

## ***Agenda***

### **Minnetonka Economic Development Authority**

**Monday, December 5, 2016**

**Following the Regular Meeting**

**Council Chambers**

1. Call to Order
2. Roll Call: Acomb-Wiersum-Bergstedt-Wagner-Ellingson-Allendorf-Schneider
3. Approval of Agenda
4. Approval of Minutes: None
5. Business Items:
  - A. 2017 HRA Levy  

Recommendation: Adopt the resolution (majority vote)
6. Adjourn

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**EDA Agenda Item #5A**  
**Meeting of December 5, 2016**

<b>Brief Description</b>	2017 HRA Levy
<b>Recommendation</b>	Adopt the resolution

**Background**

On September 12, 2016, the council, acting as the Economic Development Authority, preliminarily adopted \$175,000 in the Housing and Redevelopment Authority (HRA) levy in 2017. This continues funding of \$75,000 for a second year the 10-year payback to the Special Assessment Construction Fund (SACF) for the city's commitment to the Southwest Light Rail Transit Project. In addition the remaining amount of \$100,000 is designated for the city's housing loan programs.

*Housing Programs*

There has been a significant amount of interest in the city's housing loan programs. As of November, there is less than \$60,000 available for the two loan programs. With the loan amounts between \$10,000 and \$15,000, not many loans would be available despite interest in the programs remaining strong. Therefore staff recommended the additional \$100,000 in new loan funds for the programs.

In a self-sustaining analysis, if \$100,000 is loaned annually, it will take six or seven more years before the loan programs are self-sustaining. It should be noted that assuming loan paybacks increase each year, fewer levy funds need to be provided for each of those seven years. Staff will continue to conduct this self-sustaining analysis on an annual basis during the budget review.

**Recommendation**

Staff recommends approval of the resolution setting the 2017 HRA levy at \$175,000, which is the same level as 2016.

Submitted through:

Geraldyn Barone, City Manager  
Merrill King, Finance Director

Originated by:

Julie Wischnack, AICP, Community Development Director

## **EDA Resolution No. 2016-**

### **Resolution setting a 2017 H.R.A. tax levy and budget**

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Be it resolved by the Economic Development Authority (EDA) of the City of Minnetonka, Minnesota, as follows:

#### Section 1. Background.

- 1.01. On May 2, 1988 by Resolution 88-8637 and amended on May 9, 1994 by Resolution 94-9715, the city council established the Economic Development Authority (EDA) of the City of Minnetonka, and effective June 15, 1988, transferred to the EDA the control, authority and operation of all projects and programs of the city's Housing and Redevelopment Authority (HRA). On March 8, 2010, the city council became the appointed EDA.
- 1.02. Minnesota Statutes 469.033, Subdivision 6 authorizes housing and redevelopment authorities the power to levy a tax upon all taxable property within its district to finance housing and redevelopment programs subject to the consent of the city council.
- 1.03. The law further requires the EDA to file a budget in accordance with the budget procedure of the city in the same manner as required of executive departments.
- 1.04. State law requires the city to certify to the county a preliminary HRA tax levy by September 15, 2016, and a final HRA budget and levy to be adopted, approved and certified to the county by December 28, 2016.
- 1.05. On September 12, 2016 the EDA approved a preliminary 2017 HRA tax levy of \$175,000.

#### Section 2. Findings.

- 2.01. The EDA finds that an annual budget and tax levy of \$175,000 for levy in 2016, collectible in 2017, will fund housing and redevelopment activities of the authority in 2017.

#### Section 3. Authorization.

- 3.01. The 2017 HRA budget and tax levy of \$175,000 is hereby approved.
- 3.02. The city council is requested to consent and approve by resolution the 2017 HRA budget and tax levy and to direct the City Clerk to transmit a certified copy of the resolution to the Hennepin County Director of Property Tax and Public Records.

Adopted by the Economic Development Authority of the City of Minnetonka, Minnesota,  
on this 5<sup>th</sup> day of December 2016.

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Terry Schneider, President

Attest:

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David E. Maeda, Secretary

Action on this Resolution:

Motion for adoption:

Seconded by:

Voted in favor of:

Voted against:

Abstained:

Absent:

Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the EDA of the City of Minnetonka, Minnesota, at a duly authorized meeting held on December 5, 2016.

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David E. Maeda, Secretary