



**AGENDA**  
**CITY OF MINNETONKA**  
**ECONOMIC DEVELOPMENT ADVISORY COMMISSION**  
Aug. 10, 2023  
6:00 p.m.

City Council Chambers – Minnetonka Community Center

1. Call to Order

2. Roll Call

Charlie Yunker  
Maram Falk  
Melissa Johnston  
Ann Duginske Cibulka

Steven Tyacke  
Jay Hromatka  
Lee Jacobsohn

3. Approval of Minutes:  
a. April 27, 2023  
b. May 11, 2023

**BUSINESS ITEMS**

4. 2024-2028 Economic Improvement Program

Review and provide a recommendation.

5. Staff Report

6. Other Business

- a. The Joint City Council, EDAC, and Planning Commission meeting is **Aug. 31, 2023 at 5:30 p.m.**
- b. The next scheduled regular EDAC meeting is **Sept. 21, 2023 at 6:00 p.m.**

7. Adjourn

If you have questions about any of the agenda items, please contact:  
Alisha Gray, EDFP, Economic Development and Housing Manager (952) 939-8285  
Julie Wischnack, AICP, Community Development Director, (952) 939-8282

**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 explained that studies have 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 engage residents.

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 as presented.

## **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.

**Unapproved  
Minnetonka  
Economic Development Advisory Commission  
Minutes**

**May 11, 2023**

**1. Call to Order**

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

**2. Roll Call**

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

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

Consultants available by phone: Financial consultant Sean Lentz of Ehlers and Associates.

Councilmember Deb Calvert was present.

**3. Greystar 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.

Tyacke asked why the financial assistance source being considered changed from tax increment to the affordable-housing-trust fund. Grey explained that the affordable-housing-trust fund is utilized for smaller requests for assistance because it is easier to administer and to show the legislature that progress is being made to utilize the funds the city received from the legislature.

In response to Tyacke's question, Gray explained that the staff is recommending approval of assistance because the developer agreed to provide more affordability than what is required in the policy.

Jacobsohn asked how the assistance request amount was able to be decreased from \$5 million to \$500,000. Lentz explained that Ehlers staff reviewed the proposal and found that the appropriate amount of assistance would be \$500,000.

Duginske Cibulka would like specific numbers to explain how \$500,000 would be the appropriate amount of assistance. She was concerned that the project costs have not been reduced and the proposal would not be feasible from a cost perspective.

Lentz explained that \$500,000 would assist the first couple of years with the yield on cost to get it over the initial hump and establish the profit above the metric the applicant requested. After the first couple of years, the yield on cost would be fine.

Ned Dodington, representing Greystar, Inc., the applicant, stated that:

- The applicant's financial analysis shows a \$5 million financial gap.
- He "did not disagree" with Lentz's analysis, except that it assumes that the building would be up and operating in two years. That is the challenge with higher interest rates and the cost of providing affordable-housing units.
- The \$500,000 is appreciated, but it would not allow the project to be financeable in today's market.

Jacobsohn asked if the applicant would still request assistance from the city if the proposal did not include affordable-housing units. Mr. Dodington answered that the applicant would still open the conversation to see if assistance would be available. The proposal has equity and a bank loan in place.

Jacobsohn asked if the project would go forward with \$500,000 of assistance from the city. Mr. Dodington said that the applicant was not in a position to turn down any assistance. There is an equity partner and a lender the applicant is starting to work with. He thinks there is a fair chance that the proposal would go forward with \$500,000 of assistance from the city.

Falk asked if the proposal would reduce the number or type of affordable units if the city's financial assistance would be \$500,000. Mr. Dodington stated that he is not recommending any kind of reduction in the number or type of affordable units. The gap in the net operating income (NOI) is not the issue for the applicant; the issue is getting in the ground.

Duginske Cibulka confirmed with Mr. Dodington that the bank loans and equity would need to be renegotiated.

Duginske Cibulka asked if the market-rate apartments would have to absorb a higher rent to make up for the loss of assistance. Mr. Dodington said that those levers probably would be pulled at least initially to stretch the pro forma to overcome this challenge. Duginske Cibulka was concerned with creating unaffordability at a higher level which could ultimately leave some units empty and create an unsuccessful project.

Hromatka asked how the proposal's market-rate-unit rents compare to what is currently offered in Opus. Mr. Dodington answered that the starting rents at Allcott, the Doran project, and Wellington are where the applicant thought they would be. There is still a

fairly robust market in Opus. The applicant's proposed market-rate rents still feel very comfortable.

Jacobsohn noted that the market-rate rents would be set to achieve absorption at a certain rate. The market-rate rents would be determined more by the market than the amount of assistance. Mr. Dodington agreed.

Duginske Cibulka confirmed with Mr. Dodington that the overall cost of the project is estimated at \$94, and the actual construction costs are estimated at \$66 million to \$70 million.

Duginske Cibulka requested staff provide an analysis of the cost of projects completed in Opus and the percentage of the amount of public assistance provided for each.

Tyacke supports reviewing a comparable analysis, the city being consistent with providing assistance, and following the financial analysis completed by Ehlers and Associates as has been done for numerous other projects.

Hromatka reviewed the affordable-housing-production summary included in the staff report. When comparing assistance per unit per year, \$500,000 for the current proposal would be on the low end of what has been done recently. Wischnack explained that the summary was one of many things used to determine if a request for financial assistance is appropriate. Each proposal's project pro forma, input sources and uses of funds are different. The financial consultants at Ehlers do a deep dive to provide an objective opinion regarding whether the assistance is needed and what amount would be reasonable.

Calvert noted that the affordable housing policy went into effect in 2014, and councilmembers strive to apply it consistently, but every project is different. The price per unit is hard to compare without considering other factors. She appreciates the commission's discussion, which will be extremely helpful to councilmembers.

Hromatka felt that, in order to promote and have more affordable housing stock, the city may have to provide more assistance to make a project work in a challenging market.

Jacobsohn noted that the proposal would provide five percent of the units at 40 percent area median income (AMI) and five percent of the units at 80 percent AMI which is less costly for the developer than the policy standard of five percent of the units at 50 percent AMI and five percent of the units at 60 percent AMI. The math would come out even if the proposal offered five percent of the units at 40 percent AMI and five percent of the units at 70 percent AMI.

In response to Duginske Cibulka's question, Lentz explained that the value of the TIF assistance would go up if the funds would be used as a capital cost reduction, but determining if the assistance would get outsized in later years due to inflation would need to be calculated. There is a significant difference between Greystar's property-tax estimate and Ehlers' staff's property-tax estimate, which is another significant



determining factor when calculating the appropriate amount of assistance that are significantly different. Lentz discussed the discrepancy with Mr. Dodington previously, but Greystar's property-tax estimate did not change.

Duginske Cibulka asked what would change about the proposal if no more than \$500,000 of assistance would be approved by the city council. Mr. Dodington answered that he would discuss the situation with the equity partner and go from there.

Hromatka did not see a downside to recommending that the city council approve the staff's recommendation to provide assistance at the \$500,000 level. The worst thing that could happen would be that Greystar would submit a new proposal if this one does not work out.

Duginske Cibulka was concerned with the feasibility of the project at the \$500,000 level of public assistance.

Jacobsohn moved, Tyacke seconded, a motion to approve the financial assistance request of \$500,000 for Greystar Development, Inc. as provided in the staff report. Duginske Cibulka, Falk, Hromatka, Jacobsohn, Tyacke and Yunker voted yes. Johnston was absent. Motion carried.

#### **4. Emergency-Business-Loan Fund**

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

Hanson provided the staff report. Staff recommends commissioners review the emergency-business-loan fund and provide feedback.

Jacobsohn suggested adding "unforeseen circumstance(s)" as a requirement to qualify for an emergency-business loan and giving preference to an unforeseen circumstance that was caused by a city or county improvement project.

Chair Yunker clarified with Jacobsohn that he would choose to support an application that requested a loan caused by an unforeseeable event over one that was due to a change in the market.

Jacobsohn suggested adding businesses that sell firearms to the list of ineligible applicants.

In response to Hromatka's question, Hanson explained that the code-compliance loan program does not have ineligibility restrictions on legally operating businesses in Minnetonka. Calvert explained that councilmembers identified that code compliance is a safety issue for all businesses and patrons, but providing assistance to keep a business viable is a separate issue.

Hromatka agreed that the emergency-business loan is a different animal than the code-compliance loan. Commissioners nodded in agreement.

Jacobsohn supports fairness but was inclined to stick with the applicant-eligibility restrictions since the emergency-business loan program does not have a lot of funds available.

Hromatka supports including eligibility restrictions for the emergency-loan program.

Chair Yunker confirmed with commissioners' unanimous support to add businesses that sell firearms to the list of ineligible businesses to receive an emergency-business loan.

Commissioners discussed including businesses that primarily generate their income from the sale of THC products as ineligible for an emergency-business loan.

Falk asked if there would be an option for a business to apply a second time. Hanson explained that would not be an option in the current draft, but a commissioner could recommend that change. The decision to limit the number of applications to one per business was made to prevent favoring one business over another and to provide assistance to as many businesses as possible.

Hromatka moved, Falk seconded, a motion to recommend that the city council approve the emergency-business-loan fund as presented in the staff report with the inclusion of businesses that primarily generate their income from firearms and THC sales as ineligible. Duginske Cibulka, Falk, Hromatka, Jacobsohn, Tyacke and Yunker voted yes. Johnston was absent. Motion carried.

## **5. Other Business**

The next EDAC meeting is scheduled to be held on June 22, 2023.

## **6. Adjournment**

The meeting was adjourned at 7:30 p.m.



**Economic Development Advisory Commission  
Item #4  
Meeting of Aug. 10, 2023**

**Title:** 2024-2028 EIP  
**Report From:** Alisha Gray, Economic Development and Housing Manager  
**Submitted through:** Julie Wischnack, AICP, Community Development Director

---

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

---

**Summary Statement**

Staff present recommendations on updates to program and economic development strategies each year ahead of the city's budget discussions.

**Recommended Action**

Review and provide a recommendation for the 2024-2028 Economic Improvement Program (EIP).

The schedule for approval is as follows:

- August 10 EDAC — Finalize the full EIP document and make a recommendation to the city council.
- September 18 city council meeting — Review and approve EIP.

**Strategic Profile Relatability**

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

**Financial Consideration**

Is there a financial consideration?  No  Yes  
Financing sources:  Budgeted  Budget Modification  New Revenue Source  
 Use of Reserves  Other [Enter]

## **Background**

The city's first Economic Improvement Program (EIP) was published in 2012, making this the twelfth iteration of the document. The EIP's purpose is to provide a detailed five-year plan of the city's economic development activities. Staff updates the document annually.

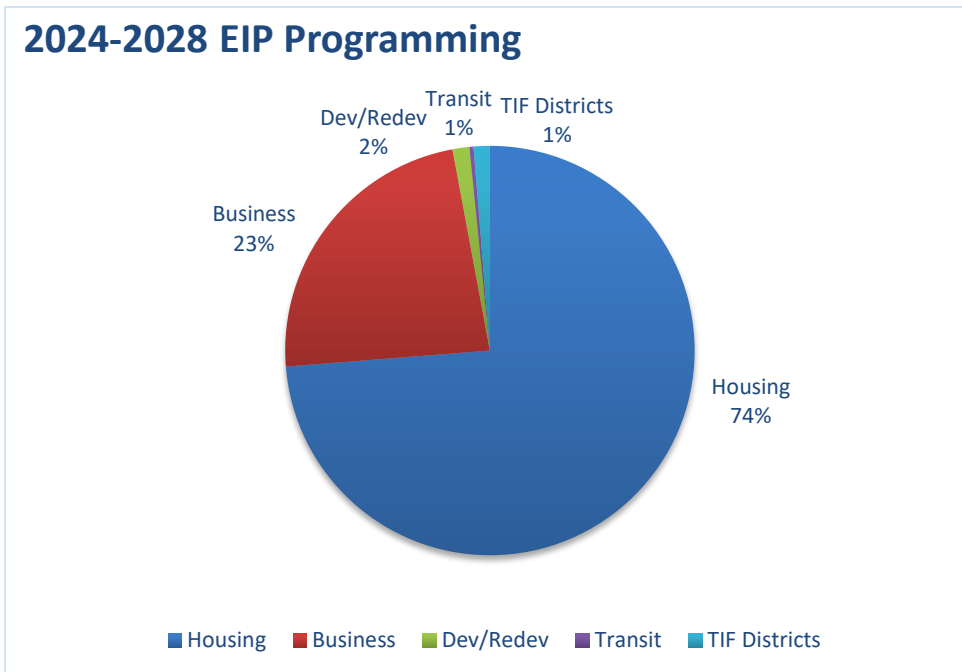
## **2024-2028 Economic Improvement Program**

The draft EIP has been prepared based on the comments the city council received during previous EIP reviews and the Economic Development Advisory Commission's (EDAC's) feedback from the [April 27, 2023](#) meeting.

- **Chapter 1 Policy** — defines what funding categories programs will fall under and details the funding principles.
- **Chapters 2 through 7** — provides program pages for the city's existing and potential future economic development efforts. The program page details the description, purpose, goals, budget impacts, schedule, and key measures. Additionally, it outlines the funds needed to develop or sustain the program over a period of years.
- **Chapter 8 Funding Sources and Expenditure Projections** — provides summary tables, including the first table, a one-year (2023) summary of total expenditures by category and fund. The second set of tables presents 10-year funding sources and expenditure projections. The final table summarizes the 10-year projection of all funds.
- **Chapter 9 Affordable Housing Goals** — itemizes how the city has and will meet its 1995-2010, 2011-2020, and 2021-2030 affordable housing goals, including any EIP programs used to assist the project and the affordable housing income limits.
- **Glossary** — Glossary of programs, terms, and acronyms.

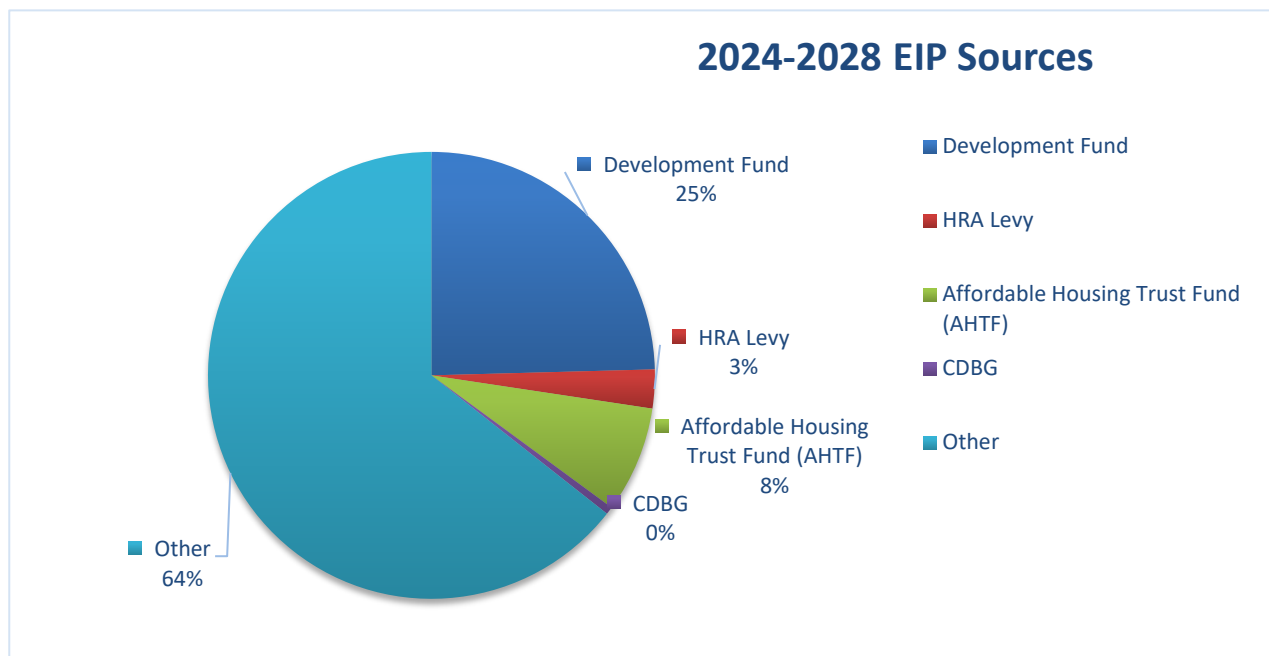
## ***Uses of EIP Funds***

Housing programming is the city's highest priority in the recommended EIP this year. Nearly \$41.4 million is projected to be allocated for housing programs, in contrast to roughly \$13.1 million for business programs. The funding allocated to housing programming increased due to an uptick in interest in the Housing Improvement Area program and the addition of the Affordable Housing Trust Fund. Other uses include grants for housing redevelopment projects, environmental cleanup, and business development. Generally, those funds are not city dollars but pass-through grants or loan programs.



Business programming is the second-highest priority category in the 2024-2028 EIP. The lowest priority investment categories are development/redevelopment and transit program areas.

Accounting for the largest single resource for EIP implementation at 64 percent of all funding (approximately \$35 million) is other sources of funding. This funding source represents primarily pass-through funds from other agencies. The Development Fund and Affordable Housing Trust Fund are anticipated to generate the next largest funding sources for programming.



## **2024-2028 EIP Updates**

### **Housing Chapter Summary**

#### *CDBG Program*

Community Development Block Grant (CDBG) program administration switched to Hennepin County on July 1, 2018. Changes to the program include:

- Entitlement Funds (Prior to July 1, 2018)
  - The sources/uses for this year assume program income from loan repayment following the end of the federal funding. There is an increase in loan repayment (there are 111 outstanding loans) due to increased home sales and the number of outstanding loans.
    - Program income of approximately \$35,000 per year is generated from loan repayments. Program income passes through to Hennepin County to provide additional rehab loans in Minnetonka through their rehab program.
  - In 2020, the council directed staff to create a home rehab program exclusively for Homes Within Reach (HWR) residents with the remaining fund balance. The maximum grant amount was set at \$7,500. Current program statistics for the 62 HWR homes in Minnetonka are as follows:
    - Sixteen projects are completed.
      - \$96,248 remaining in funding.
      - More marketing will occur to expend these funds.
- CDBG Consortium (July 1, 2018, to present)
  - CDBG funds no longer flow through the city and are not included in the page sources/expenditures section. The award for 2023 is \$132,024.
  - Administration
    - The county receives 13%-15% to administer the CDBG portfolio (reporting, intake of Small Projects Program (SPP) clients, fair housing, monitoring, environmental review, processing applications, processing subordination and payoff requests, submitting annual Consolidated Annual Performance Evaluation Report (CAPER), and other reports to the Department of Housing and Urban Development (HUD).
  - Home Rehabilitation Program
    - The county started administering the program in July 2018.
    - There is a maximum loan amount of \$15,000.
      - Five loans disbursed in 2021
      - Eight loans disbursed in 2022
        - Eight loans are in the application process
  - Fair Housing
    - The city is involved in Fair Housing activities; however, the county is responsible for coordinating these efforts on behalf of the city.
    - In 2022, staff participated in fair housing training over two workshops.
    - The city adopted its own [Fair Housing Policy](#) in November 2018.

- Public Services
  - Agencies now apply for funding through the county's coordinated Request for Proposal (RFP) process.
  - In 2022, ICA, HomeLine, Senior Community Services, and the Sojourner Project received funding.

*Homes Within Reach (HWR)*

- In 2021, for program years 2022-2026, \$125,000 in funding was designated in the plan, as discussed during the previous discussion.
- The budget for 2023, specifying the uses of the HRA Levy, was adopted on [Dec. 5, 2022](#), and included \$125,000 in funding for Homes Within Reach.

*Welcome to Minnetonka and Minnetonka Home Enhancement*

- The Center for Energy and Environment manages these programs for the city.
- There is a current fund balance of approximately \$637,504 for these programs, with 23 loans outstanding.
- The average loan amount for the Welcome to Minnetonka Program is \$10,936; the Minnetonka Home Enhancement average loan amount is \$10,849.
- 

*Housing Improvement Areas*

- The city issued bonds in 2019 to repay the Cloud 9 association's construction loan. The loan is repaid through the housing fee collected on the annual property tax statements.
- Cedar Ridge also participated in the HIA program in 2012. Cedar Ridge received a loan and is repaying the housing fee through annual property tax collection.
- Staff continues to receive two to three inquiries a year for this program.

*Affordable Housing Trust Fund (AHTF)*

- Council approved a temporary AHTF in 2020 to provide emergency rental assistance to households impacted by COVID-19 and established a permanent AHTF in 2021.
  - \$4,961,680 in pooled tax increment was transferred to the fund in 2021 to support affordable housing efforts, and in 2021, a loan repayment from the Cliffs apartments added \$2,100,000 to the fund. Accounting for recent transactions, the fund now has a remaining balance of approximately \$4.1 million.
  - In 2024, the city will receive \$626,311 from the \$0.25 Metro Sales Tax approved by the legislature in 2023 for affordable housing initiatives.
  - To date, the fund has contributed to the following initiatives:
    - \$350,000 in emergency rental assistance through ICA
    - \$553,000 Minnetonka Station affordable housing
    - \$280,000 Doran Apartments affordable housing
    - \$400,000 The Pointe (Amira Minnetonka) affordable housing
    - \$200,000 Homelessness Program
    - \$300,000 Pathways to Homeownership
    - \$1,000,000 Cedar Hills Townhomes Improvements

- Staff recommends that the AHTF continue to support additional affordable housing initiatives in the 2024-2028 EIP, including single-family and affordable rental housing opportunities.
- The city council packet information from [Nov. 23, 2020](#), outlines the eligible sources and uses of the AHTF.

#### *City-owned properties*

- Staff completed due diligence on 5501 Baker Road and 5432 Rowland Road (residential) to sell for affordable housing in 2023/2024 and advertised to attract contractors and builders to submit proposals for the sites.
  - Staff will review and present the proposals to EDAC and the council this year.
- The city purchased two additional single-household properties in 2022. Throughout 2023-2024 staff will study potential affordable housing opportunities for those sites.

#### *Pathways to Homeownership*

- On May 1, 2023, the city council approved \$300,000 for the Pathways to Homeownership Program Pilot Program.
  - The program will launch in Summer 2023.

#### *Emergency Rental Assistance*

- ICA and Minnetonka continue to offer emergency rental assistance for Minnetonka residents financially impacted by the COVID-19 pandemic in 2020. The city council approved \$300,000 in funding for the program. As of January 2023, 205 households received \$273,769.63 in direct rental assistance through the city's emergency rental assistance program. The average assistance per household was \$1,329. There is a balance of \$27,595 of assistance remaining, and the city approved and has allocated an additional \$50,000 for 2023.

#### *Homelessness Response*

- On July 27, 2022, an agreement between His House Foundation and the City of Minnetonka was signed to establish a two-year pilot program to help 24 homeless Minnetonka households. The Emergency Homelessness Response Assistance Program provides temporary relief for households experiencing a housing emergency and experiencing homelessness. The program finances casework, temporary housing, and first-month rent deposits. His House Foundation will help local homeless residents with intensive case management, temporary housing in extended-stay hotels, and assistance with long-term housing solutions.
  - The program officially started in September 2022, and His House Foundation has assisted 5 Minnetonka households experiencing an emergency homeless situation. There is approximately \$153,574 in funding remaining in the program.
- In 2023, the police department and community development departments developed a map-based, shared reporting system to identify and respond to homeless issues in the community. Staff or members of the public report incidents of homelessness, encampments or difficult living situations and are directed to city departments and non-profit partners to address homeless issues without a police response as the only option.



## **Business Chapter Summary**

### *Sprinkler Retrofit*

- Added continued funding of \$50,000 annually through the Special Assessment Construction Fund, as there is continued interest in this program.

### *Housing/Redevelopment Grants*

- On June 27, 2022, the city was awarded up to \$50,000 to assist with hiring a consultant to study the city's zoning districts to review barriers to compact, connected, sustainable and equitable development. The grant provides half of the cost upfront and the second half upon adoption of the policy. The city has engaged a consultant, and they will provide an overview of their work at the July 2023 study session.

### *Business Outreach*

- \$25,000 was budgeted for 2025 and 2026 to assist with ongoing costs to implement the Business Development strategy. Project costs include a business newsletter, business outreach and marketing, and potential for future business-related events.
  - The city distributed the first edition of the business newsletter in the summer of 2018 including.
    - 2,400 copies per distribution. In 2021, staff increased production to three issues per year.
    - 1,515 online subscribers on the business email list.
- Staff is proposing to conduct a follow-up business survey in 2024.

### *Minneapolis Regional Chamber*

- \$600 was included to accommodate dues to participate in the Minneapolis Regional Chamber.

### *Newly created business pages 2023/2024*

- \$50,000 – Business Technical Assistance program (existing emergency assistance funds balance from 2022) – one-time funding for businesses to assist with technical needs (marketing, legal, technology, etc.)
- \$100,000 - Code Compliance Program (Indirect ARPA funding) – a new program to assist businesses with required building improvements.

## **Transit Chapter Summary**

- No changes to this chapter.

## **Development and Redevelopment Chapter Summary**

### *Predevelopment*

- Requested \$75,000 in funding to continue support for studies and consultants.

## **Tax Increment Financing (TIF) Chapter Summary**

- Added a placeholder for the Marsh II District
- Added excerpts from TIF Management Report

## **Affordable Housing Goals Summary**

- Updated Metropolitan Council Livable Communities Housing Goals.
- Added information on Metropolitan Council projected needs, goals, and housing scores.

- Added future housing needs implementation tools from the 2040 Comprehensive Plan.

**EDAC feedback from the [April 27, 2023](#) meeting (minutes attached):**

- The commission generally agreed with the staff's recommended 2024-2028 EIP edits. The following feedback was provided for council consideration:
  - Commissioners suggested noting which programs are funded through the city and which programs are pass-through funding.
    - Staff updated the chapter summary pages to reflect this change.
  - Commissioners asked if there could be a priority for public employees to access affordable housing units to increase awareness.
    - Staff indicated that this would violate the Fair Housing Act. However, staff can market the affordable units to public employees.
  - Commissioners inquired about the current apartment vacancy rate.
    - Staff provided feedback that the vacancy rate remains low.
    - Additionally, the newly constructed buildings are currently leasing, and many have signed leases before the building is opened.

**City Council Feedback from the June 12, 2023 Study Session**

- Council member Coakley inquired about the 5-year commitment to HWR.
  - Staff confirmed that the EDAC is a 5-year projection; the city council will consider the recommended \$125,000 for HWR during the budget discussion.
- Councilmember Calvert asked if Employer Funded Housing is still an opportunity to consider attracting workers to the city.
  - Staff recalled the previous conversation that staff could take additional steps to market the city's affordable housing opportunities to potential employees and current staff.
- Councilmember Wilburn stated that tenant protections should be a priority for the city.
  - Staff informed the council that tenant protections would be a topic at the housing study session on July 24.
- Council member Wiersum asked if the city is seeing an increase in requests for conversion of office buildings to housing.
  - Staff confirmed that a few property owners/brokers approached the city in 2023 to inquire about building conversions.
- Councilmembers Calvert, Wiersum, and Wilburn inquired about the possibility of a rental licensing program.
  - Staff recalled that there was not a majority of the council in the past interested in pursuing a licensing program.
  - Staff informed the council that it plans to share the idea of a rental registry program at the July 24 city council study session.
- Councilmember Schack noted that the city started several new housing programs and initiatives last year and recommended that staff focus on the implementation of current programs.
- Councilmembers encouraged staff to research opportunities for transit funding and connections ahead of the opening day of Southwest LRT.
  - Staff confirmed that efforts are underway to improve transit services.

## **Next Steps**

The schedule for approval is as follows:

- Aug. 10, 2023, EDAC meeting — finalize the full EIP document, and EDAC makes recommendations to the city council.
- Sept. 18, 2023, city council meeting — review and approve EIP.

## **Summary**

The EIP includes a forecast for the 2024 HRA Levy to be \$300,000, which continues to fund Minnetonka Home Enhancement/Welcome to Minnetonka (\$100,000), SWLRT (\$75,000), and Homes Within Reach (\$125,000). Adopting the EIP does not legally set the HRA levy; the council will discuss the preliminary HRA levy for 2023 at the Sept. 18, 2023, regular meeting and adopt the final HRA levy in Dec. 2023.

## **Supplemental Information**

[2023-2027 EIP \(current\)](#)

[Minnetonka Strategic Profile and Dashboard](#)

Legislative Summaries

- [Omnibus housing bills summary](#)
- [League of MN Cities legislative updates](#)



**2024-2028**

# ECONOMIC IMPROVEMENT PROGRAM



**2024-2028**  
**ECONOMIC IMPROVEMENT PROGRAM**

**Table of Contents**

**Chapter 1: Policy**

Economic Improvement Policy ..... 1

**Chapter 2: Housing**

Housing Chapter Summary..... 3  
CDBG Entitlement (Prior to 2018) ..... 4  
CDBG Consortium (2018-Present)..... 5  
Homes Within Reach..... 6  
Housing Improvement Areas (HIA)..... 7  
Minnetonka Home Enhancement..... 8  
Welcome to Minnetonka..... 9  
Pathways to Homeownership ..... 10  
Affordable Housing Trust Fund..... 11  
Housing Program Research ..... 12

**Chapter 3: Business**

Business Chapter Summary..... 14  
Fire Sprinkler Retrofit..... 15  
Housing and Redevelopment Grants..... 16  
GreaterMSP..... 17  
Minnesota Investment Fund/Job Creation Fund..... 18  
Business Advisory Services..... 19  
Outreach..... 20  
PACE ..... 21  
MPLS Regional Chamber ..... 22  
SAC/REC Deferral Program ..... 23  
Emergency Business Assistance..... 24  
Commercial Code Compliance Program ..... 25  
Special Service District..... 26  
Conceptual Business Programs ..... 27

**Chapter 4: Transit**

Transit Chapter Summary..... 29  
Commuter Services..... 30  
Transit Improvements..... 31

**Chapter 5: Development and Redevelopment**

Development/Redevelopment Chapter Summary..... 33  
Predevelopment..... 34  
Village Center Studies and Comprehensive Plan..... 35  
LRT Station Area Development..... 36  
City-Owned Properties..... 37

**Chapter 6: TIF Districts**

TIF Administration..... 39

Glenhaven TIF District.....	40
Tonka on the Creek TIF District (The Overlook).....	41
Applewood Pointe TIF District.....	42
Rowland Housing TIF District (At Home).....	43
Dominium Housing TIF District.....	44
Marsh Run TIF District.....	45
Shady Oak Crossing TIF District.....	46
Opus TIF District .....	47
Marsh II TIF District .....	48
<b>Chapter 7: Tax Abatement</b>	
Ridgedale.....	50
<b>Chapter 8: Funding Sources and Expenditure Projections</b>	
Fund Descriptions.....	52
Expenditures by Category and by Fund.....	53
Funding Sources and Expenditures Projections.....	54
TIF District Summary .....	62
TIF Pooling Balances .....	63
<b>Chapter 9: Affordable Housing Goals</b>	
Affordable Housing Goals.....	68
Affordable Housing Income Limits.....	71
Affordable Housing Policies.....	72
<b>Glossary</b>	
Glossary of terms.....	73



## **Economic Improvement Program Policy**

The Economic Improvement Program (EIP) is the city's long-term plan for housing, economic development, redevelopment, and transit programs that promote economic viability for the citizens and businesses of Minnetonka.

### **Funding Categories**

The EIP covers a broad range of community development activities. Funding categories include:

- Projects and programs which encourage diversity and broaden choices in types, sizes, and prices of the city's housing stock to meet the needs of the aging population and attract younger residents.
- Projects that support existing business retention and expansion, attract new businesses, and allow the city to remain economically competitive.
- Projects which enhance resident mobility by pursuing opportunities and solutions to improve transit service.
- Activities that promote the vitality of the city through development and redevelopment.

### **Planning Principles**

- The EIP will support achievement of the city's Comprehensive Plan and long-term Strategic Goals.
- The EIP will be updated annually to reflect changes in programs, demographics, private housing stock, business needs, and the overall economic climate.
- The EIP allows flexibility and may be amended during the year if necessary, in order to act upon unforeseen opportunities that may arise which enhance economic viability.
- Development of the EIP will be consistent with the annual operating budget. Future staffing and other budgetary impacts are projected and will be included in operating budget forecasts.



# HOUSING



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**



## HOUSING CHAPTER SUMMARY

*Projects and programs which encourage diversity and broaden choices in types, sizes, and prices of the city's housing stock to meet the needs of the aging population and to attract younger residents.*

The city currently has six programs in place to assist in the construction, maintenance, and renewal of housing in the city. One additional page contains conceptual programming for future consideration.

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

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

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

# Economic Improvement Program

2024 *thru* 2028

**Department** 1-Housing

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Housing-20</b>
<b>Project Name</b>	<b>CDBG Entitlement (Prior to 2018)</b>

**Type** Program

**Useful Life** N/A

**Category** Housing

**Key Measures** Households Assisted

**Key Measures**

**Key Measures**

**Key Measures**

### Description

On July 1, 2018, Hennepin County began overseeing the entire CDBG program, on behalf of Minnetonka, as the city elected to join the Urban County CDBG Consortium. This page represents program income the city received from repayment of loans from loan made prior to 2018, when the city was an entitlement community and received a direct CDBG allocation from the Department of Housing and Urban Development.

**SCHEDULING AND PROJECT STATUS:**  
This is an ongoing program.

### Justification

The city continues to receive program income from rehabilitation loans that were made prior to 2018 when the city was in its entitlement status. The city will receive repayment of prior year loans if an owner sells the property prior to the 10-year deferment period. There are 111 loans still outstanding that could be repaid in the future.

In 2020, the city council directed staff to create a home rehabilitation program exclusively for Homes Within Reach residents with the remaining fund balance received while the city was an entitlement community. There is a balance of \$91,000 is available for HWR residents to make critical repairs on a first-come first-served basis until funds are exhausted.

Staff is anticipating that approximately \$35,000 a year in program income will be received from loan repayments. The repayments are distributed to Hennepin County to make new loans to Minnetonka residents through a sub-agreement through June 30, 2028.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:**  
Comprehensive Plan- Continue to promote and market the city’s Housing Rehabilitation Programs.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

**KEY MEASURES**  
Households Assisted

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
10	N/A	15	10	5	12	15	10	10	10	10

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	32,000	34,000	35,000	35,000	35,000	171,000
<b>Total</b>	<b>32,000</b>	<b>34,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>171,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
CDBG	32,000	34,000	35,000	35,000	35,000	171,000
<b>Total</b>	<b>32,000</b>	<b>34,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>171,000</b>

### Budget Impact/Other

Program income received from loans made prior to 2018 flows through the city. Staff anticipates that this income will continue to fund new loans that are currently managed through Hennepin County. The city can also choose to reallocate funds to projects that meet one of the three national objectives. 1. Benefit low and moderate income persons 2. Help prevent and/or eliminate slums and/or blight 3. Meet other community development needs of particular urgency.

The city currently has 111 outstanding loans made between 2011 and 2023, with an outstanding balance of \$575,449.

The city will continue to offset any administrative expenses incurred by staff with available CDBG dollars.

# Economic Improvement Program

2024 *thru* 2028

**Department** 1-Housing  
**Contact** Community Development  
**Type** Program  
**Useful Life**  
**Category** Housing

## City of Minnetonka, Minnesota

**Project #** Housing-03  
**Project Name** CDBG Consortium (2018-Present)

**Key Measures** Households Assisted                      **Key Measures**  
**Key Measures**    **Key Measures**

**Description**

On July 1, 2018, Hennepin County began overseeing the entire CDBG program, on behalf of Minnetonka, as the city elected to join the Urban County CDBG Consortium. Hennepin County is responsible for accepting applications for the home rehabilitation loan program, ongoing loan project management, and leads a process to distribute public service dollars each year.

For 2023, the estimated CDBG allocation for Minnetonka is \$132,024.

**SCHEDULING AND PROJECT STATUS:**  
 This is an ongoing program. The CDBG program year is July 1 to June 30. In 2023, the city elected to continue to defer the metropolitan city status and continue in the consortium until 2026.

**Justification**

A description of the programs under the consortium is listed below:

The Home Rehabilitation Loan Program offers ten-year, no interest deferred loans up to \$15,000. The loan amount was increased in 2018 to respond to increased cost of repairs. Households up to 80% of area median income qualify for the \$15,000 Small Projects Program, which allows for housing repairs and maintenance.

Up to 15 percent of the city’s Community Development Block Grant funds can be used to fund public services (non-profits). Organizations that have traditionally served Minnetonka residents include: ICA, HomeLine, Senior Community Services, and the Sojourner Project.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:**  
 Comprehensive Plan- Continue to promote and market the city’s Housing Rehabilitation Programs.  
 Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

**KEY MEASURES**  
 Households Assisted

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
8	9	8	5	8	8	8	8	8	8	8

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Impact/Other**

- As part of the Urban County Consortium, no CDBG funds flow through the city.
- One percent of the city’s CDBG annual allocation is contributed to the Hennepin County Consortium to support fair housing activities.
- The administrative costs associated with the program are 15% of the city's total allocation each year.

# Economic Improvement Program

2024 *thru* 2028

**Department** 1-Housing

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Housing-05</b>
<b>Project Name</b>	<b>Homes Within Reach</b>

**Type** Program

**Useful Life** N/A

**Category** Housing

**Key Measures** HWR units in Minnetonka

**Key Measures**

**Key Measures**

**Key Measures**

<b>Description</b>
Homes Within Reach (also known as the West Hennepin Affordable Housing Land Trust) is a non-profit community land trust that creates and preserves affordable homeownership opportunities in suburban Hennepin County.
<b>SCHEDULING AND PROJECT STATUS</b>
This program is ongoing. Depending on the level of commitment by the city and other matching funds, Homes Within Reach anticipates adding one to two new permanently affordable owner-occupied units to the city each year.

<b>Justification</b>																						
In an effort to promote long-term affordable, scattered-site housing, while maximizing the cost-effectiveness of public investment, the community land trust model was presented as a tool in 2000 to help the city increase its amount of long-term affordable housing.																						
The Homes Within Reach program provides single-family, permanently affordable, homeownership opportunities to those at 80% AMI or less. Minnetonka’s funds will be used to leverage and match other county, regional, and state funds.																						
<b>PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS</b>																						
Comprehensive Plan- Work with affordable housing agencies and developers to add more affordable housing units in the city.																						
Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.																						
<b>KEY MEASURES</b>																						
Total HWR units in Minnetonka																						
<table border="1"> <thead> <tr> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> <th>2027</th> <th>2028</th> </tr> </thead> <tbody> <tr> <td>56</td> <td>58</td> <td>59</td> <td>60</td> <td>62</td> <td>63</td> <td>64</td> <td>65</td> <td>66</td> <td>67</td> <td>68</td> </tr> </tbody> </table>	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	56	58	59	60	62	63	64	65	66	67	68
2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028												
56	58	59	60	62	63	64	65	66	67	68												

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	125,000	125,000	125,000	125,000	25,000	525,000
<b>Total</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>25,000</b>	<b>525,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
HRA Levy	125,000	125,000	125,000	125,000	125,000	625,000
Other	0	0	0	0	0	0
<b>Total</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>625,000</b>

<b>Budget Impact/Other</b>
Homes Within Reach requests funding through the annual EIP process each year. Growth in long term affordable units is important, but there should be some adjustment to the city’s commitment to ensure it is sustainable. After 2017, funding through the Livable Communities Account was no longer available.
HWR has a current funding commitment of approximately \$473,000 in available funding to complete three more projects between 2024-2028. In 2023, the EIP allocated an HRA levy of \$125,000 to assist with ongoing administrative expenses and for the purchase of homes.
In 2020, an annual fee of \$25,000 was added to assist with ongoing operations. The proposed funding source for ongoing maintenance is the HRA levy.

# Economic Improvement Program

2024 *thru* 2028

**Department** 1-Housing  
**Contact** Community Development  
**Type** Maintenance  
**Useful Life** N/A  
**Category** Housing

## City of Minnetonka, Minnesota

**Project #** Housing-06  
**Project Name** Housing Improvement Areas

**Key Measures** Units Assisted                      **Key Measures**  
**Key Measures**    **Key Measures**

**Description**

Minnesota law provides a mechanism termed Housing Improvement Area (HIA) which allows cities to help arrange and finance rehabilitation on owner-occupied residential buildings, such as condominiums or townhouses.

**SCHEDULING AND PROJECT STATUS**  
 The council adopted an HIA policy in November 2011. It is expected that interest in this program will grow as condo and townhouse developments age. State legislation for HIA's sunsets on June 30, 2028.

**Justification**

The program is intended to serve aging multi-family housing by providing a financing structure to address major building investments. The program would also ensure, going forward, that the association is able to correct the financing of long-term capital expenditures.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan-Continue to promote and market the city's Housing Rehabilitation Programs.  
 Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

**KEY MEASURES**

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
0	164	100	100	100	100	188	100	100	100	100

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Construction/Maintenance	10,000,000	10,000,000	5,000,000	5,000,000	5,000,000	35,000,000
<b>Total</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>35,000,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	10,000,000	10,000,000	5,000,000	5,000,000	5,000,000	35,000,000
<b>Total</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>35,000,000</b>

**Budget Impact/Other**

The HIA program is administered by staff who work on various parts of the project ranging from program information to HIA requests. Once an HIA request is received, staff time is committed to preparing a resolution, ordinance, development agreement, and determining fees. Costs to cover staff time for the HIA application are covered through an application fee and through a per unit administrative fee for time in administering the assessment.

A risk of the HIA program is pay-back of the assessment. However, because it is assessed on the property taxes, it will be paid back even if there is foreclosure of the property.

Cedar Ridge was the first HIA in city and was established in early 2012. The total project costs were \$674,000

In August 2017, the city council approved a Housing Improvement Area for Cloud 9 for up to \$3.93 million to repair the curtain wall and make upgrades to the elevators and the HVAC system. The city issued bonds rather than the utilizing the development fund to finance the project. The project was completed in 2019.

Villas at Chasewood is meeting with the city to discuss an application in late 2023/2024.

# Economic Improvement Program

2024 *thru* 2028

**Department** 1-Housing

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Housing-08</b>
<b>Project Name</b>	<b>Minnetonka Home Enhancement</b>

**Type** Program  
**Useful Life** N/A  
**Category** Housing

**Key Measures** Loans Made

**Key Measures**

**Key Measures**

**Key Measures**

### Description

The Minnetonka Home Enhancement program (MHEP) offers up to \$15,000 through a low-interest loan for housing maintenance, repair, green investments, and some additions. The interest rate in 2022 is 3.225% (Annual Percentage Rate based on \$15,000 for 10 years).

#### SCHEDULING AND PROJECT STATUS

The program began June 2011. This is an ongoing program.

### Justification

Minnetonka’s housing stock is aging. Nearly two-thirds of the city’s homes were built between 1950 and 1970, and over 75% of the housing stock is 30 years or older. Many of these homes now need repairs for windows, roofs, and heating systems. The MHEP targets households up to 120% area median income with loans for rehabilitation and other housing maintenance activities for housing valued at \$352,300 or less.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Continue to promote and market the city’s Housing Rehabilitation Programs.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

#### KEY MEASURES

2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028

Loans Made

3 3 0 1 0 2 2 3 4 4 4

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
HRA Levy	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

### Budget Impact/Other

In January 2018, the city entered into a new contract with the Center for Energy and Environment to continue administration of the HRA Levy funded loan programs.

There is a current fund balance of approximately \$637,504. The city receives monthly loan repayments of \$1,000-\$1,500 on average and in 2021 the city received \$16,894 in program income. There are currently 12 outstanding loans.

The guidelines are reviewed on an annual basis to ensure the program meets the needs of the target population.

# Economic Improvement Program

2024 thru 2028

**Department** 1-Housing  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Housing

## City of Minnetonka, Minnesota

**Project #** Housing-14  
**Project Name** Welcome to Minnetonka Loan Program

**Key Measures** Loans Made **Key Measures**  
**Key Measures** **Key Measures**

**Description**  
 The Welcome to Minnetonka program has traditionally provided up to \$10,000 in low-interest loans for down payment and closing cost assistance. In 2023, the guidelines were adjusted to provide up to \$50,000 in assistance to address the increasing housing prices in Minnetonka. The Center for Energy and Environment administers the program. This is a deferred loan program which is repaid at the time of sale or at the end of the 30-year term. The interest rate is currently 1%.

**SCHEDULING AND PROJECT STATUS**  
 The program began June 2011. This is an ongoing program.

**Justification**  
 The Welcome to Minnetonka program is marketed to first-time homebuyer households earning up to 120% area median income with down payment and closing cost assistance. Those participating in the program provide at least 25% of the required down payment or closing costs. There are currently 12 active loans in this program.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Continue to promote and market the city’s Housing Rehabilitation Programs.  
 Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

**KEY MEASURES**

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Loans Made	1	4	5	1	2	3	5	5	5	5

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
HRA Levy	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

**Budget Impact/Other**  
 In January 2018, the city entered into a new contract with the Center for Energy and Environment to continue administration of the HRA Levy funded loan programs.

There is a current fund balance of approximately \$637,504 for the Welcome to Minnetonka and Minnetonka Home Enhancement programs. On an annual basis the guidelines are reviewed to ensure the program meets the needs of the target population.





# Economic Improvement Program

2024 *thru* 2028

**Department** 1-Housing  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Housing

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Housing-22</b>
<b>Project Name</b>	<b>Affordable Housing Trust Fund</b>

**Key Measures** Households Assisted

**Key Measures** Housing Projects Assisted

**Key Measures**

**Key Measures**

### Description

On April 20, 2020 the city council approved an emergency ordinance to create a Housing Trust Fund. Under the temporary 60-day ordinance, the council authorized designating \$150,000 of the existing fund balance from the development fund to provide emergency rental assistance to households experiencing financial hardship due to COVID-19. A Housing Trust Fund is the only fund by state statute that can be used to provide rental assistance, but also has many other eligible activities.

The temporary ordinance expired on June 20, 2020. On Nov. 9, 2020 the city council approved a permanent Affordable Housing Trust Fund. In 2021, the city council allocated \$4,961,680 of the existing tax increment pooling dollars to the fund. Additionally, the fund received a contribution of \$2,100,000 through the repayment of a loan to the Cliffs.

There is a fund balance of approximately \$4.1 million remaining.

### Justification

State Statute 462C.16 allows local governments to establish a Housing Trust Fund for local housing development. Authorized uses of these funds include:

- Administrative Expenses
- Loans, grants, and loan guarantees for the development, rehab, or financing of housing
- Match other funds from federal, state, or private resources for housing projects
- Provide down payment assistance, rental assistance, and homebuyer services.

This fund could be utilized to provide additional rental assistance, or other uses, if more state, federal, or local funds become available for the eligible uses of funds.

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	1,000,000	1,000,000	1,000,000	1,000,000	0	4,000,000
<b>Total</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>	<b>4,000,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Affordable Housing Trust Fund	1,000,000	1,000,000	1,000,000	1,000,000	0	4,000,000
Other	0	0	0	0	0	0
<b>Total</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>	<b>4,000,000</b>

### Budget Impact/Other

A local government may finance its local or regional housing trust fund with any money available to the local government, unless prohibited by state law. Sources may include:

- Donations
- Bond Proceeds
- Grants and loans from state, federal, or private sources
- Appropriations by a local government to the fund
- Investment earnings of the fund
- Housing and redevelopment authority levies

Funded projects include:

- \$350,000 in rent assistance, \$280,000 to Doran for 53 affordable units, \$553,000 to Minnetonka Station for 28 affordable units, \$400,000 to Amira Minnetonka for 19 affordable units, \$280,00 for Doran Apartments for 53 affordable units, \$200,000 for households experiencing homelessness, \$300,000 for Pathways to Homeownership Program, and a \$1,000,000 to Cedar Hills Townhomes.

Future uses may include:

- Rent Assistance
- Homelessness Response

# Economic Improvement Program

2024 *thru* 2028

Department 1-Housing

## City of Minnetonka, Minnesota

Contact

<b>Project #</b>	<b>Housing-21</b>
<b>Project Name</b>	<b>Housing Program Research</b>

**Type** Conceptual  
**Useful Life** N/A  
**Category** Housing

Key Measures

Key Measures

Key Measures

Key Measures

### Description

At the Feb. 4, 2019 City Council study session and March 14, 2019 EDAC meeting. Council members and commissioners recommended that staff keep track of potential housing programs/policies for future research. This page includes a list of housing topics for future research.

#### SCHEDULING AND PROJECT STATUS

This is a new concept that has not yet been explored or developed.

### Justification

Future Housing Program/Policy Research:

- Senior Affordable Housing
- Affordable Housing for Public Service
- Research General Funding for Affordable Housing
- Rental registration - in development
- Payment-in-lieu for affordability requirements
- Employer Assisted Housing
- NOAH Legacy Education Program
- Multifamily Housing Rental Rehabilitation Loan
- \$50,000 (multi-year) Rental Assistance - in progress
- \$200,000 (multi-year) Homelessness Prevention Program - in progress
- \$300,000 (multi-year) Pathways to Homeownership Program - in progress

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Unfunded	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

There will need to be staff time committed to researching budget impacts of this program.



# BUSINESS



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**

## BUSINESS CHAPTER SUMMARY

*Projects that support existing business retention and expansion, attract new businesses, and allow the city to remain economically competitive.*

For the 2024-2028 Economic Improvement Program, there are ten business programs.

- 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
Commercial 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>
<b>Conceptual Programs</b>						
Special Service Districts						\$0

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

- Several programs, such as the Pass-Through Grants, Common Bond fund, and Minnesota Investment Fund are inter-agency/consortium efforts that have funding sources that originate from other agencies, flow through the city, and then go to the business.
- The city's role in business development in the past was more reactive, typically responding only when requested to do so. In more recent years, the city has been slowly investing in more programs for businesses, such as the Open to Business programs, business retention visits, and the production of the Thrive newsletter, and a business survey in 2021.

# Economic Improvement Program

2024 thru 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Construction  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-01  
**Project Name** Fire Sprinkler Retrofit

**Key Measures** Buildings Assisted

**Key Measures**

**Key Measures**

**Key Measures**

### Description

Minnesota law (State Statute 429) gives cities the authority to specially assess the cost of installing fire sprinkler systems for existing buildings. The City Council adopted Council Policy 5.2 in 1986 setting criteria for the use of this authority.

Staff will monitor applicability for residential properties to be included in the retrofit program.

**SCHEDULING AND PROJECT STATUS**  
 This program is ongoing, and use of this program is initiated by property owner petition.

### Justification

The fire sprinkler retrofit program is intended to assist in the public safety and protection of commercial buildings.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Cultivate small business stability and growth by identifying resources, partnerships, networks, and programs that assist small businesses and entrepreneurs.

Strategic Profile- Support business retention and expansion and attract new businesses.

**KEY MEASURES**

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	0	0	0	1	1	1	1	1	1	1

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Construction/Maintenance	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Special Assessment	50,000	50,000	50,000	50,000	50,000	250,000
Construction Fund						
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

### Budget Impact/Other

Special assessments cannot last more than 10 years. The risk with this program is for the assessment to be paid back on the intended schedule. These dollars are financed through the special assessment fund.

There is some limited staff time involved once the petition is received and for the assessment.

# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-02  
**Project Name** Housing and Redevelopment Grants

**Key Measures** Projects Assisted                      **Key Measures** Housing Projects Assisted  
**Key Measures** Businesses Assisted                      **Key Measures** Housing Units Assisted

**Description**

Grants are available from county and regional agencies to facilitate development, redevelopment, housing, and environmental cleanup.

SCHEDULING AND PROJECT STATUS  
 Grants are dependent upon the types of projects occurring. Most grants require the funds to be spent within three years of award.

Recently, the city received a \$50,000 Metropolitan Council Policy Grant. A full 10-year history of grant awards is included in the EIP.

**Justification**

Grant opportunities assist in filling gaps in the financing of complex development, redevelopment, housing, and environmental cleanup projects. Most programs require the city to serve as the grant applicant, meaning that even if the developer/others apply for the grant, that it is to be awarded to the city, which then passes on the funds to the project.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
 Comprehensive Plan- Work with affordable housing agencies and developers to add more affordable housing units in the city.  
 -Cultivate small business stability and growth by identifying resources, partnerships, networks, and programs that assist small businesses and entrepreneurs.  
 Strategic Plan- Support business retention and expansion and attract new businesses.

KEY MEASURES

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Projects Assisted	1	1	3	2	2	2	1	1	1	1	1
Business projects	1	0	1	1	0	0	1	0	1	0	1
Housing projects	0	1	2	0	2	1	0	1	0	1	2
Housing units	45	60	0	527	12	255	0	55	0	100	100

\*Note: some of the projects are counted in more than one year.

Expenditures	2024	2025	2026	2027	2028	Total
Other	2,000,000	2,000,000	1,000,000	500,000	500,000	6,000,000
<b>Total</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>500,000</b>	<b>500,000</b>	<b>6,000,000</b>

Funding Sources	2024	2025	2026	2027	2028	Total
Development Fund	2,000,000	2,000,000	1,000,000	500,000	500,000	6,000,000
<b>Total</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>500,000</b>	<b>500,000</b>	<b>6,000,000</b>

**Budget Impact/Other**

If the city is the applicant, there is staff time to prepare the grant application, administer the grant and grant-funded activities, as well as any follow-up audits and paperwork generally required by most programs.

# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-04  
**Project Name** GreaterMSP

**Key Measures** Business Contacts  
**Key Measures**

**Key Measures**  
**Key Measures**

**Description**  
 GreaterMSP is the regional economic development organization for the Twin Cities metropolitan area. They partner to help provide a vision and agenda for regional economic development as well as to brand and market the region. GreaterMSP offers services in business retention and expansion, data tools and research, manufacturing assistance, small business assistance, technology assistance, and staff training.

**SCHEDULING AND PROJECT STATUS**  
 This is an on-going program. The city became a member in 2013.

**Justification**  
 Greater MSP is an economic development tool for Minnetonka’s current and future businesses, and provides resources and connections that have not been previously available.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Cultivate small business stability and growth by identifying resources, partnerships, networks, and programs that assist small businesses and entrepreneurs.

Strategic Profile- Support business retention and expansion and attract new businesses.

**KEY MEASURES**  
 2017 2018 2019 2020 2021 2022\* 2023 2024 2025 2026 2027 2028  
 Business Projects  
 1 1 1 1 2 1 2 2 2 2 2 2

\*GREATER MSP worked closely with Respicardia on their expansion in Minnetonka, in which the company committed to creating 59 new jobs and investing \$686k in capital expenditures.

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	25,000	25,000	25,000	25,000	25,000	125,000
<b>Total</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>125,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Development Fund	25,000	25,000	25,000	25,000	25,000	125,000
<b>Total</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>125,000</b>

**Budget Impact/Other**  
 Public Sector memberships are a three year, \$25,000 per year commitment, which would be reviewed annually with the city budget for renewal.

# Economic Improvement Program

2024 thru 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Business-06</b>
<b>Project Name</b>	<b>MIF/JCF Projects</b>

**Key Measures** Businesses Assisted                      **Key Measures** Jobs Created  
**Key Measures** Applications Submitted                      **Key Measures**

**Description**

The Minnesota Investment Fund (MIF) and Job Creation Fund (JCF) are Department of Employment and Economic Development programs that provides funds to cities, who then loan the funds to businesses, to assist in expansion. The business is then required to create a minimum number of jobs at a certain wage level.

SCHEDULING AND PROJECT STATUS  
The city has received four MIF awards, one each for Cargill, Nestle and IMRIS, and NatureWorks.  
In 2022, King Technology received a JCF award in the amount of \$617,000.

**Justification**

MIF is a business and economic development program, focusing on industrial, manufacturing, and technology related industries.  
JCF provides financial incentives to new and expanding businesses that meet certain job creation and capital investment targets.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
Comprehensive Plan- Cultivate small business stability and growth by identifying resources, partnerships, networks, and programs that assist small businesses and entrepreneurs.

Strategic Profile- Support business retention and expansion and attract new businesses.

KEY MEASURES

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Applications Submitted	1	2	0	1	1	1	1	1	1	1	1
Businesses Assisted	1	1	0	1	1	1	1	1	1	1	1
Jobs Created	20	75	0	50	50	50	50	50	50	50	50

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Construction/Maintenance	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
<b>Total</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>6,000,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Development Fund	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
<b>Total</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>6,000,000</b>

**Budget Impact/Other**

Application for the MIF program is a collaborative effort between the city and the business, with staff contributing approximately 80 hours of time per application. Staff must also assist in the distribution and repayment of funds, as well as reporting requirements.

Funding is dependent upon the state. A portion of the loan paid back by the business may be allowed to stay at the local level to facilitate business programs. All funds are reimbursement and show a net zero impact on the budget.



# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Business-07</b>
<b>Project Name</b>	<b>Business Advisory Services</b>

**Type** Program  
**Useful Life** N/A  
**Category** Business

**Key Measures** Technical Assistance Hours

**Key Measures** Loans Made

**Key Measures** Businesses Assisted

**Key Measures** Jobs Created/Supported

**Description**

The City of Minnetonka collaborates with the Metropolitan Consortium of Community Developers (Open to Business Program) and Hennepin County (Elevate Hennepin) to provide one-on-one technical assistance and consulting services customized to meet the needs of small businesses.

**SCHEDULING AND PROJECT STATUS**  
 The Open to Business partnership began in 2011. More recently, the city agreed to participate and support Elevate Hennepin in 2023 to provide a larger pool of resources for local businesses. The contract is reviewed biannually.

**Justification**

Minnetonka contracts directly with Hennepin County to use the Elevate Hennepin platform as the "go-to" business consulting services provider for residents and entrepreneurs. Open to Business subcontracts with Hennepin County and serves as the "Elevate Business Navigator," and is the first point of contact for any Minnetonka residents or entrepreneurs.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Cultivate small business stability and growth by identifying resources, partnerships, networks, and programs that assist small businesses and entrepreneurs.  
 Strategic Profile-Support business retention and expansion and attract new businesses.

**KEY MEASURES**

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Businesses Assisted	32	39	27	20	18	50	50	50	50	50	50
Tech. Assist. Hours	250	362	251	170	103	275	275	275	275	275	275
Loans Made	2	3	3	1	2	4	4	4	4	4	4
Jobs Created/Supported	5	41	61	12	55	55	55	55	55	55	55

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	20,000	20,000	20,000	20,000	20,000	100,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>100,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Development Fund	20,000	20,000	20,000	20,000	20,000	100,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>100,000</b>

**Budget Impact/Other**

Minnetonka contracts directly with Hennepin County to use the Elevate Hennepin platform as the go-to business consulting services provider for residents and entrepreneurs. Hennepin County offers technical assistance and cohort programming at no cost to businesses and entrepreneurs located within Minnetonka through the contract term. Open to Business subcontracts with Hennepin County as part of this arrangement to serve as business navigator for Minnetonka.

The fee is an annual \$10,000 base-level fee for support of Elevate Hennepin and additional \$10,000 annual fee for Open to Business. The total cost annually is \$20,000.

# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Business-08</b>
<b>Project Name</b>	<b>Outreach</b>

**Type** Program

**Useful Life** N/A

**Category** Business

**Key Measures** Business Contacts

**Key Measures** Newsletter Distributed

**Key Measures** Business Visits

**Key Measures**

### Description

Business outreach will take a more proactive approach in contacting businesses.

#### SCHEDULING AND PROJECT STATUS

In 2021, staff purchased updated demographic, economic, and contact information as part of the business survey project. This information will be helpful to inform staff on where outreach should be targeted to be most effective. Staff is also continuously creating informational and marketing brochures that can be shared with businesses, community members, and developers to further engage around important topics.

### Justification

Business outreach in the past has been reactive to business needs. This outreach is another tool in creating a more proactive approach in supporting business retention and expansion. Business retention and expansion efforts are part of a collaborative effort between staff and Mpls Regional Chamber, Grow Minnesota, and GreaterMSP.

In 2018, staff developed the Thrive Business publication. The publication is distributed to over 1,200 businesses three times annually and is also available electronically.

In 2021, staff hired a consultant to conduct a business survey to engage with all of the businesses in Minnetonka. The city received responses from 157 businesses and developed a business workplan out of the feedback from the survey.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Connect with partnership organizations to explore outreach opportunities.

Strategic Profile- Support business retention and expansion and attract new businesses.

-Remove identifiable barriers to create equal opportunity for accessing programs and services.

#### KEY MEASURES

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Business Visits	8	5	7	13	8	8	8	10	10	10	10
Newsletters Distributed	2	2	2	3	3	3	3	3	3	3	3
Online Contacts	N/A	0	458	846	1048	1515	2000	2200	2500	2700	3000

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	0	25,000	25,000	0	0	50,000
<b>Total</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
HRA Levy	0	25,000	25,000	0	0	50,000
<b>Total</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>

### Budget Impact/Other

Funds are budgeted for a business survey, Thrive business publications, and business marketing materials. Future uses of funding could include business centric events and economic development advertising as noted in the Business Development Strategy.

Outreach will be coordinated with GreaterMSP and Mpls Regional Chamber.

# Economic Improvement Program

2024 thru 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-09  
**Project Name** Property Assessed Clean Energy

**Key Measures** Businesses Assisted      **Key Measures**  
**Key Measures**      **Key Measures**

**Description**

In 2010, as part of the jobs bill, state legislation was passed that included provisions for the Property Assessed Clean Energy (PACE) program. PACE allows for the voluntary creation of programs by local governments to help businesses finance renewable energy and energy efficient improvements. The program is repaid by businesses through a special property tax assessment.

**SCHEDULING AND PROJECT STATUS**  
 The City Council approved a Joint Powers Agreement with the St. Paul Port Authority (SPPA) in July 2014 to implement the PACE program in Minnetonka. Staff markets the program with commercial, office and multi-family property owners.

In 2019, the Shady Oak Office Center received funding through the Hennepin County PACE program to assist with financing for HVAC improvements.

**Justification**

The legislation was adopted in 2010, and has been used by approximately 10 Minnesota communities. This program may help to provide another financing tool to the city's toolbox for local businesses.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan--Facilitate connections between local businesses and various programs that provide incentives and financial assistance for business retention and recruitment.

Strategic Plan--Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

**KEY MEASURES**

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
0	0	0	0	0	1	1	0	1	1	0

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Impact/Other**

The funds for the PACE program come from the SPPA. Therefore, the financing that will flow through the city's funds, both the special assessment revenue in from participants and payments out to SPPA, would simply appear as offsetting financial statements in the city's records. Delinquency by the participant will be handled like any other property tax obligation, where the amount due runs with the property.

# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Business-11</b>
<b>Project Name</b>	<b>MPLS Regional Chamber</b>

**Type** Program

**Useful Life** N/A

**Category** Business

**Key Measures** Minnetonka Businesses

**Key Measures**

**Key Measures**

**Key Measures**

### Description

**SCHEDULING AND PROJECT STATUS**  
 In 2020, Twin West Merged with the Mpls Regional Chamber to serve the 11 county metro area. The combined organization will represent more than 2,000 businesses, large and small, urban and suburban, across the 11 county Greater MSP area.

### Justification

The city is a member of the Mpls Regional Chamber. In 2022, staff met with representatives from the chamber to coordinate on future workforce development initiatives and business networking events.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Connect with partnership organizations to explore outreach opportunities.

Strategic Profile- Support business retention and expansion and attract new businesses.  
 - Remove identifiable barriers to create equal opportunity for accessing programs and services.

**KEY MEASURES**

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
75	75	100	90	30	TBD	TBD	TBD	TBD	TBD	TBD	TBD

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	600	600	600	600	600	3,000
<b>Total</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>3,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
General Fund	600	600	600	600	600	3,000
<b>Total</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>3,000</b>

### Budget Impact/Other

Memberships are renewed on an annual basis. There may be other fees associated with membership throughout the year in order to attend events hosted by the Chamber. The Mpls Regional Chamber participates in the Minnetonka State of the City event.

# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Business-14</b>
<b>Project Name</b>	<b>SAC/REC Deferral Program</b>

**Key Measures** Businesses Assisted

**Key Measures**

**Key Measures**

**Key Measures**

### Description

The goal of this program is to minimize the impact of the Metropolitan Council Sewer Availability Charge (SAC) and city's Sewer and Water Residential Equivalency Charges (REC's) to small businesses by allowing businesses to defer a portion of the repayment of fees over time.

In 2022, one additional business participated in the program.

SCHEDULING AND PROJECT STATUS  
 The program became available in June 2017.

### Justification

The Metropolitan Council developed the SAC deferral program in 2012. The program was developed to encourage and help communities promote business development by deferring community SAC payment and city REC payments.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
 Comprehensive Plan - Assess existing incentive policies and programs in relation to your community's current character and future growth, as well as to identify opportunities to create, revisit or restructure your community's approach to business incentives.

Strategic Profile - Support business retention and expansion and attract new businesses.

KEY MEASURES

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2	1	2	2	1	2	2	2	2	2	2

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Special Assessment Construction Fund	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

### Budget Impact/Other

Staff time will be required to work with the business to apply for the program. The repayments collected through this program will flow through city's utility fund for the Metropolitan Council's fees and the city's fees.

# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Program  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-16  
**Project Name** Emergency Business Assistance

**Key Measures** Businesses Assisted      **Key Measures** Loans Made  
**Key Measures**      **Key Measures**

**Description**

In 2020, the EDA approved \$225,000 of the existing HRA levy fund balance to assist businesses impacted by COVID-19 with forgivable loans of up to \$7,500. The purpose of the forgivable loan was to ensure the preservation of employment opportunities through the prevention of business closures to promote long-term economic vitality in the community.

The council approved additional funding of \$50,000 through the HRA levy in 2021 to continue this effort. Staff is proposing that the city partner with CEE to provide technical assistance to businesses beginning in 2023. The maximum forgivable loan under this program is \$2,500.

**SCHEDULING AND PROJECT STATUS**  
 The program is in development.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan - Facilitate connections between local businesses and various programs that provide incentives and financial assistance for business retention and recruitment.

**Justification**

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan - Assess existing incentive policies and programs in relation to your community’s current character and future growth, as well as to identify opportunities to create, revisit or restructure your community’s approach to business incentives.

Strategic Profile - Support business retention and expansion and attract new businesses.

**KEY MEASURES**

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
N/A	N/A	N/A	N/A	N/A	4	4	4	4	4	4

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	10,000	10,000	10,000	10,000	10,000	50,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>50,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
HRA Levy	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Impact/Other**

There will need to be staff time committed to establishing and implementing the program.

No future funding sources are committed for this program. It is possible that additional funding from the Federal Government, State of Minnesota, or Hennepin County could be allocated to cities in response to business needs in the future.

# Economic Improvement Program

2024 thru 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Maintenance  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-18  
**Project Name** Commercial Code Compliance Fund

**Key Measures** Businesses Assisted      **Key Measures**  
**Key Measures**      **Key Measures**

**Description**  
 This program was created to provide funding for loans up to \$25,000 to address building issues such as improving safety, structural integrity, accessibility issues, or any other areas of concern as determined by the city Building Official, Fire Marshall or Public Health Division.  
 SCHEDULING AND PROJECT STATUS  
 This program was established in 2023.

**Justification**  
 The commercial code compliance program is intended to assist in the public safety, accessibility, and protection of commercial buildings.  
 PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
 Comprehensive Plan- Cultivate small business stability and growth by identifying resources, partnerships, networks, and programs that assist small businesses and entrepreneurs.  
 Strategic Profile- Support business retention and expansion and attract new businesses.  
 KEY MEASURES  
 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028  
 Businesses Assisted  
 N/A N/A N/A N/A N/A 1 2 2 2 2 2

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Construction/Maintenance	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>
<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Development Fund	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>

**Budget Impact/Other**  
 Staff developed guidelines for implementing the Commercial Code Compliance Loan Program with an initial pool of \$100,000. Approximately four businesses could receive a loan of up to \$25,000. Loans would be repayable at 2% interest. Loan repayment terms would be 5 years for amounts less than \$15,000, and 10 years for loans between \$15,000 to \$25,000.  
 The Center for Energy and Environment manages the loan program for the city. There is a small annual administrative fee for loan program administration.

# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Conceptual  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-13  
**Project Name** Special Service District

**Key Measures** SSDs Established

**Key Measures**

**Key Measures**

**Key Measures**

### Description

Minnesota law provides a mechanism termed Special Service District which allows cities to help arrange and finance a higher level of services, such a snow removal and lighting, for commercial and industrial properties.

**SCHEDULING AND PROJECT STATUS**  
 There are no areas in the city with a Special Service District at this time. This has been previously explored with the Minnetonka Boulevard/County Road 101 area. Must be initiated by property owners.

State legislation for Special Service Districts sunsets on June 30, 2028.

### Justification

The special service district provides the opportunity for commercial and industrial properties to be charged a fee to pay for a service that is not provided as a part of city services or at a level higher than what is being provided.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan-Assess existing incentive policies and programs in relation to your community’s current character and future growth, as well as to identify opportunities to create, revisit or restructure your community’s approach to business incentives.

Strategic Profile- Support business retention and expansion and attract new businesses.

**KEY MEASURES**

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
0	0	0	0	0	0	0	0	0	0	0

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Development Fund	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

Staff time is likely to be significant during the setup of the first special service district. There will be additional staff time needed annually to work with the businesses to determine the next year’s fee. The costs for all administrative time can be incorporated into the fees assessed on the businesses.

Annually, there will be an outflow of funds to pay for the services, but they will all be recouped through assessments on the properties.



# Economic Improvement Program

2024 *thru* 2028

**Department** 2-Business  
**Contact** Community Development  
**Type** Conceptual  
**Useful Life** N/A  
**Category** Business

## City of Minnetonka, Minnesota

**Project #** Business-17  
**Project Name** Conceptual Business Programs

**Key Measures**  
**Key Measures**

**Key Measures**  
**Key Measures**

### Description

At the March 22, 2018 EDAC Meeting, staff presented a formal Business Development Strategy Plan. This plan outlines the tools, resources, and activities to support Minnetonka's business community. Following the business survey in 2021, and further conversation with the EDAC, staff has developed a work plan to implement aspects of the Business Development Strategy and respond to issues identified by the business survey.

#### SCHEDULING AND PROJECT STATUS

These programs are conceptual and have not been fully explored or developed.

### Justification

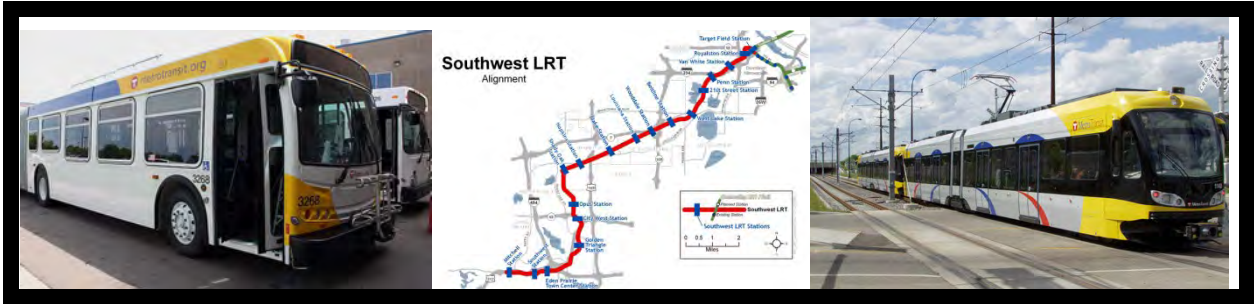
- Future Business Program Research:
- \$50,000 Emergency business grant funds - in progress
  - Promoting culture business organizations- in progress
  - Workforce development collaborations - in progress
  - Crime Prevention Through Environmental Design - in progress
  - Business survey update - future
  - Research employer led housing assistance - future
  - Pathways programs for businesses - future
  - Small business revolving loan fund - future

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Unfunded	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other



# TRANSIT



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**

## TRANSIT CHAPTER SUMMARY

*Projects which enhance resident mobility by pursuing opportunities and solutions to improve transit service.*

The city’s role in transit in the past has been minimal as Metro Transit has been the provider of the city’s and the region’s transit system. In 2002, Minnetonka exercised its opt-out authority. It was determined at the time to be in the best interest of the city to have Metro Transit continue providing transit service for the community. In mid-2013, the city and Metro Transit renegotiated a contract in place providing more detail and clarity on the roles and responsibilities for both the city and Metro Transit. The city extended the contract Until July 31, 2024 to coincide with the Metro Transit’s Network Now initiative to review and expand transit services.

In recent years the city’s role in transit has expanded as a more active participant in the city’s opt-out status as well as preparing for the Southwest LRT (Green Line Extension) line.

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

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

Conceptual Programs

\$0

**Programs in blue indicate city funded programs/initiatives**

**Programs in green indicate pass-through funding**

- All facets of transit, such as commuting and rideshare services, bus/dial-a-ride, and Light Rail Transit (LRT) are included.
- The contract with Metro Transit for service is through 2024

# Economic Improvement Program

2024 *thru* 2028

**Department** 3-Transit

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Transit-01</b>
<b>Project Name</b>	<b>Commuter Services</b>

**Type** Program

**Useful Life** N/A

**Category** Transit

**Key Measures** Business Contacts

**Key Measures**

**Key Measures** Commuters Assisted

**Key Measures**

### Description

Commuter Services is an outreach program of the I-494 Corridor Commission, in which the city is a member. The program seeks to reduce traffic congestion and promote alternative transportation options. Other cities include Bloomington, Richfield, Eden Prairie, and Edina.

#### SCHEDULING AND PROJECT STATUS

This is an ongoing program.

### Justification

Commuter Services provides programs, such as commuter fairs, carpool facilitation, teleworking resources and other information on alternative transportation choices to Minnetonka residents and businesses.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Provide a transportation system that supports the economic vitality and prosperity of the city and the region.

Strategic Profile- Ensure connectivity through increased access to local and regional means of transportation (new mobility options).

#### KEY MEASURES

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Business Contacts	191	180	122	135	120	106	190	200	200	220	225	230
Commuters Assisted	387	2018	277	243	172	123	450	500	500	550	575	00

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	32,000	34,000	36,000	38,000	40,000	180,000
<b>Total</b>	<b>32,000</b>	<b>34,000</b>	<b>36,000</b>	<b>38,000</b>	<b>40,000</b>	<b>180,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
General Fund	32,000	34,000	36,000	38,000	40,000	180,000
<b>Total</b>	<b>32,000</b>	<b>34,000</b>	<b>36,000</b>	<b>38,000</b>	<b>40,000</b>	<b>180,000</b>

### Budget Impact/Other

One council member and one city staff member attend monthly meetings of the I-494 Corridor Commission. With preparation time, this is approximately 40 hours of staff time.

Commuter Services is staffed separately, but coordinates with the city on events, such as the city-wide open house to promote their services.

The city's fee is a formula based on population.

# Economic Improvement Program

2024 *thru* 2028

**Department** 3-Transit

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Transit-02</b>
<b>Project Name</b>	<b>Transit Improvements</b>

**Type** Program

**Useful Life** N/A

**Category** Transit

**Key Measures** Annual Bus Trips

**Key Measures**

**Key Measures**

**Key Measures**

### Description

In 2002, Minnetonka exercised its opt-out authority and entered into an agreement for Metro Transit to continue to provide transit service in the city. The city has the ability, with notice, to terminate the current agreement.

#### SCHEDULING AND PROJECT STATUS

Minnetonka elected to extend the Transit Cooperation Agreement with Metro Transit in 2022. The agreement runs until July 31, 2024.

### Justification

The service in Minnetonka has and continues to be focused on express route, peak service to downtown Minneapolis, with limited local and midday routes. Much of the transit design has to do with the low density of the city. The city may wish to retain some of its Motor Vehicle Sales Tax (MVST) money and provide more local service to better meet the needs of the community.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Provide a transportation system that supports the economic vitality and prosperity of the city and the region.

Strategic Profile- Ensure connectivity through increased access to local and regional means of transportation (new mobility options).

#### KEY MEASURES

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Annual Bus Trips										
114,860	98,218	69,676	72,731			150,000	150,000	150,000	155,000	1 0,000
Annual LRT Trips										
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	35,000	77,000

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
MVST Revenue	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

Staff time of approximately 120 hours per year will be spent attending quarterly meetings, marketing, and consulting with Metro Transit staff.



# DEVELOPMENT AND REDEVELOPMENT

## DEVELOPMENT/REDEVELOPMENT CHAPTER SUMMARY

*Activities that promote the vitality of the city through development and redevelopment.*

For the 2024-2028 Economic Improvement Program, there are three development/redevelopment programs underway.

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

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

- Some of the pass-through grants identified in the business chapter may be for development/redevelopment activities.
- Costs may increase if the city wishes to take a more proactive role in development/redevelopment.
- The LRT page reflects the commitment of the city toward the LRT project. Additional programs may be needed to help implement station area plans in the Shady Oak and Opus station areas.

# Economic Improvement Program

2024 thru 2028

**Department** 4-Development & Redevelopm

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Dev/Redev-01</b>
<b>Project Name</b>	<b>Pre-Development</b>

**Type** Program

**Useful Life** N/A

**Category** Develop/Redevelopment

**Key Measures** Projects Assisted

**Key Measures**

**Key Measures** Projects Continued

**Key Measures**

### Description

The initial stages of development or redevelopment require extensive analysis, by the developer and the city, to determine if a project is viable. Analysis by the city includes financial readiness, design assistance, geotechnical data gathering, and preliminary work for TIF/tax abatement.

**SCHEDULING AND PROJECT STATUS**  
 This is an on-going program. Staff determines when it is appropriate to use for a potential redevelopment project. For example, initial TIF runs were done for the Tonka on the Creek "Overlook", Shady Oak Crossing, Legends of Minnetonka and Bren Road Station, Birke, and Opus redevelopment sites, to determine if Tax Increment Financing would be feasible. Once it was determined that it was, and the developer moved forward as such, the developer was then responsible for paying all legal counsel and financial consultant expenses.

### Justification

Predevelopment activities make the city development ready by preparing property for development or redevelopment.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Promote the development of a range of housing types to meet the needs of current and future residents near job centers, village centers, and TOD locations.

Strategic Profile - Balance community-wide interests and respect Minnetonka's unique neighborhoods while continuing community reinvestment.

**KEY MEASURES**

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Projects Assisted	3	4	3	3	4	2	2	2	2	2	4	4
Projects Continued after Assistance	2	2	2	3	4	1	1	2	2	2	2	2

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Planning/Design	75,000	75,000	75,000	75,000	75,000	375,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>375,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Development Fund	75,000	75,000	75,000	75,000	75,000	375,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>375,000</b>

### Budget Impact/Other

Development projects can be time intensive for staff. The range per year is 500 to 1,000 hours depending on the request, number of meetings and type of assistance requested. The predevelopment funds will be used to hire consultants or others to complete work outside of staff's expertise.



# Economic Improvement Program

2024 *thru* 2028

**Department** 4-Development & Redevelopm

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Dev/Redev-02</b>
<b>Project Name</b>	<b>Village Center Studies and Comprehensive Plan</b>

**Type** Program

**Useful Life** N/A

**Category** Develop/Redevelopment

**Key Measures** Village Centers Studied

**Key Measures**

**Key Measures** Comprehensive Plan update

**Key Measures**

### Description

The village center studies take a look at each of the city’s thirteen designated village centers and create a guide for redevelopment. The following village center studies have been completed: Minnetonka Mills, Opus, Hwy 7/101, Shady Oak, Ridgedale, and Glen Lake.

In 2019, the city completed a redevelopment visioning process for the city owned property at 5937 County Road 101.

### Justification

The village center studies provide a guide to potential investors or developers to the organization of the property, general layout of building envelopes, and a defined range of uses. There is a strong emphasis on community engagement and realistic implementation strategies. The Comprehensive Plan is the city's policy framework to guide development, redevelopment and public services and programs for 30 years.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Promote the development of a range of housing types to meet the needs of current and future residents near job centers, village centers, and TOD locations.

Strategic Profile- Balance community-wide interests and respect Minnetonka’s unique neighborhoods while continuing community reinvestment.

#### KEY MEASURES

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Village Centers Studied	N/A	N/A	2	3	1	N/A	N/A	N/A	N/A	1	1	1

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Planning/Design	0	0	75,000	75,000	75,000	225,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>225,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
HRA Levy	0	0	75,000	75,000	75,000	225,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>225,000</b>

### Budget Impact/Other

While a consultant(s) is brought on to assist with the project, there is staff time spent on the village center studies to prepare contracts, review plans, facilitate ideas, prepare for public meetings and attend public meetings. This work can range from 1500-1750 hours per year.

Funds were budgeted in 2024 to consider completing a village center study at Cedar Lake Rd/Cty Road 73.

# Economic Improvement Program

2024 *thru* 2028

**Department** 4-Development & Redevelopm

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Dev/Redev-03</b>
<b>Project Name</b>	<b>LRT and LRT Station Area Development</b>

**Type** Construction

**Useful Life** N/A

**Category** Develop/Redevelopment

**Key Measures**

**Key Measures**

**Key Measures**

**Key Measures**

### Description

Minnetonka has actively been planning for LRT since the early 2000's. As the LRT project progresses from design to construction there is a desire for redevelopment to occur around the city's station areas to make a more transit oriented area.

In 2021, The Met Council announced a delay in the completion of the project due to unforeseen soil conditions in the Minneapolis segment of the route. This is anticipated to push the opening day to 2027.

Southwest LRT Milestones:

Project received "Limited Notice to Proceed" on December 20, 2018 (completed)

Construction begins on site preparation, demolition, utility work, contractor mobilization contractor authorized to perform work up to \$216 million (underway)

March 2019- Metropolitan Council performing pre-construction inspections

Contractor to submit full schedule of activities - Fall 2019

Full Funding Grant Agreement - August 2019

Heavy Construction 2019-2027

2027 - Service to Begin

### Justification

It is anticipated that because of limited county, regional and state resources, as well as the competition for these resources, that in order to assist in facilitating redevelopment in the LRT station areas, the city will need to provide resources of its own. Resources that are available as of 2022 include:

Hennepin County	Regional (Met Council)	State
Capital infrastructure (streets, etc.)	LCDA-TOD fund	Transit Improvement Area (unfunded)
Transit Oriented Development fund	TBRA-TOD fund	Redevelopment grant
Community Works funds		Contamination Clean-Up and Investigation
Affordable housing incentive fund		Transportation Economic Development
Environmental Response fund		

### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Recognize the interrelationship of land use and transportation, and anticipate impacts of the location and intensity of planned land uses on the transportation system.

Strategic Profile- Ensure connectivity through increased access to local and regional means of transportation (new mobility options).

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Program Cost	75,000	75,000	0	0	0	150,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
HRA Levy	75,000	75,000	0	0	0	150,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,000</b>

### Budget Impact/Other

In July 2015, the city committed \$2 million towards the LRT project. This is being initially funded through the Special Assessment Construction Fund. Partial payback will occur from HRA levy funds over a 10 year period for a total of \$750,000.

It is unknown what type of programs will need to be added and therefore additional budget impacts beyond the city's financial commitment to the LRT project are unknown. As programs are developed, staff time and future funding will need to be reviewed to determine a program's viability.

# Economic Improvement Program

2024 *thru* 2028

**Department** 4-Development & Redevelopm

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Dev/Redev-05</b>
<b>Project Name</b>	<b>City Owned Properties</b>

**Type** Program

**Useful Life** N/A

**Category** Develop/Redevelopment

**Key Measures**

**Key Measures**

**Key Measures**

**Key Measures**

<b>Description</b>
<p>The city owns scattered site residential and commercial properties. These properties have been purchased over the years for a variety of reasons that includes potential for future redevelopment/resale or to meet other city goals.</p> <p>The city's land management committee is tasked with reviewing potential acquisitions and reviewing the status of the city's existing properties.</p> <p>SCHEDULING AND PROJECT STATUS This is an on-going project.</p>

<b>Justification</b>
<p>Some city-owned properties include:</p> <p>4292 Oak Drive Lane (residential) 5937 County Road 101 (residential) - 5501 Baker Road (residential) - sell for affordable housing in 2023 5432 Rowland Road (residential) - sell for affordable housing in 2023 4700 Woodland Rd (residential) 10505 Belmont Road (residential) - sell for affordable housing in 2024 1809 Welland Ave (residential) - sell for affordable housing in 2024</p> <p>The city also owns several other parcels that may not meet the qualifications for future redevelopment or resale. One example is land purchased for storm water management. The city's land committee monitors and manages the city's land inventory.</p> <p>PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS Comprehensive Plan-Use infill and redevelopment opportunities to encourage a mix of housing choices in the community.</p> <p>Strategic Profile- Balance community-wide interests and respect Minnetonka's unique neighborhoods while continuing community reinvestment.</p>

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Budget Impact/Other</b>
<p>There is some staff time every year devoted to the upkeep on the properties; however, a property manager is hired for properties where there are tenants, lessening the staff time required. The city also owns several parcels for purposes such as storm water management, wetland preservation, parks, etc.</p>



# TAX INCREMENT FINANCING



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**

# Economic Improvement Program

2024 *thru* 2028

**Department** 5-TIF Districts

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>TIF-01</b>
<b>Project Name</b>	<b>Development Agreement and TIF Administration</b>

**Type** Program  
**Useful Life** N/A  
**Category** TIF

**Key Measures** TIF Districts

**Key Measures**

**Key Measures**

**Key Measures**

### Description

Any time a TIF district is formed, a development agreement is prepared between the city and the developer. Administration for both the TIF and the development agreement, over the life of the TIF district, is required.

#### SCHEDULING AND PROJECT STATUS

Administration and review of the existing development agreements and TIF districts is ongoing until the projects expire.

New TIF districts are anticipated to be added as new redevelopment projects are proposed in anticipation of the LRT.

### Justification

In some cases redevelopment projects need city assistance, such as in the form of Tax Increment Financing (TIF) in order for the project to be financially feasible. Anytime a TIF district is set-up there is a cost to the city for monitoring the project.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Continue to implement the Economic Development Authority’s policy that 10 to 20 percent of new multi-family units should be affordable housing and ensure long-term affordability within new developments.

- Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

#### KEY MEASURES

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Active TIF Districts	7	8	9	9	8	9	9	10	10	11	11	12

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	130,000	140,000	150,000	150,000	150,000	720,000
<b>Total</b>	<b>130,000</b>	<b>140,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>720,000</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Development Fund	130,000	140,000	150,000	150,000	150,000	720,000
<b>Total</b>	<b>130,000</b>	<b>140,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>720,000</b>

### Budget Impact/Other

Development agreements and TIF administration are staff led activities. The city regularly calls upon its financial consultants and legal counsel to assist in these matters. Staff time estimates are roughly 520-780 hours per year.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city’s financial consultant.

# Economic Improvement Program

2024 *thru* 2028

**Department** 5-TIF Districts

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>TIF-04</b>
<b>Project Name</b>	<b>Glenhaven TIF District</b>

**Type** Program  
**Useful Life** 2029  
**Category** TIF

**Key Measures** Affordable Units

**Key Measures**

**Key Measures**

**Key Measures**

**Description**

The Glenhaven TIF district is a renewal and renovation district approved on January 23, 2006. Special legislation was granted to the city in 2009 to extend the duration of the district by seven years to December 31, 2029.

**SCHEDULING AND PROJECT STATUS**  
 This TIF district was approved in 2006 and will expire in 2029. The first two phases of the project included: a mixed use apartment building with retail on the first floor and a senior housing rental community. The third phase, originally planned as a condominium building, was recently changed and a 54-unit cooperative was completed in 2017.

TIF revenue bonds were issued in 2010 and were refinanced in 2017. The refinance resulted in interest savings to repay the original interfund loan by 2026 and provide approximately \$366,000 at the end of the district for future redevelopment projects.

**Justification**

The Glenhaven TIF District was established to assist in the Glen Lake Redevelopment of housing and mixed use. There are 43 affordable units in the total development, affordable to those at 60% AMI or less.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Continue to implement the Economic Development Authority’s policy that 10 to 20 percent of new multi-family units should be affordable housing and ensure long-term affordability within new developments.  
 - Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

**KEY MEASURES**

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Affordable Units</b>											
43	43	43	43	43	43	43	43	43	43	43	43

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Impact/Other**

Staff, with occasional consultant assistance, oversees the administration of the TIF district. A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city’s financial consultant.

**Economic Improvement Program**

2024 *thru* 2028

**Department** 5-TIF Districts

**City of Minnetonka, Minnesota**

**Contact** Community Development

<b>Project #</b>	<b>TIF-06</b>
<b>Project Name</b>	<b>Tonka on the Creek TIF District (The Overlook)</b>

**Type** Program  
**Useful Life** 2035  
**Category** TIF

**Key Measures** Affordable Units

**Key Measures**

**Key Measures**

**Key Measures**

**Description**

The Tonka on the Creek TIF district is a housing district approved February 10, 2014. A 100-unit apartment building known as The Overlook, containing 20 affordable units, was constructed as part of the project.

**SCHEDULING AND PROJECT STATUS**

This TIF district was approved in 2014 and will end in 2041. Construction began in late 2014, and was completed in early 2016.

**Justification**

The Tonka on the Creek TIF District was established to assist in the development of an 100-unit apartment building, of which 20 units will be affordable to those at 50% AMI or less.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**

Comprehensive Plan- Work to diversify housing choices available to seniors in order to fulfill the unmet senior housing needs in the community (homeownership, rental, active, and supportive, aging in place).

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

**KEY MEASURES**

2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028

Affordable Units

20 20 20 20 20 20 20 20 20 20 20 20

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Impact/Other**

Staff, with occasional consultant assistance, oversees the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city's financial consultant.

# Economic Improvement Program

2024 *thru* 2028

**Department** 5-TIF Districts

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>TIF-07</b>
<b>Project Name</b>	<b>Applewood Pointe TIF District</b>

**Type** Program  
**Useful Life** 2025  
**Category** TIF

**Key Measures** Affordable Units

**Key Measures**

**Key Measures**

**Key Measures**

### Description

The Applewood Pointe TIF district is a redevelopment TIF district approved August 2014. An 89-unit senior cooperative building (Applewood Pointe) containing 9 affordable units was constructed as part of the project.

#### SCHEDULING AND PROJECT STATUS

The TIF district was approved in 2014 and will end in 2043. Construction began in late 2015 and was completed in 2016.

### Justification

The Applewood Pointe TIF District was established to assist in the development of an 89-unit senior cooperative building (Applewood Pointe), of which 9 units are affordable.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Work to diversify housing choices available to seniors in order to fulfill the unmet senior housing needs in the community (homeownership, rental, active, and supportive, aging in place).

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

#### KEY MEASURES

2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028

Affordable Units

9 9 9 9 9 9 9 9 9 9 9 9

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

Staff, with occasional consultant assistance, oversee the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city's financial consultant.



# Economic Improvement Program

2024 *thru* 2028

**Department** 5-TIF Districts

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>TIF-08</b>
<b>Project Name</b>	<b>Rowland Housing TIF District (At Home)</b>

**Type** Program

**Useful Life** 2036

**Category** TIF

**Key Measures** Affordable Units

**Key Measures**

**Key Measures**

**Key Measures**

### Description

At Home apartments is a 106-unit apartment building that received TIF assistance through a housing TIF district. Twenty-one units are affordable to those at 50% AMI or less.

#### SCHEDULING AND PROJECT STATUS

The TIF district was approved in 2015 and will end in 2043. Construction began in 2015 and was completed in 2016.

### Justification

This TIF district includes 21 of the 106 rental units affordable to those earning 50% AMI or less.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Continue to implement the Economic Development Authority’s policy that 10 to 20 percent of new multi-family units should be affordable housing and ensure long-term affordability within new developments.

- Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

#### KEY MEASURES

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Affordable Units	21	21	21	21	21	21	21	21	21	21	21

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

Staff, with occasional consultant assistance, oversee the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city’s financial consultant.

# Economic Improvement Program

2024 *thru* 2028

**Department** 5-TIF Districts

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>TIF-09</b>
<b>Project Name</b>	<b>Dominium TIF District (Legends/Preserve)</b>

**Type** Program  
**Useful Life** 2045  
**Category** TIF

**Key Measures** Affordable Units Created

**Key Measures**

**Key Measures**

**Key Measures**

**Description**

Dominium apartments is a 482 multifamily housing project that received TIF assistance through a housing TIF district. All 482 units are affordable to those at 60% AMI.

The project includes 262 senior housing units and 220 workforce units.

**SCHEDULING AND PROJECT STATUS**  
 The TIF district was approved in 2018 and will end in 2045. Construction began in the winter of 2018 and was completed in 2022.

**Justification**

This TIF district includes 482 units affordable to those earning 60% AMI or less.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- - Promote the development of a range of housing types to meet the needs of current and future residents near job centers, village centers, and TOD locations.  
 - Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.  
 -Manage and promote the Opus area as a unique mix of uses and increased development reinvestment.

**KEY MEASURES**

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Affordable Units											
N/A	N/A	N/A	N/A	N/A	482	482	482	482	482	482	482

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Impact/Other**

Staff, with occasional consultant assistance, oversee the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city's financial consultant.

# Economic Improvement Program

2024 *thru* 2028

**Department** 5-TIF Districts

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>TIF-10</b>
<b>Project Name</b>	<b>Marsh Run TIF District (The Birke)</b>

**Type** Program  
**Useful Life** 2046  
**Category** TIF

**Key Measures** Affordable Units Created  
**Key Measures**

**Key Measures**  
**Key Measures**

**Description**

The Birke is a 175 multifamily housing project that received TIF assistance through a Housing TIF district. The project has 20% (35 units) of the units affordable to those at 50% AMI.

**SCHEDULING AND PROJECT STATUS**  
 The TIF district was approved in 2019 and will terminate in 2046. Construction is anticipated to begin in 2019 and was completed in 2021.

**Justification**

This project includes 35 affordable units (20% of building) to those earning 50% AMI or less.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan- Continue to implement the Economic Development Authority’s policy that 10 to 20 percent of new multi-family units should be affordable housing and ensure long-term affordability within new developments.  
 - Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

**KEY MEASURES**

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
N/A	N/A	N/A	N/A	35	35	35	35	35	35	35	35

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Impact/Other**

Staff, with occasional consultant assistance, oversee the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city’s financial consultant.

# Economic Improvement Program

2024 *thru* 2028

**Department** 5-TIF Districts

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>TIF-11</b>
<b>Project Name</b>	<b>Shady Oak Crossing</b>

**Type** Program  
**Useful Life** 2033  
**Category** TIF

**Key Measures** Affordable Units Created

**Key Measures**

**Key Measures**

**Key Measures**

Description
Shady Oak Crossing is a 75 unit multifamily project that received TIF assistance through the establishment of a redevelopment district. The project is anticipated to have 20% (23 units) of the units affordable to those at 60% AMI.
<b>SCHEDULING AND PROJECT STATUS</b> The TIF district was approved in 2020 and will terminate in 2047. Construction began in 2020 and the project was completed in 2021.

Justification
This project includes 35 affordable units (20% of building) to those earning 50% AMI or less.
<b>PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS</b> Comprehensive Plan- Continue to implement the Economic Development Authority’s policy that 10 to 20 percent of new multi-family units should be affordable housing and ensure long-term affordability within new developments. - Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.
<b>Strategic Profile-</b> Implement programs and policies to diversify housing and increase affordable housing options. - Promote the development of a range of housing types to meet the needs of current and future residents near job centers, village centers, and TOD locations.
<b>KEY MEASURES</b> 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 Affordable Units N/A N/A N/A N/A N/A 23 23 23 23 23 23 23

Expenditures	2024	2025	2026	2027	2028	Total
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Funding Sources	2024	2025	2026	2027	2028	Total
TIF	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Budget Impact/Other
Staff, with occasional consultant assistance, oversee the administration of the TIF district.
A portion of the tax increment is retained to cover administrative costs.
More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city’s financial consultant.

# Economic Improvement Program

2024 *thru* 2028

Department 5-TIF Districts

## City of Minnetonka, Minnesota

Contact

<b>Project #</b>	<b>TIF-12</b>
<b>Project Name</b>	<b>Opus TIF District</b>

**Type** Program  
**Useful Life** 2039  
**Category** TIF

Key Measures

Key Measures

Key Measures

Key Measures

### Description

The Opus Business Park Tax Increment Financing District, a renewal and renovation district, was approved on April 26, 2021 to facilitate the construction of housing and critical infrastructure improvements identified in the Opus AUAR.

#### SCHEDULING AND PROJECT STATUS

The TIF district was approved in 2021 and will terminate in 2039.

### Justification

The Opus Business Park Tax Increment Financing District will fund future housing redevelopment projects and road/traffic improvement projects in the Opus area. There are currently three housing developments proposed in the district and six areas identified for road improvements:

Housing projects:

1. Minnetonka Station
2. Wellington Apartments
3. Doran Apartments

Road Improvement projects:

1. Shady Oak Road & Red Circle
2. Shady Oak Road & Hwy 62
3. Shady Oak Road & Bren Rd.
4. Green Oak Dr.
5. Bren Road & Smetana
6. Bren Road & Hwy 169

Comprehensive Plan- Continue to implement the Economic Development Authority’s policy that 10 to 20 percent of new multi-family units should be affordable housing and ensure long-term affordability within new developments.

- Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

- Promote the development of a range of housing types to meet the needs of current and future residents near job centers, village centers, and TOD locations.

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
TIF	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

Staff, with occasional consultant assistance, oversee the administration of the TIF district. A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance is provided in the 2022 TIF Management Report prepared by the Ehlers, the city's financial consultant.

# Economic Improvement Program

2024 *thru* 2028

Department 5-TIF Districts

## City of Minnetonka, Minnesota

Contact

<b>Project #</b>	<b>TIF-13</b>
<b>Project Name</b>	<b>Marsh II District</b>

**Type** Unassigned

**Useful Life**

**Category** Unassigned

Key Measures

Key Measures

Key Measures

Key Measures

### Description

The Marsh II Tax Increment Financing District, a redevelopment district, was approved on June 26, 2023 to facilitate the redevelopment of the Marsh office center.

#### SCHEDULING AND PROJECT STATUS

The TIF district was approved in 2023 and will terminate in 2050.

### Justification

The Marsh II project includes 40 affordable units. Twenty units are reserved for households earning 60% AMI or less and twenty units are reserved for households earning 80% AMI or less.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Continue to implement the Economic Development Authority’s policy that 10 to 20 percent of new multi-family units should be affordable housing and ensure long-term affordability within new developments.

- Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI and explore additional mixed income best practices.

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
TIF	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

Staff, with occasional consultant assistance, oversee the administration of the TIF district. A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance will be provided in the 2024 TIF Management Report prepared by the Ehlers, the city's financial consultant.



# TAX ABATEMENT

# Economic Improvement Program

2024 *thru* 2028

**Department** 6-Tax Abatement

## City of Minnetonka, Minnesota

**Contact** Community Development

<b>Project #</b>	<b>Abatement-1</b>
<b>Project Name</b>	<b>Ridgedale</b>

**Type** Improvement

**Useful Life** N/A

**Category** Tax Abatement

**Key Measures** Property Value Increase

**Key Measures**

**Key Measures** Property Levy

**Key Measures**

### Description

The Ridgedale Tax Abatement was approved in connection with the Ridgedale Mall expansion and pertains to the Macys, Nordstrom and mall properties. The funds are to be used for transportation improvements around the mall site and with public amenities on the site.

#### SCHEDULING AND PROJECT STATUS

The Ridgedale Tax Abatement project was approved in Spring 2013.

### Justification

The Ridgedale Tax Abatement will assist in financing the transportation and other public improvements that must be completed due to the Ridgedale Mall expansion.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan- Promote the development of a range of housing types to meet the needs of current and future residents near job centers, village centers, and TOD locations.

Strategic Profile- Implement programs and policies to diversify housing and increase affordable housing options.

#### KEY MEASURES

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Property Value Increase										
5.3%	20%	%0.4	%0.3	%.04	%.00	.00%	2%	4%	%	%

<b>Expenditures</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Funding Sources</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total</b>
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Budget Impact/Other

Staff, with occasional consultant assistance, oversees the administration of the Tax Abatement.

A portion of the abatement is retained to cover administrative costs.





# FUNDING SOURCES AND EXPENDITURE PROJECTIONS



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**

## FUND DESCRIPTIONS

*Development Fund (2021 estimated beginning fund balance): \$5,643,601*

The Development Fund was created with funds remaining after retiring the bonds of a single Tax Increment Finance (TIF) district in 1993. Under provisions of the TIF contract and law, the Development Fund may only be used for costs associated with Minnetonka's redevelopment and economic development activities. The city's Economic Development Authority initiates projects appropriate to these activities.

*Livable Communities Fund (2021 estimated beginning fund balance): \$773,111*

The Livable Communities fund was created after receiving special legislation to develop an account from the revenues of a closed Tax Increment Finance (TIF) district. The legislation specifically restricts the use of these funds for affordable housing programs. Standards for affordability are consistent with the Metropolitan Council's income, rent and sales price limits. In 2017, \$400,000 was returned from the sale of Minnetonka Heights. The original source of this funding indicated that the reuse of the funds must be utilized for affordable housing. The remaining balance of \$312,948 is committed to Homes Within Reach.

*Community Development Block Grant (CDBG)*

Since 1975, the Community Development Block Grant (CDBG) fund has accounted for revenues and expenditures made under the federal CDBG program. Minnetonka typically uses these funds for housing projects and programs (such as housing rehab, affordable housing, and supportive housing) and supportive services (such as senior chore programs, information and referral services and others).

*HRA Levy (Proposed for 2023): \$300,000 (estimate)*

Minnesota Statutes 469.033, Subd. 6 authorizes housing and redevelopment authorities (HRAs) the power to levy a tax upon all property within its district to finance housing and redevelopment programs subject to the consent of the city council. In 1988 and amended in 1994 and 2010, the Minnetonka City Council established the Economic Development Authority (EDA) of the City of Minnetonka and transferred to the EDA the control, authority and operation of all projects and programs of the city's HRA. The law and council resolutions further require the EDA to file a budget in accordance with the budget procedure of the city in the same manner as required of executive departments of the city.

*Affordable Housing Trust Fund (2021 estimated beginning fund balance): \$3,083,000*

State Statute 462C.16 allows local government to establish an affordable housing trust fund for local housing development. Authorized uses of this fund includes: administrative expenses; loans, grants, and guarantees for the development, rehab or financing of housing; matching funds; down-payment assistance, rental assistance, and homebuyer counseling services.

**SUMMARY TABLE  
EIP 2024  
Expenditures by Category & Fund**

Category	Program	Total	Fund				
			CDBG (Entitlement Funds)	Devpt Fund	HRA Levy	Aff. Housing Trust Fund	Other
<b>Housing:</b>							
	CDBG Entitlement (Prior to 2018)	\$ 32,000	32,000				
	CDBG Consortium (2018 - Future)						
	Homes Within Reach	\$ 125,000			125,000		
	Housing Improvement Areas	\$ 10,000,000				10,000,000	
	Welcome to Minnetonka	\$ 50,000			50,000		
	Mtka Home Enhancement	\$ 50,000			50,000		
	Aff. Housing Trust Fund					1,050,000	
	<b>Subtotal</b>	<b>\$ 11,307,000</b>	<b>\$ 32,000</b>	<b>\$ -</b>	<b>\$ 225,000</b>	<b>\$ 1,050,000</b>	<b>\$ 10,000,000</b>
<b>Business:</b>							
	Fire Sprinkler Retrofit	\$ 50,000				50,000	
	Pass-Through Grants	\$ 2,000,000		2,000,000			
	GreaterMSP	\$ 25,000		25,000			
	MIF/JCF	\$ 2,000,000		2,000,000			
	Elevate Hennepin/Open to Business	\$ 20,000		20,000			
	Outreach	\$ -					
	MN Regional Chamber	\$ 600				600	
	SAC/REC Deferral Program	\$ 50,000				50,000	
	Commercial Code Compliance	\$ 50,000		50,000			
	Emergency Business Grant	\$ 10,000		10,000			
	<b>Subtotal</b>	<b>\$ 4,205,600</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,600</b>
<b>Transit:</b>							
	Commuter Services Transit Improvements	\$ 32,000				32,000	
		\$ -					
	<b>Subtotal</b>	<b>\$ 32,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,000</b>
<b>Devpt &amp; Redeopt:</b>							
	Predevelopment	\$ 75,000		75,000			
	LRT and Station Area	\$ 75,000			75,000		
	<b>Subtotal</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TIF Districts:</b>							
	Devpt Agmt & TIF Admin	\$ 130,000		130,000			
	<b>Subtotal</b>	<b>\$ 130,000</b>	<b>\$ -</b>	<b>\$ 130,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Tax Abatement:</b>							
	Ridgedale	\$ -	\$ -	\$ -	\$ -	\$ -	
	<b>Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTALS</b>		<b>\$ 15,824,600</b>	<b>\$ 32,000</b>	<b>\$ 205,000</b>	<b>\$ 300,000</b>	<b>\$ 1,050,000</b>	<b>\$ 10,132,600</b>

**EIP 2024-2028  
All Categories  
Funding Sources and Expenditure Projections**

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	TOTAL
<b>Method of Financing</b>											
Development Account	\$ 4,300,000	\$ 3,310,000	\$ 2,320,000	\$ 1,820,000	\$ 1,820,000	\$ 1,820,000	\$ 1,820,000	\$ 1,820,000	\$ 1,820,000	\$ 1,820,000	\$ 22,670,000
General Fund	32,600	34,600	36,600	38,600	40,600	42,600	44,600	46,600	48,600	50,600	416,000
Federal Grant (CDBG) - Entitlement	32,000	34,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	346,000
Federal Grant (CDBG) - Consortium	-	-	-	-	-	-	-	-	-	-	\$ -
Ad Valorem Tax Levy	300,000	325,000	325,000	300,000	300,000	250,000	250,000	225,000	225,000	225,000	2,725,000
Affordable Housing Trust Fund	1,050,000	1,050,000	1,050,000	1,050,000	50,000	50,000	50,000	50,000	50,000	50,000	4,500,000
Other	10,110,000	10,110,000	5,110,000	5,110,000	5,110,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	61,050,000
<b>Total Funding Sources</b>	<b>\$ 15,824,600</b>	<b>\$ 14,863,600</b>	<b>\$ 8,876,600</b>	<b>\$ 8,353,600</b>	<b>\$ 7,355,600</b>	<b>\$ 7,297,600</b>	<b>\$ 7,299,600</b>	<b>\$ 7,276,600</b>	<b>\$ 7,278,600</b>	<b>\$ 7,280,600</b>	<b>\$ 91,707,000</b>
<b>Expenditures</b>											
Housing	\$ 11,307,000	\$ 11,309,000	\$ 6,310,000	\$ 6,310,000	\$ 5,310,000	\$ 5,310,000	\$ 5,310,000	\$ 5,310,000	\$ 5,310,000	\$ 5,310,000	\$ 67,096,000
Business	4,205,600	3,230,600	2,230,600	1,705,600	1,705,600	1,720,600	1,720,600	1,695,600	1,695,600	1,695,600	21,606,000
Transit	32,000	34,000	36,000	38,000	40,000	42,000	44,000	46,000	48,000	50,000	410,000
Development/Redevelopment	150,000	150,000	150,000	150,000	150,000	75,000	75,000	75,000	75,000	75,000	1,125,000
TIF Admin	130,000	140,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,470,000
<b>Total Expenditures</b>	<b>\$ 15,824,600</b>	<b>\$ 14,863,600</b>	<b>\$ 8,876,600</b>	<b>\$ 8,353,600</b>	<b>\$ 7,355,600</b>	<b>\$ 7,297,600</b>	<b>\$ 7,299,600</b>	<b>\$ 7,276,600</b>	<b>\$ 7,278,600</b>	<b>\$ 7,280,600</b>	<b>\$ 91,707,000</b>

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2024 thru 2033

**SOURCES AND USES OF FUNDS**

Source	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>CDBG</b>										
<b>Beginning Balance</b>	0	3,000	4,000	4,000	9,000	14,000	24,000	34,000	44,000	59,000
<b><u>Revenues and Other Fund Sources</u></b>										
<i>Revenue</i>										
Federal grant	0	0	0	0	0	0	0	0	0	0
program income	35,000	35,000	35,000	40,000	40,000	45,000	45,000	45,000	50,000	50,000
<i>Total</i>	35,000	35,000	35,000	40,000	40,000	45,000	45,000	45,000	50,000	50,000
<b>Total Revenues and Other Fund Sources</b>	35,000	35,000	35,000	40,000	40,000	45,000	45,000	45,000	50,000	50,000
<b>Total Funds Available</b>	<b>35,000</b>	<b>38,000</b>	<b>39,000</b>	<b>44,000</b>	<b>49,000</b>	<b>59,000</b>	<b>69,000</b>	<b>79,000</b>	<b>94,000</b>	<b>109,000</b>
<b><u>Expenditures and Uses</u></b>										
<i>Capital Projects &amp; Equipment</i>										
<i>1-Housing</i>										
CDBG Entitlement (Prior to 2018)	(32,000)	(34,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
<i>Total</i>	(32,000)	(34,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
<b>Total Expenditures and Uses</b>	(32,000)	(34,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
<b>Change in Fund Balance</b>	3,000	1,000	0	5,000	5,000	10,000	10,000	10,000	15,000	15,000
<b>Ending Balance</b>	<b>3,000</b>	<b>4,000</b>	<b>4,000</b>	<b>9,000</b>	<b>14,000</b>	<b>24,000</b>	<b>34,000</b>	<b>44,000</b>	<b>59,000</b>	<b>74,000</b>

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2024 thru 2033

**SOURCES AND USES OF FUNDS**

Source	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Development Fund</b>										
<b>Beginning Balance</b>	5,610,306	3,506,436	1,902,566	1,298,696	1,194,826	1,090,956	987,086	383,216	(220,654)	(824,524)
<b>Revenues and Other Fund Sources</b>										
<i>Revenue</i>										
Cedar Ridge Assessments	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500
Cloud 9 Admin	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630
Grants	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000
Interest Income	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
TIFAdmin Revenue	130,000	140,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
<i>Total</i>	2,196,130	1,706,130	1,716,130	1,716,130	1,716,130	1,716,130	1,216,130	1,216,130	1,216,130	1,216,130
<b>Total Revenues and Other Fund Sources</b>	2,196,130	1,706,130	1,716,130	1,716,130	1,716,130	1,716,130	1,216,130	1,216,130	1,216,130	1,216,130
<b>Total Funds Available</b>	<b>7,806,436</b>	<b>5,212,566</b>	<b>3,618,696</b>	<b>3,014,826</b>	<b>2,910,956</b>	<b>2,807,086</b>	<b>2,203,216</b>	<b>1,599,346</b>	<b>995,476</b>	<b>391,606</b>
<b>Expenditures and Uses</b>										
<i>Capital Projects &amp; Equipment</i>										
<u>2-Business</u>										
Housing and Redevelopment Grants	<i>Business-02</i>	(2,000,000)	(2,000,000)	(1,000,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
GreaterMSP	<i>Business-04</i>	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
MIF/JCF Projects	<i>Business-06</i>	(2,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Business Advisory Services	<i>Business-07</i>	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Special Service District	<i>Business-13</i>	0	0	0	0	0	0	0	0	0
Commercial Code Compliance Fund	<i>Business-18</i>	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<i>Total</i>		(4,095,000)	(3,095,000)	(2,095,000)	(1,595,000)	(1,595,000)	(1,595,000)	(1,595,000)	(1,595,000)	(1,595,000)
<u>4-Development &amp; Redevelopment</u>										

Source		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Development Fund</b>											
Pre-Development	<i>Dev/Redev-01</i>	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
	<i>Total</i>	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
<u>5-TIF Districts</u>											
Development Agreement and TIF Administration	<i>TIF-01</i>	(130,000)	(140,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
	<i>Total</i>	(130,000)	(140,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
<b>Total Expenditures and Uses</b>		(4,300,000)	(3,310,000)	(2,320,000)	(1,820,000)	(1,820,000)	(1,820,000)	(1,820,000)	(1,820,000)	(1,820,000)	(1,820,000)
<b>Change in Fund Balance</b>		(2,103,870)	(1,603,870)	(603,870)	(103,870)	(103,870)	(103,870)	(603,870)	(603,870)	(603,870)	(603,870)
<b>Ending Balance</b>		<b>3,506,436</b>	<b>1,902,566</b>	<b>1,298,696</b>	<b>1,194,826</b>	<b>1,090,956</b>	<b>987,086</b>	<b>383,216</b>	<b>(220,654)</b>	<b>(824,524)</b>	<b>(1,428,394)</b>

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2024 thru 2033

**SOURCES AND USES OF FUNDS**

Source	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b><u>HRA Levy</u></b>										
<b>Beginning Balance</b>	1,103,233	1,115,233	1,102,233	1,114,233	1,151,233	1,163,233	1,160,233	1,182,233	1,229,233	1,251,233
<b><u>Revenues and Other Fund Sources</u></b>										
<i>Revenue</i>										
Ad Valorem Tax Levy	300,000	300,000	325,000	325,000	300,000	225,000	250,000	250,000	225,000	225,000
Investment Interest	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Loan paybacks	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
<i>Total</i>	322,000	322,000	347,000	347,000	322,000	247,000	272,000	272,000	247,000	247,000
<b>Total Revenues and Other Fund Sources</b>	322,000	322,000	347,000	347,000	322,000	247,000	272,000	272,000	247,000	247,000
<b>Total Funds Available</b>	1,425,233	1,437,233	1,449,233	1,461,233	1,473,233	1,410,233	1,432,233	1,454,233	1,476,233	1,498,233
<b><u>Expenditures and Uses</u></b>										
<i>Capital Projects &amp; Equipment</i>										
<u>1-Housing</u>										
Homes Within Reach	<i>Housing-05</i>	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)
Minnetonka Home Enhancement	<i>Housing-08</i>	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Welcome to Minnetonka Loan Program	<i>Housing-14</i>	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<i>Total</i>		(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)
<u>2-Business</u>										
Outreach	<i>Business-08</i>	0	(25,000)	(25,000)	0	0	(25,000)	(25,000)	0	0
Emergency Business Assistance	<i>Business-16</i>	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	0	0	0	0
<i>Total</i>		(10,000)	(35,000)	(35,000)	(10,000)	(10,000)	(25,000)	(25,000)	0	0
<u>4-Development &amp; Redevelopment</u>										



Source	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>HRA Levy</b>										
Village Center Studies and Comprehensive Plan <i>Dev/Redev-02</i>	0	0	(75,000)	(75,000)	(75,000)	0	0	0	0	0
LRT and LRT Station Area Development <i>Dev/Redev-03</i>	(75,000)	(75,000)	0	0	0	0	0	0	0	0
<i>Total</i>	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	0	0	0	0	0
<b>Total Expenditures and Uses</b>	(310,000)	(335,000)	(335,000)	(310,000)	(310,000)	(250,000)	(250,000)	(225,000)	(225,000)	(225,000)
<b>Change in Fund Balance</b>	12,000	(13,000)	12,000	37,000	12,000	(3,000)	22,000	47,000	22,000	22,000
<b>Ending Balance</b>	<b>1,115,233</b>	<b>1,102,233</b>	<b>1,114,233</b>	<b>1,151,233</b>	<b>1,163,233</b>	<b>1,160,233</b>	<b>1,182,233</b>	<b>1,229,233</b>	<b>1,251,233</b>	<b>1,273,233</b>

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2024 thru 2033

**SOURCES AND USES OF FUNDS**

Source	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Affordable Housing Trust Fund</b>										
<b>Beginning Balance</b>	5,728,000	4,678,000	3,628,000	2,578,000	1,528,000	1,478,000	1,428,000	1,378,000	1,328,000	1,278,000
<b>Revenues and Other Fund Sources</b>										
<i>Revenue</i>										
No Funds	0	0	0	0	0	0	0	0	0	0
<i>Total</i>	0	0	0	0	0	0	0	0	0	0
<b>Total Revenues and Other Fund Sources</b>	0	0	0	0	0	0	0	0	0	0
<b>Total Funds Available</b>	5,728,000	4,678,000	3,628,000	2,578,000	1,528,000	1,478,000	1,428,000	1,378,000	1,328,000	1,278,000
<b>Expenditures and Uses</b>										
<i>Capital Projects &amp; Equipment</i>										
<i>1-Housing</i>										
Affordable Housing Trust Fund	<i>Housing-22</i>	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	0	0	0	0	0
Pathways to Homeownership	<i>Housing-23</i>	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<i>Total</i>		(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<b>Total Expenditures and Uses</b>		(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<b>Change in Fund Balance</b>		(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<b>Ending Balance</b>		4,678,000	3,628,000	2,578,000	1,528,000	1,478,000	1,428,000	1,378,000	1,328,000	1,278,000

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2024 thru 2033

**SOURCES AND USES OF FUNDS**

Source	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Livable Communities Fund</b>										
<b>Beginning Balance</b>	799,463	800,463	801,463	802,463	803,463	804,463	805,463	806,463	807,463	808,463
<b><u>Revenues and Other Fund Sources</u></b>										
<i>Revenue</i>										
Interest Income	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<i>Total</i>	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Total Revenues and Other Fund Sources</b>	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Total Funds Available</b>	<b>800,463</b>	<b>801,463</b>	<b>802,463</b>	<b>803,463</b>	<b>804,463</b>	<b>805,463</b>	<b>806,463</b>	<b>807,463</b>	<b>808,463</b>	<b>809,463</b>
<b>Change in Fund Balance</b>	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Ending Balance</b>	<b>800,463</b>	<b>801,463</b>	<b>802,463</b>	<b>803,463</b>	<b>804,463</b>	<b>805,463</b>	<b>806,463</b>	<b>807,463</b>	<b>808,463</b>	<b>809,463</b>

These Districts are outlined in the following chart (a more detailed explanation of each district may be found starting on page 27):

District	TIF 1-2 Boulevard Gardens	Glenhaven	Tonka on the Creek	Rowland Housing	Applewood Pointe	Marsh Run (Doran)	Shady Oak Crossing (Ron Clark)	Dominium	Opus Business Park
TIF Authority									
EDA									
District Type	Redevelopment	Renewal and Renovation	Housing	Housing	Redevelopment	Housing	Redevelopment	Housing	Renewal and Renovation
Project Area									
Development Dist #1									
Approved	12/11/1995	1/23/2006	2/10/2014	4/20/2015	8/25/2014	3/18/2019	2/24/2020	6/18/2018	4/26/2021
Certification Date	7/2/1996	6/2/2006	4/22/2014	7/2/2015	7/2/2015	7/26/2019	7/17/2020	12/10/2018	5/14/2021
Legal Max Term	12/31/2022	12/31/2029	12/31/2041	12/31/2043	12/31/2043	12/31/2046	12/31/2047	12/31/2046	12/31/2039
Anticipated Term	<b>12/31/2022</b>	<b>12/31/2029</b>	<b>12/31/2041</b>	<b>12/31/2043</b>	<b>12/31/2025</b>	<b>12/31/2046</b>	<b>12/31/2043</b>	<b>12/31/2046</b>	<b>12/31/2039</b>
First Increment	1997	2007	2016	2018	2018	2021	2022	2021	2024
Current Obligations	35% pooling for tax credit rental projects <b>\$1,025,000</b> Loan to The Ridge	<b>\$4,515,000</b> TIF Revenue Bonds, Series 2017 and <b>\$502,588</b> IFL	<b>\$2,283,000</b> PAYGO TIF Note to Tonka on the Creek LLC PAYGO	<b>\$2,500,000</b> PAYGO TIF Note to Rowlands Investments LLC	<b>\$1,290,000</b> PAYGO TIF Note to United Properties	<b>\$4,200,000</b> PAYGO TIF Note	<b>\$1,900,000</b> PAYGO TIF Note	<b>\$4,161,000</b> PAYGO TIF Note for Sr. housing and <b>\$3,648,000</b> PAYGO TIF Note for workforce housing	<b>\$2,780,000</b> PAYGO TIF Note to Wellington, <b>\$553,000</b> Grant to Linden Street Partners (IFL) and <b>\$280,000</b> grant to Doran (IFL)
2022 Estimated TIF Revenue	\$1,991,066	\$658,209	\$258,206	\$264,463	\$248,931	\$235,666	\$2,538	\$268,427	\$0
Fiscal Disparities Option	Option A (outside)		Option B (inside)						
County Number	1460	1463	1464	1465	1466	1467	1468	1469	1470

Note 1: Estimated TIF revenue is based on the increment reports from the County

Note 2: For TIF 1-2, approximately \$1,253,000 of the annual TIF is returned to the County for redistribution and the remainder is utilized for affordable housing projects.

**Pooling Transfers to Local Housing Trust Fund Per Special Legislation**

Year	Beacon Hill (Housing)	Boulevard Gardens (Redevelopment)	Tonka on the Creek (Housing)	Applewood Pointe (Redevelopment)	Rowland (Housing)	Marsh Run (Housing)	Shady Oak Crossing (Redevelopment)	Total	Cumulative
<b>To Date</b>	\$ 936,640	\$ 3,753,602	\$ 147,196	\$ -	\$ 124,242	\$ -	\$ -	\$ 4,961,680	\$ 4,961,680
2022		\$ 3,532,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,532,814	\$ 8,494,494
2023			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,494,494
2024			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,494,494
2025			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,494,494
2026			\$ -	\$ 194,520	\$ -	\$ -	\$ -	\$ 194,520	\$ 8,689,014
2027			\$ -	\$ 242,979	\$ -	\$ -	\$ -	\$ 242,979	\$ 8,931,993
2028			\$ -	\$ 245,408	\$ -	\$ -	\$ -	\$ 245,408	\$ 9,177,401
2029			\$ -	\$ 355,790	\$ -	\$ -	\$ -	\$ 355,790	\$ 9,533,191
2030			\$ -		\$ -	\$ -	\$ -	\$ -	\$ 9,533,191
2031			\$ -		\$ -	\$ 533,389	\$ -	\$ 533,389	\$ 10,066,580
2032			\$ -		\$ -	\$ 563,792	\$ -	\$ 563,792	\$ 10,630,372
2033			\$ -		\$ -	\$ 569,430	\$ -	\$ 569,430	\$ 11,199,802
2034			\$ 65,446		\$ -	\$ 575,124	\$ -	\$ 640,570	\$ 11,840,372
2035			\$ 253,398		\$ 36,472	\$ 580,875	\$ -	\$ 870,745	\$ 12,711,117
2036			\$ 255,932		\$ 259,734	\$ 586,684	\$ -	\$ 1,102,350	\$ 13,813,467
2037			\$ 258,491		\$ 262,331	\$ 592,551	\$ -	\$ 1,113,373	\$ 14,926,841
2038			\$ 261,076		\$ 264,955	\$ 598,477	\$ -	\$ 1,124,507	\$ 16,051,348
2039			\$ 263,687		\$ 267,604	\$ 604,461	\$ -	\$ 1,135,752	\$ 17,187,100
2040			\$ 266,323		\$ 270,280	\$ 610,506	\$ -	\$ 1,147,110	\$ 18,334,210
2041			\$ 268,987		\$ 272,984	\$ 616,611	\$ -	\$ 1,158,582	\$ 19,492,792
2042					\$ 275,715	\$ 622,777	\$ -	\$ 898,492	\$ 20,391,284
2043					\$ 278,473	\$ 629,005	\$ 121,796	\$ 1,029,274	\$ 21,420,558
2044						\$ 635,295	\$ 159,999	\$ 795,294	\$ 22,215,852
2045						\$ 641,648	\$ 161,599	\$ 803,247	\$ 23,019,098
2046						\$ 648,064	\$ 163,215	\$ 811,279	\$ 23,830,377
2047							\$ 164,847	\$ 164,847	\$ 23,995,224
<b>Total</b>	<b>\$ 936,640</b>	<b>\$ 7,286,416</b>	<b>\$ 2,040,534</b>	<b>\$ 1,038,697</b>	<b>\$ 2,312,792</b>	<b>\$ 9,608,690</b>	<b>\$ 771,455</b>	<b>\$ 23,995,224</b>	<b>\$ 23,995,224</b>

**History of Economic Development Grant Awards for Minnetonka Projects (2016-Present)**

<b>Year Awarded</b>	<b>Fund / Project Name</b>	<b>Grant Amount</b>
2016	NatureWorks - Minnesota Investment Fund	\$250,000
2017	LCDA-TOD (Mariner)	\$1,876,500
2018	Hennepin County Corridor Planning Grant (Opus Design Guidelines)	\$50,000
2018	Hennepin TOD (Mariner)	\$450,000 *
2018	Hennepin AHIF (Mariner)	\$400,000 *
2018	LHIA - Mariner	\$210,500
2018	LCDA-TOD (Dominium)	\$2,000,000
2019	MN DEED Job Creation Fund (Carlson Wagonlit)	\$450,000
2019	MN DEED Job Creation Fund (PeopleNet/Trimble)	\$600,000
2019	MN DEED Minnesota Investment Fund (PeopleNet/Trimble)	\$1,000,000
2020	Hennepin County Brownfields Gap Financing Participation (Opus AUAR Study)	\$44,000
2020	MN DEED Redevelopment Grant (Shady Oak Crossing)	\$246,653
2020	Hennepin County TOD (Shady Oak Crossing)	\$250,000 *
2020	Met Council TBRA (Shady Oak Crossing)	\$414,200
2021	Hennepin County TOD (Wellington)	\$250,000 *
2021	Homes Within Reach	\$188,000
2022	King Technology	\$617,000
2023	Metropolitan Council Policy Grant	\$50,000
	<b>Total</b>	<b>\$9,346,863</b>

*\* Indicates funds that were not applied for by the city, but required staff support and city administration.*



# AFFORDABLE HOUSING GOALS



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**

# CRITICAL MEASURES OF REGIONAL HOUSING POLICY

## *projected NEED*

Significantly more households will need affordable housing in the next decade - whether we plan for them or not. Our region will be more successful if we all do what we can to address the growing affordable housing need.



## More households will **NEED** affordable housing

### Cities are allocated a share of the region's projected need

Cities' share of the region's growth in affordable housing need is on their Community Page within the Local Planning Handbook. This share is proportional to a city's overall forecasted growth, its existing affordable housing stock, and the ratio of low-wage jobs to low-wage earning residents.

### Cities must plan for their share of the need

Cities aren't required to create enough units to meet their share of the need, but they must plan for the possibility of these units by guiding sufficient land at higher residential densities in their comprehensive plans.

## *achievable GOAL*

An aspirational but realistic number of new affordable housing units that a city, in partnership with developers, funders and others, can help create by 2030.



## Livable Communities Act **GOAL**

### Cities negotiate their goal with the Council.

Cities wanting grants from the Livable Communities Act programs must negotiate a goal with the Council. The goal represents the affordable and life-cycle housing that developers could realistically build in a city, recognizing market conditions and available funding.

### Why participate in Livable Communities Act programs?

The Livable Communities Act programs give participating cities access to grant dollars for environmental clean-up, innovative development and redevelopment projects, and affordable housing production or preservation.

## *performance SCORE*

The Council recognizes communities for their efforts around affordable housing annually. Scores can influence certain Council funding decisions.



## Housing Performance **SCORE**

### How can cities achieve a higher score?

The Council annually calculates a Housing Performance Score to acknowledge the local efforts to create and preserve affordable housing. Cities can increase scores by creating or preserving affordable housing as well as by offering programs, plans and tools that support and encourage affordable housing.

### Do Housing Performance scores matter?

Housing Performance Scores affect a city's competitiveness for Livable Communities Act funding and regionally allocated federal transportation funding. Data collected in the scoring process also provides useful information on how cities are addressing their housing needs.



# 2021-2030 ALLOCATION OF AFFORDABLE HOUSING NEED

The 2021-2030 Allocation of Affordable Housing Need—or the *NEED*—is based on forecasting consistent with [Thrive MSP 2040](#), the regional development guide adopted in May 2014 by the Metropolitan Council. The *NEED* numbers are shared with local governments to aid their fulfillment of affordable housing planning responsibilities statutorily required by the [Metropolitan Land Use Planning Act](#). The *NEED* is proportional to 1) a city or township's total forecasted population growth between 2021 and 2030, 2) its existing affordable housing stock, and 3) the ratio of low-wage jobs to low-wage earning residents. The full methodology is described in the Council's [2040 Housing Policy Plan](#). Here, affordable refers to housing units that households at three levels of Area Median Income—as defined by the [U.S. Department of Housing and Urban Development](#)—could pay for without becoming cost-burdened (that is, spending more than a third of their income on housing costs).

As local governments submit their comprehensive plans and formal updates over the next decade, their forecasts and/or *NEED* numbers may change. *NEED* numbers are current as of the date indicated; refer to [Community Pages in our Local Planning Handbook](#) for the most current information, which is updated in real time.

	<b>Net population growth (2021-2030)</b>	<b><i>NEED</i> for affordable units, total</b>	<b><i>NEED</i> for units afford- able to households with income at or below 30% of AMI</b>	<b><i>NEED</i> for units afford- able to households with income 31% to 50% of AMI</b>	<b><i>NEED</i> for units afford- able to households with income 51% to 80% of AMI</b>
<b>Sewered Communities</b>	(1/29/2021)	(1/29/2021)			
<b>Hennepin County</b>					
Minnetonka	2,400	1,064	508	412	144

## AFFORDABLE HOUSING GOALS

*Progress on the city's affordable housing goals.*

In 1995, the Minnesota Legislature created the Livable Communities Act (LCA) to address the affordable and life-cycle housing needs in the Twin Cities metropolitan area. When the LCA was established, Minnetonka was one of the first communities to sign up to participate in the program. At that time, a series of affordable housing goals for the city was established for 1996 to 2010. The city has elected to continue to participate in the LCA program, establishing affordable and lifecycle housing goals for 2011 to 2020. In 2020, the city will establish new goals for 2021-2030.

### 1995-2010 AFFORDABLE HOUSING GOALS

	Goals (1995-2010)	Results	Percent Achieved
New Affordable Ownership Units	180 Units	202	112%
New Affordable Rental Units	324 Units	213	66%
New Rental Units (All)	540 Units	697	130%

#### 1995-2010 New Affordable Ownership Units

Project	Year Completed	Affordable Units	EIP Program Used
Gables of West Ridge Market	1996-1997	90	Boulevard Gardens TIF
Habitat for Humanity	1999	4	None
Ridgebury	2000	56	Ridgebury TIF
The Enclave	2002	1	None
The Sanctuary	2005-2007	3	-Grants -Homes Within Reach
Lakeside Estates	2005	1	Homes Within Reach
Cloud 9 Sky Flats	2006	34	Homes Within Reach
Wyldewood Condos	2006	8	None
Minnetonka Drive	2007	1	Homes Within Reach
Deephaven Cove	2007	2	-Grants -Homes Within Reach
Meadowwoods	2007/2008	2	Homes Within Reach

#### 1995-2010 New Affordable Rental Units

Project	Year Completed	Affordable Units	EIP Program Used
Excelsior Court Apartments	1996	24	
West Ridge Retirement	1997	45	Boulevard Gardens TIF
Boulevard Gardens	1997	46	Boulevard Gardens TIF
Crown Ridge Apartments	1997	46	Boulevard Gardens TIF
Minnetonka Mills	1997	30	Minnetonka Mills TIF
Cedar Pointe Townhouses	1997	9	Cedar Pointe
The Oaks at Glen Lake	2008	13	Glenhaven TIF

**2011-2020 AFFORDABLE HOUSING GOALS**

	Goals (2011-2020)	Results	Percent Achieved (to date)
New Affordable Units (rental & ownership)	246 to 378	679	276%
New Lifecycle Units	375 to 800	1,655	441%

*2011-2020 New Affordable Units (rental and ownership)*

Project	Year Completed	Affordable Units	EIP Program Used
The Glenn by St. Therese	2011	30	Glenhaven TIF
The Ridge	2013	51	TIF Pooling
Tonka on the Creek	2016	20	Tonka on the Creek TIF
At Home	2016	21	Rowland Housing TIF
Cherrywood Pointe	2017	8	N/A
The RiZe	2019	32	N/A
Preserve at Shady Oak/ Legends of Minnetonka	2020*	482	TIF Housing
Marsh Run	2020*	35	TIF Housing
Total	N/A	679	N/A

*2011-2020 New Lifecycle Units*

Project	Year Completed	Lifecycle Units	EIP Program Used
The Glenn by St. Therese	2011	150	Glenhaven TIF
The Ridge	2013	64	TIF Pooling
Tonka on the Creek	2016	100	Tonka on the Creek TIF
At Home	2016	106	Rowland Housing TIF
Applewood Pointe	2017	89	Applewood Pointe TIF
Lecesse*	2017	290	N/A
Cherrywood Pointe	2017	92	N/A
Zvago	2017	54	Glenhaven TIF
Orchards of Minnetonka	2019	147	N/A
Havenwood	2019	100	N/A
Minnetonka Hills	2019	78	N/A
Ridgedale Executive Apts	2020*	77	N/A
Avidor	2020*	168	N/A
Marsh Run	2020*	140	TIF Housing
Total	N/A	1,655	N/A

## 2021-2030 AFFORDABLE HOUSING GOALS

	Goals (2021-2030)	Results	Percent Achieved (to date)
New Affordable Units (rental & ownership)	558 - 1,064	725*	129%
New Lifecycle Units	2,400	1094*	46%

\*New construction is not counted toward the goal until the project is occupied.

### 2021-2030 New Affordable Units (rental and ownership)

Project	Year Completed	Affordable Units	EIP Program Used
Preserve at Shady Oak/ Legends of Minnetonka	2021	482	TIF Housing
Shady Oak Crossings	2021	35	TIF Pooling
The Pointe	2023	19	AHTF
Alcott	2023	53	AHTF
Minnetonka Station	2023	28	AHTF
Townline	2023	68	Opus TIF
Marsh II – Doran	2024*	40	Marsh II TIF
Total	N/A	725	

\*Indicates projects that are approved, but not yet constructed therefore affordable and lifecycle units are not counted in the 2011-2020 goals.

### 2021-2030 New Lifecycle Units

Project	Year Completed	Lifecycle Units	EIP Program Used
Shady Oak Crossings	2021	52	TIF Pooling
The Pointe	2023	186	Development Fund
Alcott	2023	297	Opus TIF
Minnetonka Station	2023	247	Opus TIF
Townline	2023*	155	Opus TIF
Marsh II	2024*	157	Marsh II TIF
Total	N/A	1,094	

\*Indicates projects that are approved, but not yet constructed therefore affordable and lifecycle units are not counted in the 2021-2030 goals.

## DRAFT - 2023 AFFORDABLE HOUSING INCOME LIMITS

Household Size	30%	50%	60%	80%	120%
1	\$26,100	\$43,500	\$52,200	\$66,300	\$99,288
2	\$29,800	\$49,700	\$59,640	\$75,750	\$113,472
3	\$33,550	\$55,900	\$67,080	\$85,200	\$127,656
4	\$37,250	\$62,100	\$74,520	\$94,650	\$141,840
5	\$40,250	\$67,100	\$80,520	\$102,250	\$153,187
6	\$43,250	\$72,050	\$86,460	\$109,800	\$164,534
7	\$46,200	\$77,050	\$92,460	\$117,400	\$175,881
8	\$50,560	\$82,000	\$98,400	\$124,950	\$187,228
<b>Twin Cities Median Family Income 2023: \$124,900</b>					

Income limits are published on the US Department of Housing and Urban Development User Portal:  
<https://www.huduser.gov/portal/datasets/il.html>

### How much do residents pay for affordable housing?

Maximum Gross Rents by Bedroom Size				
AMI	Studio	1 bedroom	2 bedroom	3 bedroom
30%	\$652	\$699	\$838	\$969
50%	\$1,087	\$1,165	\$1,397	\$1,615
60%	\$1,304	\$1,398	\$1,676	\$1,938
80%	\$1,739	\$1,864	\$2,235	\$2,584

Maximum rent tables are published annually with Minnesota Housing:  
<https://www.mnhousing.gov/sites/multifamily/limits>

### Affordable rent based on sample occupations and their average salaries

Occupation	Median Salary	Affordable Rent
Fast Food Workers	\$31,618	\$790
Retail Salesperson	\$33,867	\$847
Laborers	\$44,308	\$1,107
Chef / Head Cook	\$51,414	\$1,285
Elementary School Teacher	\$64,362	\$1,609
Electrician	\$74,451	\$1,861
Nurse	\$87,291	\$2,182
Veterinarian	\$106,315	\$2,657

Salaries are based off of MN DEED data (2022)

## **Minnetonka Housing/Business Development Policies**

The City of Minnetonka has several policies related to housing and business development. Policy direction from the council can take many different forms, including such channels as formally adopted ordinances and resolutions, to more informal requests and suggestions to the city manager, who is ultimately responsible to the city council for carrying out their policy decisions.

These policies are intended as a general guide for the city council. They are not binding and may be modified when, in the sole discretion of the council, such modification is deemed necessary or appropriate in the interest of the city.

This listing is regularly updated as new policy directions are established, and it is by no means exclusive. These policies are included in the EIP as a reminder for the EDAC and Council to review annually during the EIP review. The city's policies are updated annually on the city's website.

### **City of Minnetonka City Council Policies (excerpts of housing related policies):**

#### Chapter 2: Administration and Finance

2.4 – Special Assessments with Tax Increment Districts

2.5 – Tax Exempt Financing for Industrial Development, Health Care Facilities, and Multi-family Housing Projects (Private Activity Tax Exempt Financing)

2.14 - Tax Increment Financing Pooling Fund

2.15 - Housing Improvement Areas

2.16 - Post-Issuance Compliance Procedure and Policy For Tax-Exemption Governmental Bonds

2.18 - Tax Increment Financing and Tax Abatement

2.19 – Debt Management

#### Chapter 11: Streets, Parks, and Other Public Property

11.12 – Real Estate Property Management

#### Chapter 12: Public Utilities

12.10 - Met Council Sewer Availability Charge and City Residential Equivalency Charge Payment Deferral Program

#### Chapter 13: General Provisions and Policies

13.1 Fair Housing

13.2 Affordable Housing Policy

## GLOSSARY

Community Development Block Grant (CDBG)	A program through HUD assisting state and local governments with a variety of community development needs
Department of Employment and Economic Development (DEED)	A state agency assisting in economic development through programs targeting business recruitment, expansion and retention; workforce development; and community development
Economic Development Advisory Commission (EDAC)	An advisory commission to the city council on matters related to economic development, housing and redevelopment
Economic Development Authority (EDA)	An authority granted to local governments by the state for the purpose of conducting economic development, housing and redevelopment activities. EDAs have the ability to levy taxes
Housing Improvement Area (HIA)	A defined area in the city in which housing improvements to commonly owned space in condominium/townhouse developments may be financing with the assistance of a city through special assessments
Housing and Redevelopment Authority (HRA)	An authority granted to local governments by the state for the purpose of conducting housing and redevelopment activities
Light Rail Transit (LRT)	A mode of public transit where trains run in a separate right of way
Livable Communities Act (LCA)	A program adopted in 1995 by the Minnesota State Legislature and administered by the Metropolitan Council for purposes of increasing affordable housing and investing in local communities
Metropolitan Council	A regional policy-making body, planning agency and provider of services to guide growth in the Twin Cities metropolitan area
Metro Transit	The transit arm of the Metropolitan Council responsible for running the metropolitan area's bus and train systems
MN Investment Fund (MIF) and Job Creation Fund (JCF)	Business financing tools offered by DEED to help businesses locate or expand in Minnesota
Property Assessed Clean Energy (PACE)	A program that allows businesses to make clean energy investments in their businesses by financing the costs through a special assessment on the property
Tax Abatement	A temporary deferral of property taxes for purposes of stimulating economic development
Tax Increment Financing (TIF)	A financing tool where additional property taxes are generated from a new development are captured and used for public purposes such as housing, removal of blight and employment opportunities
U.S. Department of Housing and Urban Development (HUD)	Established in 1965 as a cabinet-level federal agency that is responsible for housing and community development activities



**Economic Development Advisory Commission  
Item #5  
Meeting of August 10, 2023**

**Title:** Staff Report

**Report From:** Alisha Gray, EDFP, Economic Development and Housing Manager  
Rob Hanson, EDFP, Economic Development Coordinator  
Kendyl Larson, Housing Coordinator

**Submitted through:** Julie Wischnack, AICP, Community Development Director

---

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

---

**Summary Statement**

Staff updates on community transit, economic development, and housing matters.

**Recommended Action**

Receive the report; no formal action is required.

**Strategic Profile Relatability**

- |  |  |
|--|--|
| <input type="checkbox"/> Financial Strength & Operational Excellence | <input type="checkbox"/> Safe & Healthy Community  |
| <input type="checkbox"/> Sustainability & Natural Resources          | <input type="checkbox"/> Livable & Well-Planned Development                              |
| <input type="checkbox"/> Infrastructure & Asset Management           | <input type="checkbox"/> Community Inclusiveness <input checked="" type="checkbox"/> N/A |

**Transit Updates**

*Green Line Extension (Southwest LRT)*

For updates on the project status, visit [www.GreenLineExt.org](http://www.GreenLineExt.org).

**Minnetonka Updates:**

Red Circle Drive is anticipated to close for three weeks beginning in July for roadway and guard rail work.

- Bren Road West is closed just west of Green Circle Drive until mid-July.
- Expect lane shifts on northbound Feltl Road through July for the construction of a Traction Power Substation (TPSS).



Bus System:

Metro Transits' driver shortage is easing, and they have responded by updating bus route frequency and service in Minnetonka. The following routes will be adjusted:

- Route 645 services will be restored west of Wayzata.
- Routes 615 and 645 frequency improvements from 120-minute intervals to 60-minute intervals.
- Route 9 frequency will be improved from 60 minutes to 30-minute intervals.

**Development Updates**

<b>Projects</b>	<b>Location</b>	<b>Status</b>
<b><i>Housing</i></b>		
<a href="#">The Pointe (Amira Minnetonka)</a>	801 Carlson Pkwy	open
<a href="#">Minnetonka Station</a>	Opus	Under Construction
<a href="#">Doran (Shady Oak)</a>	5959 Shady Oak Rd	Under Construction
<a href="#">The Townline Apartments (Wellington)</a>	10901 Red Circle Dr	open
<a href="#">Greystar Development</a>	10701 Bren Road	tabled
<a href="#">Marsh Run II</a>	11816 Wayzata Blvd	approved
<a href="#">City-owned Properties</a>	Rowland/Baker	proposal received
<b><i>Misc. Projects</i></b>		
<a href="#">Ridgedale Area Park Project</a>	Ridgedale Dr	Open
<b><i>Business Projects</i></b>		
<ul style="list-style-type: none"><li>• Daves Hot Chicken</li><li>• Ichiddo Ramen</li><li>• Nike</li><li>• Evereve</li></ul>	Ridgedale Area	

**Business Updates**

**Thrive Newsletter**

The [Summer Issue of Thrive](#) Minnetonka was mailed at the beginning of June. This issue featured a highlight of the newly opened Ridgedale Park and a story on a newly opened Minnetonka business, Indoor Zoomies.

Each issue is mailed to 1,208 unique addresses and is sent out electronically to 1,515 email subscribers.

*Business Workplan Update – **Bold items are recent updates.***

<b>Activity / Topic</b>	<b>Status</b>
Employer Benefit: Down Payment Assistance/Rent	Future
Encourage Business Education Network Partnerships	Underway
Encourage Business Participation in Local High School Career Programs	Future
Technical Assistance for the Creation of Career Pathway Programs	Underway
Police/Community Development Quarterly Business Meetings	Underway
Commercial Code Compliance Loan Program	Complete
<b>CPTED Certification for city staff</b>	<b>Complete – Staff reviews commercial and multifamily plans for CPTED issues</b>
Construction Technical Assistance Marketing Program	Research
Recurring meeting with Xcel Intragovernmental Liaison Staff	Future
Neighborhood Meetings for County/DOT Road Projects	Future
Partner with MPLS Chamber to host business mixers/hiring fairs	Future
Mayor's Outstanding Business Award	Underway
Update of city business development webpages	Complete
<b>Obtaining and maintaining up-to-date local economic data</b>	<b>Ongoing – Staff working to obtain updated city traffic pattern data in collaboration with Police Department.</b>
Business Registration Form	Future
<b>Emergency Assistance Fund</b>	<b>Complete – Guidelines and programming have gone live.</b>
Review contract procurement procedures to encourage DBE contract awards	Underway
List culturally relevant business development centers on the website	Complete

## **Housing Updates**

### *His House Foundation*

On July 27, 2022, the City of Minnetonka and His House Foundation partnered to establish a two-year pilot program to help 24 homeless Minnetonka households. The Emergency Homelessness Response Assistance Program provides temporary relief for households experiencing a housing emergency and experiencing homelessness. The program provides financial assistance for casework, temporary housing, and first-month rent deposits. His House Foundation assists local homeless residents with intensive case management, temporary housing in extended-stay hotels, and assistance with long-term housing solutions.

The program officially started in September 2022, and His House Foundation has assisted five Minnetonka households experiencing an emergency homeless situation. Approximately \$46,426 has been used to support the five households, with roughly \$153,574 remaining in the program funds.

### *Mortgage Assistance*

HomeHelpMN stopped accepting new applications on July 7 after moving new applicants to a waitlist as funds ran low. Homeowners with incomes at 100% AMI or under who had fallen behind on their mortgage or incurred other housing-related expenses were eligible for the funding. Details of the program include:

- Eligible expenses include mortgage payments, contract for deed payments, manufactured housing loans, property taxes, property insurance, homeowner or condo fees, and manufactured home lot rent.
- Homeowners were eligible for up to \$50,000.
- Have past-due expenses in one of the eligible categories

As of the end of June, HomeHelpMN received over 12,700 applications, which represent 100% of the total available funding. About 86% of the available funds had been distributed. View the [Program Dashboard](#) to get more demographic information on applicants.

### *Emergency Rental Assistance*

ICA and Minnetonka continue to offer emergency rental assistance for Minnetonka residents financially impacted by the COVID-19 pandemic in 2020. The city council approved \$300,000 in funding for the program. As of June 2023, 210 households received \$279,435 in direct rental assistance through the city's emergency rental assistance program. The average assistance per household was \$1,330. There is a balance of \$20,565.37 of assistance remaining, and the city approved and has allocated an additional \$50,000 for 2023.

### *State Legislative Update*

The 2023 Legislative session saw significant investment in homelessness and housing. The \$2.6 billion investment in housing stability over the next four years is the largest in state history. The investment in housing focuses on increasing the amount and affordability available, and the investment in homelessness focuses on prevention efforts and providing services and support to people who need help finding and keeping housing. Below is a list of a few important programs funded and policy changes.

<b>Housing Investment</b>	
Housing Infrastructure	\$200M in FY 24-25
Community Stabilization	\$90M in FY 24-25
Workforce Homeownership Program	\$60M in FY 24-25
Homeownership Investment Grants	\$40M in FY 24-25
CDFI First Generation Downpayment Assistance	\$100M in FY 24-25
Local Housing Trust Fund Grants	\$5.8M in FY 24-25
Rental Assistance "Bring it Home"	\$123M in FY 24-25 and \$144M in FY 26-27
\$0.25 Metro Sales Tax: City of Minnesota is estimated to receive \$626,311 in 2024	
Tax Class change for Community Land Trust properties	

<b>Homelessness Investment</b>	
Emergency Shelter Facilities	\$100M in FY 24-25
County Grants to Provide Services to People Experiencing Homelessness – Hennepin County	\$11.4M in FY 24-25
Housing Stabilization Services	\$3.5M in FY 24-25 and \$6M in FY 26-27
Homework Starts with Home	\$2M in FY24-25 and \$2M in FY 26-27
Family Homelessness Prevention and Assistance Program	\$95M in FY 24-25
Strengthen Supportive Housing	\$25M in FY 24-25

In addition to the investment in homelessness and housing, the legislature passed tenant protections. The tenant/landlord law update is the most substantial change in a single session in the Minnesota legislature in the state's 165-year history. Below are a few of the protections enacted.

- *Stronger Privacy Rules* – Landlords must provide 24-hour notice before entering a tenant's apartment unless otherwise agreed upon.
- *Emergency Repair* – expands the list of emergency repairs.
- *Pre-Eviction Protections* – Landlords must give tenants 14 days written notice before filing an eviction.
- *Transparency in the cost of housing* – Landlords must disclose non-optional fees on the first page of the lease.

*City Council Study Session*

At the [July 24, 2023 study session](#), the city council provided updates on housing and business programs. Topics will include general housing updates, discussion regarding a rental registry program, zoning code analysis, legislative updates, and business program updates. The council supported the recommendation from staff to pursue a rental registry program. Over the next few months, staff will develop the program to present to the council later this year. Additionally, staff selected ZoneCo to analyze the zoning ordinance relative to comprehensive plan goals and provide a diagnostic report to the city, outlining areas of code/comprehensive plan conflict and a "menu" of possible solutions. Katherine Westby, the city's Zone Co. project manager, attended the study session to present a work plan for the next several months.