 2011 – Southwest LRT Overlay
    - 2013 – Southwest Corridor Investment Framework – TSAAP
    - 2016 – Shady Oak Redevelopment Strategy
    - 2018 – Opus Area Placemaking and Urban Design Implementation Guidelines
    - 2021 – Opus AUAR
    - 2024-2028 – Capital Improvement Plan (CIP) and Economic Improvement Program (EIP)
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# Transit-Oriented Development

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- **Discussion Questions**

1. What questions does the city council have about transit-oriented development?
2. Is additional information desired, and what is next?





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