

**AGENDA**  
**CITY OF MINNETONKA**  
**ECONOMIC DEVELOPMENT ADVISORY COMMISSION**  
**Wednesday**, March 23, 2016  
6:00 p.m.

Council Chambers  
Minnetonka Community Center

1. Call to Order

2. Roll Call

Kathryn Aanenson  
Benita Bjorgo  
Michael Happe  
Ken Isaacson

Jacob Johnson  
Jerry Knickerbocker  
Charlie Yunker

3. Approval of October 22, 2015 and February 25, 2016 minutes

**BUSINESS ITEMS**

4. Review Economic Improvement Program

Recommendation: Provide feedback to city staff

5. Staff Report

6. Other Business

•The next EDAC meeting is scheduled for **Thursday, April 21 at 6:00 p.m.**

7. Adjourn

If you have questions about any of the agenda items, please contact:

Alisha Gray, Economic Development and Housing Manager (952) 939-8285  
Julie Wischnack, AICP, Community Development Director, (952) 939-8282

**Approved  
Minnetonka Economic Development Advisory Commission  
Meeting Minutes**

**October 22, 2015  
6 p.m.**

**1. Call to Order**

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

**2. Roll Call**

EDAC commissioners present: Benita Bjorgo, Ken Isaacson, Jacob Johnson, Jerry Knickerbocker, and Kathryn Aanenson were present. Michael Happe was absent.

Staff present: Community Development Director Julie Wischnack and Community Development Specialist Celeste McDermott.

**3. Approval of August 13, 2015 Minutes**

Knickerbocker moved, Isaacson seconded a motion to recommend that the EDAC approve the minutes from the August 13, 2015 meeting as included in the agenda. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.

**4. Non-profit funding requests**

Wischnack explained the non-profit funding request presentation and scoring process.

Janet Lindbo, of Homes Within Reach (HWR), also known as West Hennepin Affordable Housing Land Trust (WHAHLT), stated that:

- The number one priority is to add value to the community by rehabilitating existing houses and adding new households to the community.
- The investment of the subsidy made by the city as well as multiple funders that match the city's funds links the investment to homes rather than investors so multiple families are served over a period of time to ensure that the homes remain affordable and links jobs, services, and transit to housing.
- Another objective is to support homeowners by offering benefits to establish a strong base for families to flourish and provide job and educational opportunities.
- Another objective is for residents to receive benefits accrued to homeowners such as tax benefits and to increase the family's financial standing.

- The program expands home ownership, provides affordable housing, and supports the community infrastructure.
- HWR has created 4 homes in 2014 and 2015, assisted with two resales, and executed a purchase agreement for another home to be purchased next month.
- Families earning 56 percent of the median income are served. A family of 3 or 4 earning a little over \$40,000 would qualify for the program.
- The program has received excellent applications over the last 24 months who were credit and move-in ready. The purchase agreements were completed before the rehab.
- There are currently 3 families ready for homes in Minnetonka.
- There is a limited inventory and the condition of homes is not as good as it was years ago due to lack of maintenance and regulatory requirements.
- She thanked the city for being HWR's partner. The organization is still working on its strategic goal of expanding and sustaining the program to create a stable, efficient, and transparent environment.

Isaacson asked what is indicated by the "11 served." Ms. Lindbo explained that represents the number of communities served. Minnetonka is 1 of 11 communities that HWR serves. Ms. Lindbo will provide the number of Minnetonka residents served. HWR served 140 people.

Knickerbocker asked if 2 houses would be purchased in Minnetonka in 2016. Ms. Lindbo estimated 3. She provided a video that explains the program from 4 homeowners' points of view. Wischnack will load the video for commissioners to view.

Marilyn Peller Nelson, Associate Vice President of Resource Development for CommonBond Communities, stated that:

- She has been a study buddy for six years at Crown Ridge. She knows the area and the kids.
- She appreciates the city's support. The services at Crown Ridge would not be provided without the city's help.
- Crown Ridge is 1 of 108 properties that CommonBond owns or manages.
- Rent assistance is also provided.

Knickerbocker confirmed with Wischnack that CommonBond was given notification that money would no longer be available from the Livable Communities Account to fund the program after 2016.

Jessica Michelson, staff attorney with HOME Line, stated that:

- HOME Line is a tenant-rights hot line and advocates for landlords to do the right thing.

- HOME Line wants to preserve affordable housing to make sure that people have safe, habitable living spaces. Section 8 Housing has been preserved.
- HOME Line saved and recovered \$16,000 for Minnetonka residents. Nine Minnetonka residents were saved from being evicted and multiple services were provided to Minnetonka residents on how to get repairs done to keep their homes a safe, affordable place to live.
- She participated in 2 housing discrimination cases of landlords sexually harassing tenants by installing a camera in the bathroom and another in which the landlord would periodically show up and make inappropriate comments. She was able to reach favorable outcomes for those cases.
- HOME Line provides training for landlords and published a book for landlords.
- In 2014, HOME Line helped 149 Minnetonka families equaling 373 Minnetonka residents.
- The budget is based on the operating cost of the hotline and does not include anything else.
- She was available for questions and thanked the city for its ongoing support.

A representative from Grace Apostolic Church stated that:

- The Grace Apostolic youth want to show that they can give unselfishly to others and grow and support the community. They would like to show that they are not lazy and appreciate the community. They want to help the elderly and people with low incomes with lawn care, snow shoveling, and provide turkeys on Thanksgiving and Christmas.
- They want to attend after school programs.
- The funds would be used for supplies used by volunteers. The supplies would be purchased in community shops.

Knickerbocker asked how members of the community would learn of the services. The representative said that flyers and a website that would provide a form to apply for services.

Isaacson recused himself from scoring the YMCA and Minnetonka Heights program.

Joanne Robinson, with the Ridgedale YMCA and Minnetonka Heights program, stated that:

- She appreciated the opportunity to apply for the funding and share information.
- The program has transformed the neighborhood and changed the norms. It is now the norm for kids to go to school and do homework. Engaging families in the community has made things happen.

- The YMCA worked with metro transit to increase ridership on the new 614 bus line. There was a Saturday event where the mascot, Spot, rode the bus with kids. The ridership goes way up on days she has events.
- She was able to team up with the Minnetonka Swim Club to provide swim lessons for 110 students.
- She organized volunteers with ResourceWest to provide winter warm wear and high school students to volunteer with Feed My Starving Children.
- The program provides healthy eating and nutrition information. The programs provide healthy food.
- The academic enrichment program has grown from 13 kids to 144 this year in the summer program. The kids love to come because it is fun and there are great teachers from the school district working with them.
- There are huge turnouts for the Thanksgiving meals, back to school parties, and a graduation party for one of the STAR students at the Ridgedale YMCA. The family was from Afghanistan and the program worked hard to make them feel connected and helped the student with her homework. She is now a freshman at Augsburg. She is proud that great efforts are paying off.
- YMCA partners with most of the agencies present.

Knickerbocker asked what would account for the jump from 320 in 2014 to 500 in 2015. Ms. Robinson stated that the kids and their families in the summer programs are included. The summer program is growing.

Chair Aanenson noted that the funding request was lower than last year. Ms. Robinson stated that definitely more funds are needed, but she asked Durbin what would be a respectful amount to request knowing that the city's available funds would be cut.

Andy Swanda, vice president of advancement at Treehouse, stated that:

- He has worked there 4 years.
- The mission of Treehouse is to bring hope to hurting youth and families leading to life transformation which includes reducing at-risk behaviors, building healthy relationships, graduating from high school, and pursuing an educational or vocational track for the future. The common issues include cutting, depression that leads to suicide, substance abuse, sexual promiscuity, and bullying.
- The Minnetonka Treehouse has been serving local teens since 1986. Thousands of teens have walked through the doors and found hope and consistent, caring adults. There were 227 teens who participated in the program. The majority attend Minnetonka schools and surrounding areas. Of the 227, 75 percent qualify for free or reduced lunch. Suburban poverty is a growing epidemic. The twin cities is especially dire. Many at-risk behaviors are a direct result of poverty.
- Treehouse has amazing relationships with the Minnetonka schools.

- The budget is \$3.7 million. It costs \$260,000 to run the Minnetonka Treehouse which is located at Excelsior Covenant Church. The funding is led locally and receives some community funding.
- He provided examples of teens who needed help dealing with and feeling safe enough to tell someone about their violent and sexually inappropriate experiences. It is the stories of transformation that keep the volunteers moving.
- Eagan received so many student referrals from schools that another Treehouse is being added. Once kids feel safe in the environment, they invite their friends with similar behaviors and attitudes. Law enforcement also refers teens. Treehouse's relationship with Minnetonka schools staff is unique.
- He guessed that the sale of a building accounted for a large influx of cash.
- He appreciated the consideration.

Bjorgo asked for the main reason teens attended the program. Mr. Swanda answered that fatherlessness drives at-risk behavior and the amount of depression and thoughts of suicide is skyrocketing. One out of two teens self-reported thoughts of suicide.

Carol Watson, Community Developer with Community Action Partnership of Suburban Hennepin (CAPSH), stated that:

- In 2012, 32,000 households were served that includes 90,000 individuals in suburban Hennepin County.
- In the area of homeownership and in Minnetonka, 48 households were served from July 1, 2014 to June 30, 2015. Ten of those were foreclosure prevention, 5 were financial counseling, 8 were homebuyer education workshops, 10 were reverse mortgages, 14 were home rehabilitations, and 1 financial services. Market dynamics are changing more toward mortgage preparedness and refinance counseling.
- CAPSH is adapting to changes. Services are being expanded to serve 75 households in 2016. A federal program called Family Assets for Independence in Minnesota is being reinitiated.
- She requested a partnership with Minnetonka to bring residents to programs to learn how to reduce energy costs and work with utility companies to be proactive to avoid a crisis situation.
- For education, CAPSH has standard financial literacy classes and senior financial security. That segment of the population is vulnerable to fraud. Youth and family counseling on budgeting will be added. A Somali-speaking advisor and Spanish-speaking advisor will be added.
- Additional programs provide energy assistance, transitional housing, free legal services, immigration services, and free tax filing.

John Burkow, director of Senior Community Services (SCS), also known as the HOME program, appreciated the opportunity to talk about the household and outside

maintenance for the elderly provided by the organization. He handed out a brochure. He stated that:

- He is excited to announce a new volunteer, ambassador program. Dave and Fran will have office hours in city hall from 9 a.m. to 12 p.m. They were at the Minnetonka Senior Health Fair, Minnetonka open house, and a community showcase.
- A group of seniors get together twice a year to put together the senior newsletter. Twenty seniors send out 1,800 newsletters.
- Tomorrow there will be a key contributions award event to thank Dave and Fran.
- He described the home health and safety assessment provided to seniors to prevent falling. He provides a list of recommendations.
- He shared a thank you card he received from a Minnetonka client this summer.
- He thanked the city for partnering with SCS.
- He was happy to answer questions.

Barb West Marlan, long-time board member of ResourceWest, stated that:

- ResourceWest just moved to a new location to join Hennepin County at the new west suburban hub to serve clients in the west metro area. ResourceWest makes sure community members are accessing all of the possible resources. The staff from Hennepin County and ResourceWest work together a lot.
- ResourceWest has been helping members of the community for over 23 years. Right now, winter warm wear is being collected. Over 900 children will be outfitted next week. There was a wonderful back-to-school program and toy chest is coming up.
- There is one Spanish-speaking social worker and a Somali case worker has been hired. She is proud of hearing good stories from their clients who are helped and not seen again. One client who was helped by ResourceWest was able to obtain a management position at Caribou Coffee and applied for a grant on behalf of ResourceWest. That is a great success story.
- ResourceWest appreciates the support of the city of Minnetonka. ResourceWest provides help for unforeseen circumstances to prevent a spiral that would otherwise make a family leave the community because of a tragedy.

Peg Keenan, executive director of ICA Food Shelf, stated that:

- ICA has three basic programs consisting of the food shelf, employment services, and financial assistance. Of the people coming to ICA, 34 percent live in Minnetonka.

- Financial assistance is provided to Minnetonka residents who are finding it difficult to make ends meet temporarily with either rent, mortgage, or utilities. A determination is made of whether one month of rent would make a difference and get them back on track.
- Recently, a personal care's client died and she had a short gap in employment until she was reassigned. ICA provided one month's payment to make all of the difference.
- There was a Minnetonka client was ordered on bed rest so she could not work. She used her savings to pay the rent for a couple months, but she won't be able to go back to work for three weeks. The CDBG money helped her for one month.
- There were 16 Minnetonka households helped with the \$7,855 awarded to them. There were an additional 41 Minnetonka residents that were helped with other funds. So, a total of 57 Minnetonka residents were helped and able to stay in their homes.
- She appreciated the request being considered.

Wischnack directed commissioners to focus on CDBG awards based on the criteria and scoring of the applications. The target is \$23,300. The awards would be adjusted proportionally to the organization if there are changes. Each score must reach at least 65 to receive funds.

Johnson felt the support and partnership of the city should be given to as many organizations as possible. Treehouse deals with a unique target.

Chair Aanenson recalled last year's discussion questioning Treehouse demonstrating that it serves low-income teens. The application does indicate that 67 percent of the clients have low incomes.

Bjorgo would also support funding for TreeHouse. The program scores similarly to the other organizations and addresses needs of low and moderate-income families.

Chair Aanenson noted that some applicants lowered the funding request amount to adjust to the limited funds.

Isaacson noted that the CDBG funds amount has remained stable. Chair Aanenson noted that some applicants may increase the amount they will request next year if that influences the decision this year.

Isaacson moved, Johnson seconded a motion to recommend the following non-profits be funded by CDBG funds: ResourceWest \$4,400; CAPSH \$2,359; SCS \$5,125; and ICA \$7,750. If 2016 CDBG funds are different than the anticipated amount, then changes in funding to CDBG-funded agencies should be made on a pro-rata basis. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.

TreeHouse funding was recommended for \$3,666. Corrected minutes to be approved at 3/23/16 EDAC meeting.





Knickerbocker moved, Isaacson seconded a motion to recommend the following non-profits be funded by the Livable Communities Account funds: CommonBond \$4,000; Homes Within Reach (WHAHLT) \$225,000; and Ridgedale YMCA (Minnetonka Heights) \$5,000. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.

Knickerbocker moved, Johnson seconded a motion to recommend that the city council allocate HOME Line to receive \$2,000 from the development account. Bjorgo, Isaacson, Johnson, Knickerbocker, and Aanenson voted yes. Happe was absent. Motion passed.

## 5. Staff Report

Wischnack reported:

- The Minnetonka City Council approved municipal consent plans for the green line extension. All five cities along the corridor and Hennepin County have given municipal consent. Cities are reviewing the 60% design plans and providing feedback. The Shady Oak Station Area Development Strategy has wrapped up.
- Cherrywood Pointe United Properties is proposing a 99-unit senior living facility at 2004 Plymouth Road. As part of the proposal, the applicant is requesting a rezoning of the property to PUD and are proposing that 10 units be income and rent restricted for 15 years.
- Earlier this year, Metro Transit decided to eliminate Saturday service on Route 614 since ridership on that route was not high enough to justify service. To compensate for this, Route 615 Saturday service was increased from every two hours to every hour starting in September. At our most recent quarterly update meeting with Metro Transit, staff was informed that the transition was successful overall and that Saturday ridership numbers on the 615 have been strong thus far. Metro Transit will continue to evaluate bus routes in the area over the next few years as the Southwest LRT progresses.
- The new Nordstrom and other stores at Ridgedale Shopping Center are now open. Construction still is continuing on other stores and restaurants.
- The Highland Bank temporary bank building is being set. Once that is completed, then work will begin on the new mixed use building.
- The Overlook (Tonka on the Creek) construction continues on the 100-unit-apartment building at Minnetonka Boulevard and Highway 169.
- The Island Apartments construction is nearly complete on the 175-unit-apartment building on Carlson Island.
- At-Home Apartments construction continues on the 106-unit-apartment building on Rowland Road.
- The demolition permit has been issued for Applewood Pointe. Construction is expected to begin shortly.

- The planning commission is expected to review a plan for Williston Woods West, a six home detached villa style redevelopment on the properties north of Kraemer's Hardware.

## **6. Other Business**

The next EDAC meeting is scheduled for Thursday, December 10, 2015 at 6 p.m.

SLUC is scheduled to have a presentation called The Dating Game on October 28, 2015 from 11:30 a.m. to 1:30 p.m.

## **7. Adjournment**

Isaacson moved, Knickerbocker seconded a motion to adjourn the meeting at 8 p.m. Motion passed unanimously.

**Unapproved  
Minnetonka Economic Development Advisory Commission  
Meeting Summary**

**February 25, 2016  
6 p.m.**

**1. Call to Order**

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

**2. Roll Call**

EDAC commissioners present: Michael Happe, Ken Isaacson, Jerry Knickerbocker, Charlie Yunker, and Kathryn Aanenson were present. Benita Bjorgo and Jacob Johnson was absent.

Staff present: Community Development Director Julie Wischnack and financial consultants Julie Eddington of Kennedy and Graven and Mark Ruff of Ehler and Associates.

**3. Approval of Minutes**

Isaacson moved, Knickerbocker seconded a motion to approve the January 28, 2016 meeting minutes as attached with a change on Page 3 from “The city does a study . . .” to “HUD does a study . . .” Happe, Isaacson, Knickerbocker, Yunker, and Aanenson voted yes. Bjorgo and Johnson were absent. Motion passed.

**4. Review revised financing concept for Shelter Corporation.**

Chair Aanenson called for the staff report. Wischnack, Ruff, and Eddington reported.

Isaacson asked if the commitment for \$500,000 is still in place. Wischnack answered affirmatively. Eddington clarified that the \$500,000 would be added to \$300,000 for a total of \$800,000. The contract has not been signed by all of the parties. The contract could be changed to include the \$300,000 and move forward.

Knickerbocker asked Ruff what he would recommend for the amount of the contingency fund. Ruff made it clear that he is not making value judgements about the amount of contingency or the amount of renovation going on. He has no knowledge of what would be necessary for the building. It is common in renovation projects for surprises to occur. The minimum standards must be met and there must be a contingency plan in case of surprises. Chair Aanenson

confirmed with Ruff that the expectations need to be made clear in the private development contract.

Knickerbocker asked if it is common for cities to hire an inspecting architect. Ruff answered not for this amount of financial assistance. He mentioned it as an option.

Isaacson expected that the equity investor would have a minimum of 7 percent and more likely 10 percent.

Ruff continued his report.

Eddington reported.

Isaacson asked if the sources and uses would be based on those from 2014. He asked what mechanism would make the city's funds the last money in. Eddington explained that there would be a sources and uses submitted at the time of the bond closing. There would be a master dispersing agreement that would prioritize how monies would be used. The city's \$800,000 would be the last money used and would be reduced by cost savings or additional funds. The final sources and uses would be sent to Ehlers for review.

Isaacson asked who makes decisions if an increase in construction costs is eligible and or appropriate and or there is a corresponding reduction of capital contribution from any of the other sources. Eddington stated that the TIF grant would not be increased because it would take board authority. Wischnack stated that staff would rely on Ehler's. Isaacson did not think Ehlers would provide a subjective review. Wischnack explained that Ehlers would review the final numbers to find anything that looks different or inappropriate.

Ruff added that Ehlers was working off of the December pro forma as well.

Knickerbocker asked if \$500,000 or \$300,000 of the city's funds would be used first if needed. Wischnack clarified that both are money provided by TIF pooling. Eddington added that once the developer is closer to completing a construction contract, then the developer would request that the city issue tax-exempt bonds of the developer's behalf. At least 50 percent of the project cost must be issued with tax-exempt bonds.

Knickerbocker asked if the assessments attached to the property help qualify the site for tax credits. Wischnack agreed that there is an assessment for sewer and water improvements from years ago. Ruff was suggesting that an appraisal be done on the townhomes. It is much more difficult to get a third-party acquisition and purchase agreement today.

Isaacson asked Ruff if he reviewed an appraisal that supports a \$525 acquisition price for 54 or 46 units. He was unsure what the appraised value includes. Ruff understood that the appraisal includes both. The appraisal looked at units with rent restrictions and no rent restrictions.

Isaacson thought inflating the price added \$.65 to the gap for every dollar. Ruff understood. The tax credits do not bring the incentives, but acquisition and rehabilitation projects being done by related parties.

Isaacson was concerned with the acquisition price that establishes the base value for both properties. He asked if there as an appraisal that supports the purchase price. Ruff answered affirmatively. There are two appraisals for three different sites. Isaacson would like to see the appraisals.

Jay Jensen, of Shelter Corporation, applicant, stated that:

- The two appraisals were ordered by the Minnesota Housing Finance Agency. The combined value of the sites is \$84,000 less than the appraisal values.
- Shelter Corporation does a lot of new construction and rehabilitation business and uses different contractors for each of them. Shelter Corporation has done \$250 million of housing construction with Frana and Company over the years. Shelter Corporation has never had a surprise that cost beyond the contingency fund.
- Shelter Corporation is working with an occupied rehabilitation expert.
- The contingency for rehabilitation is 10 percent and for new is 4 percent. If it would go beyond that, Shelter Corporation would have corporate guarantors who would write the check. The developer's fee would be reduced dollar for dollar for an unplanned expense.
- He submitted a proposal for the Affordable Housing Incentive Fund provided by Hennepin County. He is cautiously optimistic that one or two applications he submitted will come through.

In response to Isaacson's question, Mr. Jensen stated that the appraisals considered the units market rate. Isaacson would be interested in appraisal results for rent-restricted units. Wischnack asked for authorization to release the appraisal. Mr. Jensen provided authorization.

Isaacson asked if Shelter Corporation got an approved HUD rent study. Mr. Jensen answered affirmatively. It showed that the additional \$300,000 would be needed.

Mr. Jensen explained that Shelter Corporation applied for a transportation-oriented development (TOD) grant. To be eligible for the grant, the city would

have to create a redevelopment district. Wischnack added that a resolution is on the city council's agenda Monday night in support of the proposal receiving the TOD money.

Mr. Jensen stated that the two applications each requested \$250,000 from Hennepin County.

In response to Knickerbocker's question, Mr. Jensen stated that he hopes to close early this summer.

Chair Aanenson confirmed with Wischnack that commissioners may choose to recommend to staff to finalize the contract to include an additional \$300,000 for a total of \$800,000 with the caveat that it would be dispersed as Eddington described.

Isaacson noted that the equity investor would have an inspecting architect and the equity investor's interests are aligned with Minnetonka's interests.

Happe asked when the Hennepin County grants will be decided and the likelihood of the proposal being awarded either of the grants. Wischnack is hopeful, but the city would still provide a funding commitment. The amount would go down if a grant is awarded. The grants are expected to be awarded in April. Eddington explained that it would be easy to reduce the amount before the contract would be signed. Wischnack added that the contract could be amended if necessary.

Isaacson supports the project. He is not convinced that there continues to be a gap. He supports \$500,000. If the amount would be \$800,000, then he would want to explore a cash-flow loan in lieu of a deferred loan. He did not have enough information to make a recommendation of \$800,000.

Knickerbocker was comfortable with \$500,000 as a clean, separate deal. He was unsure, but wanted to give staff what they need to work with. He was willing to recommend to continue discussions regarding \$800,000 with the caveat of more information being provided.

Happe liked the project and the idea of the city supporting the project. The \$500,000 commitment feels pretty good. He felt like the conversation may be more if the other grants are received. The additional \$300,000 may not be needed.

Yunker agreed that there are other funding possibilities which make it difficult for him to make a recommendation to move forward without knowing the outcome of those possibilities.

Chair Aanenson was fine with reviewing the contract at the next EDAC meeting. Wischnack said that the contract will be brought back to the EDAC to review with changes in April. The \$800,000 discussion will be set aside. She needs to take a recommendation from the EDAC to the city council.

## 5. Staff Report

Wischnack provided the staff report:

- The city has 90 percent of the SWLRT plan comments submitted for review.
- The Shady Oak Road redevelopment project is receiving comments from residents. All of the developers said that retail would not work because of the high cost of lease space.
- The city is assisting Freudenberg Medical to get money through the job creation fund.
- The city's total construction value increased to \$163 million in 2015. The big projects for 2015 include Cargill, Highland Bank, Ridgedale Center, and Eagle Ridge Academy.
- The average value for new-house construction is \$447,000. That does not include the lot.
- There were 1,900 permits issued in 2015.
- There were 2,100 e-permits issued on line in 2015.
- Minnetonka's construction value increased by 59 percent in 2015.
- There were 8,000 permits issued in 2015.
- There were 545 nuisance complaints in 2015.
- Planning staff processed 116 land use applications.
- Solicitors are required to receive a license from the city and carry picture identification.
- There were 57 meetings, 247 agenda items, and 17 neighborhood meetings in 2015.

## 6. Other Business

Alisha Grey will be starting on March 14, 2016.

The next EDAC meeting is scheduled for Wednesday, March 23, 2016. Happe is unable to attend that meeting.

## 7. Adjournment

Knickerbocker moved, Isaacson seconded a motion to adjourn the meeting at 7:30 p.m. Motion passed unanimously.

**EDAC Agenda Item #4**  
**Meeting of March 23, 2016**

**Brief Description**                    2017-2021 Economic Improvement Program

**Recommendation**                Review draft EIP and provide feedback

**Background**

Annually, the EDAC has reviewed the Economic Improvement Program (EIP). The EIP was originally created to consolidate programming relating to economic development, housing, transportation and development tools. The document grew out of a conversation to combine programs and strategies into one document, which allowed for a future projection of investment and potential funding sources. The document contains metrics for programming and 10 year estimates for revenues to fund specific programs.

The city council will be reviewing a draft at their April 18 study session prior to adoption, which is scheduled for June.

**EIP Review**

The draft of the 2017-2021 EIP (pages A1 to A76) has been updated. The updates include new metrics for the past year and projections into future years; program changes or potential conceptual programs.

Components of the 2017-2021 EIP include:

- EIP Policy page (page A5). Defines what funding categories the different programs will fall under, and also details the funding principles.
- EIP Program Pages (pages A6-A56). Each of the city's existing and potential future economic development efforts has its own program page. The program page will detail the program description, purpose, goals, budget impacts, schedule, and key measures. Additionally, it will outline the funds needed to develop or sustain the program over a period of years.
- Funding Sources and Expenditure Projections Pages (pages A57-A71). A series of funding sources, expenditures and TIF district fund balance sheets are included.
- Affordable Housing Goals Page (pages A72-A76). This section focuses on how the city's affordable housing goals are being met through these programs is included.



## **Recommendation**

Staff recommends the EDAC review the draft 2016-2020 EIP and provide feedback.

The schedule for approval is as follows:

- March 23 EDAC — Review draft of the EIP and provide feedback.
- April 18 City Council Study Session — Review EIP and provide feedback.
- April 21 or May 26 EDAC — Finalize full EIP document and make recommendation to the city council.
- June City Council meeting — Review and approve EIP.

Originated by:

Julie Wischnack, AICP, Community Development Director



# **2017-2021 ECONOMIC IMPROVEMENT PROGRAM**

**ECONOMIC IMPROVEMENT PROGRAM  
2017-2021**

**CITY OF MINNETONKA**

Adopted XXXX, 2016

**2017-2021  
ECONOMIC IMPROVEMENT PROGRAM**

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## **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:

1. 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.
2. Projects that support existing business retention and expansion, attract new businesses, and allow the city to remain economically competitive.
3. Projects which enhance resident mobility by pursuing opportunities and solutions to improve transit service.
4. 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 13 programs in place to assist in the construction, maintenance, and renewal of housing in the city. An additional two programs are in the conceptual phase and will be explored for further consideration.

- The total five-year estimated cost of the programs is \$6,937,602.

<b>Program</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>5-Year Total</b>
CDBG Administration	\$6,000	\$4,000	\$2,000	\$0	\$0	\$12,000
Crown Ridge	0	0	0	0	0	0
Small Projects	80,000	40,000	20,000	0	0	\$140,000
Fair Housing	900	600	300	0	0	\$1,800
Homes Within Reach	100,000	100,000	100,000	25,000	25,000	\$350,000
Housing Improvement Areas	0	250,000	0	0	250,000	\$500,000
Minnetonka Heights	0	0	0	0	0	0
Minnetonka Home Enhancement	0	0	0	0	0	0
Owner Occupied Rehab	0	0	0	0	0	0
Public Services	12,000	10,000	8,000	0	0	\$30,000
Tax Exempt Conduit Debt	0	0	0	0	0	0
Affordable housing via TIF Pooling	2,000,000	0	1,500,000	1,103,802	1,300,000	\$5,903,802
Welcome to Minnetonka	0	0	0	0	0	0
	<b>\$2,198,900</b>	<b>\$404,600</b>	<b>\$1,630,300</b>	<b>\$1,128,802</b>	<b>\$1,575,000</b>	<b>\$6,937,602</b>

### **Conceptual Programs**

Employer Assisted Hsg	\$0
Next Generation Program	\$0

Programs in green=funding/program is expected to continue

Programs in yellow=funding/program is uncertain for a number of reasons

Programs in red=funding/program is ending

- Programs funded by Community Development Block Grant (CDBG) program are expected to be eliminated or restructured in the near future due to decreases and potential elimination of the CDBG program at the federal level.
- Programs funded by the Livable Communities Account will either be eliminated or need a new funding source, as that source is expected to no longer be available after 2017.



# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Housing-01</b>
<b>Project Name</b>	<b>CDBG Administration</b>



<b>Type</b>	Program	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Yellow
<b>Key Measures</b>	Program Administration Hours	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

The Community Development Block Grant program is a federally-funded program, administered at the local level. Federal regulations allow up to 20 percent of the city’s allocation for administrative responsibilities.

#### SCHEDULING AND PROJECT STATUS:

This is an on-going program. The CDBG program year runs July 1 to June 30, which is different than the city’s fiscal year.

### Justification

Based upon the needs, priorities, and benefits to the community, CDBG activities are developed and the division of funding is determined at a local level. All funded activities must meet at least one of the three national objectives:

- Benefit low and moderate income persons
- Help prevent and/or eliminate slums and/or blight
- Meet other community development needs of particular urgency

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:

Comprehensive Plan - Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.

Strategic Plan - Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Program Admin Hours	127	105	109	118	221	150	60	40	20	0	0

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	6,000	4,000	2,000	0	0	12,000
<b>Total</b>	<b>6,000</b>	<b>4,000</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>12,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
CDBG	6,000	4,000	2,000	0	0	12,000
<b>Total</b>	<b>6,000</b>	<b>4,000</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>12,000</b>

### Budget Impact/Other

This funding is to repay the staff time involved for the overall administration of the CDBG program and the administration of the owner-occupied housing rehabilitation program. The increase in hours in 2015 is associated with taking back implementation of the Small Projects Program in house and working on the spend down of funds.

It is expected that CDBG funds will be eliminated or restructured at some time in the near future by the federal government. For purposes of this report, we assume phaseout of the program by 2020.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

**Project #** Housing-02  
**Project Name** Crown Ridge Advantage Center



**Type** Program  
**Useful Life** N/A  
**Category** Housing  
**Key Measures** Individuals Assisted  
**Key Measures**  
**Department** 1-Housing  
**Contact** Community Development  
**Priority** Red  
**Key Measures**  
**Key Measures**

### Description

Crown Ridge is a 64-unit, mixed income apartment building, owned and operated by CommonBond Communities. An array of services are offered through an on-site Advantage Center, with programming for youth and adults.

SCHEDULING AND PROJECT STATUS:  
 This is an ongoing program; however, city funds for this program are scheduled to end in 2017.

### Justification

Crown Ridge provides housing for those at 30% to 100+% AMI. The city's funds are used to support programming both for Crown Ridge and Boulevard Gardens (affordable senior housing located adjacent to Crown Ridge and also owned by CommonBond Communities) and the expanded programming space. Minnetonka's funds are also used to leverage other private/foundation funds.

In 2000, realizing many of the low-income and immigrant families at Crown Ridge were not economically thriving, the city worked with CommonBond Communities to offer the Advantage Center program to connect residents to resources and provide other on-site programming.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:  
 Comprehensive Plan - Promote new affordable rental housing and encourage diversity in the types, sizes and prices of housing units.  
 Strategic Plan - Initiate programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Individuals Assisted	151	150	150	150	150	150	N/A	N/A	N/A	N/A	N/A
Individuals living at Crown Ridge	127	142	130	130	130	130	N/A	N/A	N/A	N/A	N/A

Additional program benefits can be found in the organization's submission for non-profit funding.

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>

### Budget Impact/Other

Crown Ridge funding is determined through the annual non-profit funding process. The funding for 2016 is \$4,000.

After 2016, the Livable Communities Account is no longer available for funding this program.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Housing-03</b>
<b>Project Name</b>	<b>Small Projects Program</b>



<b>Type</b>	Program	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Yellow
<b>Key Measures</b>	Households Assisted	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

The Small Projects loan program (previously called the Emergency Repair Program) offers ten-year, no interest deferred loans up to \$5000. The program focuses on smaller projects that can quickly be completed without regulatory lead based paint issues.

**SCHEDULING AND PROJECT STATUS:**  
 This is an ongoing program. New applications are only accepted during certain periods of time. The last round of applications was accepted in June 2015 where 59 new pre-applications were received within two weeks. Typical projects include furnaces, some windows, and roofs.

The CDBG program year is July 1 to June 30, which is different than the city's fiscal year.

### Justification

Households up to 80% of area median income qualify for the \$5000 small projects program, which allows for housing repairs and maintenance. Additions and aesthetic improvements are not allowed under the program.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:**  
 Comprehensive Plan-Promote housing maintenance programs that improve the livability of existing residential dwelling units in a cost effective manner.

Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Households Assisted	16	6	10	24	52	20	10	7	5	N/A	N/A

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	80,000	40,000	20,000	0	0	140,000
<b>Total</b>	<b>80,000</b>	<b>40,000</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>140,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
CDBG	80,000	40,000	20,000	0	0	140,000
<b>Total</b>	<b>80,000</b>	<b>40,000</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>140,000</b>

### Budget Impact/Other

Minnetonka staff oversee the entire program from application, to project management to signing of the loan documents. The administrative costs associated with the program as covered under the CDBG administration.

With the declining CDBG funds, more emphasis will be placed on this program, which will allow for assistance to more households.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government. The program would be expected to end at about that time unless new funding is identified. For purposes of this report, we assume phaseout of the program by 2020.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Housing-04</b>
<b>Project Name</b>	<b>Fair Housing</b>



<b>Type</b>	Program	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Yellow
<b>Key Measures</b>	Education/Information Sessions	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

As part of the city’s CDBG allocation, the city must participate in and further fair housing activities. This is accomplished by participating in the Hennepin County Consortium and Fair Housing Implementation Council. The city has been directly providing funds for fair housing since it became an entitlement community in 2005. Both programs are working to coordinate efforts with the Metropolitan Council to avoid duplication of services.

**SCHEDULING AND PROJECT STATUS**  
 This is an ongoing program. The CDBG program year runs July 1 to June 30, which is different than the city’s fiscal year.

### Justification

To further fair housing and remove impediments to fair housing within the city.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:**  
 Comprehensive Plan-Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES (Program year is July 1 to June 30)**

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Education/Info Sessions	14	7	10	10	10	10	10	10	10	N/A	N/A

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	900	600	300	0	0	1,800
<b>Total</b>	<b>900</b>	<b>600</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>1,800</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
CDBG	900	600	300	0	0	1,800
<b>Total</b>	<b>900</b>	<b>600</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>1,800</b>

### Budget Impact/Other

Typically, one percent of the city’s CDBG annual allocation is contributed to the Hennepin County Consortium. There is no staff time provided for this program, with the exception of review and feedback on information provided by the consortium and the Fair Housing Implementation Council.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government. The program would be expected to end at about that time unless new funding is identified. For purposes of this report, it is assumed that the program will phase out by 2020.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

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



<b>Type</b>	Program	<b>Department</b>	1-Housing
<b>Useful Life</b>		<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Yellow
<b>Key Measures</b>	HWR units in Minnetonka	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

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.

#### SCHEDULING AND PROJECT STATUS

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.

### Justification

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.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Creating partnerships with other agencies to ensure the longevity of affordable housing.

Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Total HWR units in Mtka	46	48	51	53	54	56	57	58	59	59	59

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	100,000	100,000	100,000	25,000	25,000	350,000
<b>Total</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>25,000</b>	<b>25,000</b>	<b>350,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
HRA Levy		100,000	100,000	25,000	25,000	250,000
Livable Communities Fund	100,000					100,000
<b>Total</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>25,000</b>	<b>25,000</b>	<b>350,000</b>

### Budget Impact/Other

Homes Within Reach requests funding through the non-profit funding 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. The 2016 funding amount is \$225,000. After 2017 the livable communities account is no longer available.

An EDAC subcommittee met in 2014 and recommended that HWR funding be decreased starting in 2017, until just an annual maintenance fee is collected beginning in 2020 to assist with ongoing maintenance and operations.

**Economic Improvement Program**

2017 *thru* 2021

**City of Minnetonka, Minnesota**

<b>Project #</b>	<b>Housing-06</b>
<b>Project Name</b>	<b>Housing Improvement Areas</b>



<b>Type</b>	Maintenance	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Yellow
<b>Key Measures</b>	Units Assisted	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

**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. The first HIA was adopted in early 2012. It is expected that interest in this program will grow as condo and townhouse developments age. State legislation for HIAs sunsets on June 30, 2028.

**Justification**

The program is intended to serve a multi-family housing which is aging 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 collaborate with lenders or other agencies that offer programs for home rehabilitation.  
 Strategic Plan-Initiating programs/policies to broaden housing choices to meet the needs of our aging population and attract young residents.

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Units Assisted	N/A	180	0	0	0	160	0	80	0	0	80

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Construction/Maintenance	0	250,000	0	0	250,000	500,000
<b>Total</b>	<b>0</b>	<b>250,000</b>	<b>0</b>	<b>0</b>	<b>250,000</b>	<b>500,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Development Fund	0	250,000	0	0	250,000	500,000
<b>Total</b>	<b>0</b>	<b>250,000</b>	<b>0</b>	<b>0</b>	<b>250,000</b>	<b>500,000</b>

**Budget Impact/Other**

The HIA program is administered by staff who works 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.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

**Project #** Housing-07  
**Project Name** Minnetonka Heights



**Type** Program  
**Useful Life** N/A  
**Category** Housing  
**Key Measures** Individuals Assisted  
**Key Measures**

**Department** 1-Housing  
**Contact** Community Development  
**Priority** Red  
**Key Measures**  
**Key Measures**

### Description

Minnetonka Heights is a 172 affordable unit apartment building, owned and operated by Legacy Management. The program assists in funding on-site programming to youth and adult residents, which is currently run by the Ridgedale YMCA.

#### SCHEDULING AND PROJECT STATUS

This is an ongoing program; however, city funds for this program are scheduled to end in 2017

### Justification

Minnetonka Heights provides housing for those at 30% to 50% AMI.

In 2000, after realizing many of the low-income and immigrant families at Minnetonka Heights were not economically thriving, the city worked with the Ridgedale YMCA to connect residents to community resources and provide other on-site programming. The city's funds are used to support programming for both youth and adults. Minnetonka's funds are also used to leverage other private/foundation/in-kind funds.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Promote new affordable rental housing and encourage diversity in the types, sizes and prices of housing units.

Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2010	2011	2012	2013	2014	2015 (est)	2016	2017	2018	2019	2020
Individuals Assisted	525	500	303	315	320	325	325	N/A	N/A	N/A	N/A
Total Population	600	600	600	600	600	600	600	N/A	N/A	N/A	N/A

Additional program benefits can be found in the organization's submission for non-profit funding.

Expenditures	2017	2018	2019	2020	2021	Total
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>

Funding Sources	2017	2018	2019	2020	2021	Total
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

Minnetonka Heights requests funding through the non-profit funding process each year. The funding for 2016 is \$5,000.

After 2016, the Livable Communities Account is no longer available for funding this program. The staff running the Minnetonka Heights program have been informed of this.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

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



<b>Type</b>	Program	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Yellow
<b>Key Measures</b>	Loans Made	<b>Key Measures</b>	
<b>Key Measures</b>	Loans Defaulted	<b>Key Measures</b>	

### 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.

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. A marketing plan was developed in 2013.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Promote housing maintenance programs to improve the livability of residential dwelling units in a cost effective manner.  
 Strategic Plan-Initiate programs/policies to broaden housing choices to meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Pre-Apps Received	16	6	39	62	15	30	50	60	60	60	60
Pre-Apps Qualified	12	2	36	55	7	20	30	55	55	55	55
Loans Made	0	0	4	8	5	10	10	10	10	10	10
Loans Defaulted	0	0	0	0	0	0	0	0	0	0	0

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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

The city contracts with the Greater Metropolitan Housing Corporation (GMHC) to administer the Minnetonka Home Enhancement Program for a 10% administrative fee. There is staff time associated with an initial pre-application, program marketing and answering questions.

Due to the slow uptake and lowering the interest rate to 1%, it's unlikely that this program will become self-sustaining. While there were loan paybacks put back into the program, another \$75,000 was added in 2016 (split with the Welcome to Minnetonka program) to continue to make new loans. Project funding amounts may change as a sliding scale approach is used with this and the Welcome to Minnetonka program to allow flexibility to meet demands of the programs.



City of Minnetonka, Minnesota

<b>Project #</b>	<b>Housing-09</b>
<b>Project Name</b>	<b>Owner-Occupied Rehabilitation Program</b>



<b>Type</b>	Program	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Red
<b>Key Measures</b>	Households Assisted	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

**Description**

The Owner-Occupied Housing Rehab Program provides no-interest, deferred loans up to \$20,000. The loans are available to homeowners that wish to make major repairs. The loan is forgiven if the owner remains in their home for ten years after improvements are made.

**SCHEDULING AND PROJECT STATUS**  
 This is an ongoing program. New applications are not solicited and instead used for emergencies and nuisance issues. The CDBG program year runs July 1 to June 30, which is different than the city's fiscal year.

**Justification**

Households up to 80% area median income qualify for the owner-occupied housing rehab program, which allows for housing repairs, maintenance, and accessibility. Lead-based paint removal must be addressed under this program if project costs exceed \$5000.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan-Promote housing maintenance programs that improve the livability of existing residential dwelling units in a cost effective manner.

Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016(est)	2017	2018	2019	2020
Households Assisted	6	2	4	4	1	1	1	N/A	N/A	N/A

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
CDBG	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 oversees the entire program from application to the rehabilitation to the loan document signing once the project is complete. Hours spent per client is dependent upon the project complexity. Administrative funds are taken from the overall CDBG program administration.

With the decline in CDBG funds, minimal loan paybacks and requirements for lead based paint removal, more focus has been placed on the Small Projects Program. A small amount of funds were allocated in the 2014 CDBG budget, otherwise all projects assisted through this program are using previously allocated funds, hence the program cost of \$0.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Housing-10</b>
<b>Project Name</b>	<b>Public Services</b>



<b>Type</b>	Program	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Yellow
<b>Key Measures</b>	Individuals Assisted	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

Up to 15 percent of the city’s Community Development Block Grant funds can be used to fund public services (non-profits). The public service agencies programs’ must meet one of the three CDBG national objectives.

#### SCHEDULING AND PROJECT STATUS

Public services funded by CDBG funds are selected during the non-profit funding review completed by the EDAC each October. Projects then commence in July the following year. The CDBG program year runs July 1 to June 30, which is different than the city’s fiscal year.

### Justification

Public Service agencies provide a number of services, such as foreclosure prevention, information and referral, and senior homemaking services. Clients must be Minnetonka residents at 80% of area median income or less.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.  
 Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Individuals Assisted	1228	1168	1089	609	696	501	550	550	550	N/A	N/A

\*Due to changes in programs funded (as determined by the recipients), there is a drop in the individuals assisted.

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	12,000	10,000	8,000	0	0	30,000
<b>Total</b>	<b>12,000</b>	<b>10,000</b>	<b>8,000</b>	<b>0</b>	<b>0</b>	<b>30,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
CDBG	12,000	10,000	8,000	0	0	30,000
<b>Total</b>	<b>12,000</b>	<b>10,000</b>	<b>8,000</b>	<b>0</b>	<b>0</b>	<b>30,000</b>

### Budget Impact/Other

The funding is provided to the public service agencies to carry out the programs. Staff time is involved in payment requests and requesting reimbursement. Periodically, monitoring is completed on these agencies to make sure that they are meeting all CDBG criteria. City staff time to administer this program is taken out of the overall CDBG program administration.

In 2016 the following programs are being assisted: Community Action Partnership of Suburban Hennepin, ICA Housing & More program, ResourceWest, and Senior Community Services H.O.M.E. program.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government. For purposes of this report, we assume phaseout of the program by 2020.

**Economic Improvement Program**

2017 *thru* 2021

**City of Minnetonka, Minnesota**

**Project # Housing-11**  
**Project Name Tax-Exempt Financing/Conduit Debt Projects**



<b>Type</b> Program	<b>Department</b> 1-Housing
<b>Useful Life</b> N/A	<b>Contact</b> Community Development
<b>Category</b> Housing	<b>Priority</b> Green
<b>Key Measures</b> Projects Assisted	<b>Key Measures</b> Housing Projects Assisted
<b>Key Measures</b> Businesses Assisted	<b>Key Measures</b> Projects Considered

**Description**

Cities, under State Statute Sections 469.152 to 469.165 and Chapter 462C, have the authority to issue tax exempt financing for industrial development, health care facilities and multi-family housing. In 1984 the city council adopted a council policy to guide the city in requests. A revised council policy was adopted in 2015. Examples of projects include St. Davids Center building updates and acquisition for a new charter school. Host approval can also be given for projects where financing is issued by another city (example: Hammer Residences).

**SCHEDULING AND PROJECT STATUS**  
 Projects are reviewed to determine if they meeting council policy guidelines and if the city has enough annual financing available. Projects are then brought forward after this review.

**Justification**

To attract/promote economically sound industry, commerce, and health care, as well as for housing projects for low/moderate income and elderly persons. Tax exempt financing is used on a selective basis to encourage development offering a benefit to the city as a whole.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan-  
 -Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.  
 -Facilitate connections between local businesses and programs that provide incentives and assistance for business retention and recruitment.  
 Strategic Plan-  
 -Initiating programs and policies that broaden housing choices to meet both the needs of our aging population and attract young residents.  
 -Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Projects Considered	2	1	0	2	X	2	2	2	2	1	2
Projects Implemented	1	1	0	2	X	2	2	1	1	1	2
Business projects	1	1	0	1	X	0	1	0	0	1	0
Housing projects	0	0	0	1	X	2	1	1	1	0	0

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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**

Work on Tax Exempt Financing projects is completed by the city’s legal counsel and financial consultants. Application (\$3500) and administrative fees (1/8 of 1% of financing amount) cover the city’s expenses, and most often, ending in positive income for the city.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

**Project #** Housing-12  
**Project Name** Affordable Housing via TIF Pooling



<b>Type</b>	Construction	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	Green
<b>Key Measures</b>	Affordable Units Created	<b>Key Measures</b>	Projects Considered
<b>Key Measures</b>	Projects Assisted	<b>Key Measures</b>	

### Description

TIF pooling is a way, under state statute, to use excess tax increment dollars from a district to invest in affordable housing projects in other areas of the city.

#### SCHEDULING AND PROJECT STATUS

The dollars must be expended by 2021. It is expected that a majority of the funds will be used in 2016-2019 in connection to LRT related projects.

The Ridge was the first project funded (2012) with \$1,025,000 in funds. Another \$500,000 is proposed to be used in the Music Barn project.

### Justification

Pooling allows a percentage (35%) of the total increment generated by the district over its entire life to be used for tax credit eligible housing projects anywhere in the city. Depending on property values over the remaining 12 years of the district, the pooling dollars available during this time frame are estimated to be \$8.025 million. These funds are required to be spent according to an amended TIF plan, which can take place as projects are proposed.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Continue working with developers to include affordable housing in their developments, where appropriate.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2010	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Projects Considered	N/A	1	1	0	1	0	1	2	1	1	1	1
Projects Assisted	N/A	0	1	0	0	0	1	2	0	1	1	1
Affordable Units	N/A	0	52	0	0	0	27	64	0	45	40	30

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	2,000,000		1,500,000	1,103,802	1,300,000	5,903,802
<b>Total</b>	<b>2,000,000</b>		<b>1,500,000</b>	<b>1,103,802</b>	<b>1,300,000</b>	<b>5,903,802</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
TIF Pooling	2,000,000		1,500,000	1,103,802	1,300,000	5,903,802
<b>Total</b>	<b>2,000,000</b>		<b>1,500,000</b>	<b>1,103,802</b>	<b>1,300,000</b>	<b>5,903,802</b>

### Budget Impact/Other

The use of pooling dollars does not affect staffing. If pooling dollars are not used, the dollars return to the appropriate taxing jurisdictions.

The funds are coming from the Boulevard Gardens TIF district.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

**Project #**      **Housing-13**  
**Project Name**   **Welcome to Minnetonka Loan Program**



<b>Type</b> Program	<b>Department</b> 1-Housing
<b>Useful Life</b> N/A	<b>Contact</b> Community Development
<b>Category</b> Housing	<b>Priority</b> Yellow
<b>Key Measures</b> Loans Made	<b>Key Measures</b>
<b>Key Measures</b> Loans Defaulted	<b>Key Measures</b>

### Description

The Welcome to Minnetonka program provides up to \$10,000 through a low-interest loan for downpayment and closing cost assistance.

#### SCHEDULING AND PROJECT STATUS

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

### Justification

The Welcome to Minnetonka program targets first time homebuyer households up to 120% area median income with downpayment and closing cost assistance. Those participating in the program provide at least 25% of the total costs. A marketing plan was developed in 2013.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Provide services that support residents to maintain attractiveness as a balanced community that is economically diverse.  
 Strategic Plan-Initiate programs/policies to broaden housing choices to meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Pre-Apps Received	12	9	7	4	2	5	5	5	5	5	5
Pre-Apps Moved Forward	2	1	1	1	2	1	1	1	1	1	1
Loans Made	1	1	1	1	1	1	1	1	1	1	1
Loans Defaulted	0	0	0	0	0	0	0	0	0	0	0

\*While pre-applications can be received at any time, a full application cannot be sent until a purchase agreement is signed.

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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

The city contracts with the Greater Metropolitan Housing Corporation (GMHC) to administer the Welcome to Minnetonka program on behalf of the city for a 10% administrative fee. There is staff time associated with an initial pre-application, program marketing, and questions.

Due to the slow uptake and lowering the interest rate to 1%, it's unlikely that this program will become self-sustaining. While there were loan paybacks put back into the program, another \$75,000 was added in 2016 (split with the Minnetonka Home Enhancement Program) to continue to make new loans. Funding amounts may change as a sliding scale approach is used with this program and the Minnetonka Home Enhancement program to allow flexibility to meet demands.

City of Minnetonka, Minnesota

<b>Project #</b>	<b>Housing-14</b>
<b>Project Name</b>	<b>Employer-Assisted Housing</b>

<b>Type</b>	Conceptual	<b>Department</b>	1-Housing
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Housing	<b>Priority</b>	n/a
<b>Key Measures</b>	Households Assisted	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

**Description**

Employer assisted housing programs can take many different forms; however, generally it focuses on local businesses and how to create housing opportunities within the city for their employees. The program requires business support.

**SCHEDULING AND PROJECT STATUS**

This is a new concept that has not yet been explored or developed by city staff; however, the SWLRT Community Works project, as part of their housing strategy has recommended collaboration with local employers on new housing opportunities.

**Justification**

The Opportunity City Pilot Program and a University of Minnesota Resilient Communities Program student project recommended exploring opportunities to collaborate with businesses to better understand housing needs and evaluate links between employment wages and housing values.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**

Comprehensive Plan-Support existing businesses and collaborate with businesses to determine services, employee housing and transportation needs.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Households Assisted	N/A	N/A	N/A	N/A	N/A	N/A					

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Unfunded	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

**Budget Impact/Other**

There will need to be staff time committed to learning more about different aspects of a program such as this. There is no funding source at this time to fund the program.

The SWLRT Community Works Housing Strategy developed objectives with one being developing new housing opportunities. One of the ways identified was working with employers along the line to help fund new housing.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

**Project #** Housing-15  
**Project Name** Next Generation Program



**Type** Conceptual  
**Useful Life** N/A  
**Category** Housing  
**Key Measures** Households Assisted  
**Key Measures**

**Department** 1-Housing  
**Contact** Community Development  
**Priority** n/a  
**Key Measures**  
**Key Measures**

### Description

A next generation program would purchase homes from seniors, perform rehabilitation as necessary, and sell on the market as affordable units.

#### SCHEDULING AND PROJECT STATUS

This is a new concept that has not yet been explored or developed. Initial council feedback has suggested that this program target a different audience such as those at 80 to 110% AML.

### Justification

As the city's population ages, more seniors will be looking for alternative housing options to the single-family home. This program would assist seniors in the sale of their home, perform any deferred rehabilitation, and then assist young families by selling them at an affordable price.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Support existing businesses and collaborate with businesses to determine services, employee housing and transportation needs.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

#### KEY MEASURES

	2010	2011	2012	2013	2014	2015 (est)	2016	2017	2018	2019	2020
Households Assisted	N/A	N/A	N/A	N/A	N/A	N/A					

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Unfunded	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

### Budget Impact/Other

There will need to be staff time committed to learning more about different aspects of a program such as this. There is no funding source at this time to fund the 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 2017-2021 Economic Improvement Program, there are nine business programs, and another two under conceptual review.

- The total five-year estimated cost of the programs is \$1,600,000.

<b>Program</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>5-Year Total</b>
Fire Sprinkler Retrofit	\$0	\$0	\$50,000	\$0	\$0	<b>\$50,000</b>
Pass-Through Grants	200,000	200,000	200,000	0	200,000	<b>\$800,000</b>
CommonBond/Ind Rev	0	0	0	0	0	<b>\$0</b>
GreaterMSP	25,000	25,000	25,000	25,000	25,000	<b>\$125,000</b>
MN Investment Fund	0	500,000	0	0	0	<b>\$500,000</b>
Open to Business	15,000	15,000	15,000	15,000	15,000	<b>\$75,000</b>
Outreach	0	25,000	0	25,000	0	<b>\$50,000</b>
PACE	0	0	0	0	0	<b>\$0</b>
EDIF	0	0	0	0	0	<b>\$0</b>
	<b>\$240,000</b>	<b>\$765,000</b>	<b>\$290,000</b>	<b>\$65,000</b>	<b>\$240,000</b>	<b>\$1,600,000</b>

### **Conceptual Programs**

Economic Gardening	<b>\$0</b>
Special Service Districts	<b>\$0</b>

Programs in green=funding/program is expected to continue

Programs in yellow=funding/program is uncertain for a number of reasons

Programs in red=funding/program is ending

- Several programs, such as the 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 Minnesota Community Capital Fund (which is no longer operating) and the Open to Business programs.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

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



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

**SCHEDULING AND PROJECT STATUS**  
 This program is ongoing, and use of this program is made by property owner petition. It was last used in 2006; however, there are a few inquiries every year.

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

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Businesses Assisted	0	0	0	0	0	1	0	0	1	0	0

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Construction/Maintenance	0	0	50,000	0	0	50,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Special Assessment Construction Fund	0	0	50,000	0	0	50,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>50,000</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

2017 *thru* 2021

## City of Minnetonka, Minnesota

**Project #** Business-02  
**Project Name** Grants



**Type** Program  
**Useful Life**  
**Category** Business  
**Key Measures** Projects Assisted  
**Key Measures** Businesses Assisted

**Department** 2-Business  
**Contact** Community Development  
**Priority** Green  
**Key Measures** Housing Projects 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.

### 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-  
 -Ensure the longevity of affordable housing through city programs and partnerships with other public, non-profit, and private entities.  
 -Facilitate connections between local businesses and programs that provide incentives/assistance for business retention and recruitment.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Projects Assisted	2	3	1	0	1	1	1	1	1	0	1
Business projects	2	2	1	0	0	1	0	0	1	0	0
Housing projects	0	1	0	0	1	0	1	1	0	0	1
Housing units	0	64	0	0	30	0	45	60	0	0	60

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

Expenditures	2017	2018	2019	2020	2021	Total
Other	200,000	200,000	200,000	0	200,000	800,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>	<b>200,000</b>	<b>800,000</b>

Funding Sources	2017	2018	2019	2020	2021	Total
Development Fund	200,000	200,000	200,000	0	0	600,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>600,000</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.

For pass-through grants, the staff is the facilitator in requesting the funds. The funds indicated are potential sources depending upon requests.

**Economic Improvement Program**

2017 *thru* 2021

**City of Minnetonka, Minnesota**

<b>Project #</b>	<b>Business-03</b>
<b>Project Name</b>	<b>Common Bond/Industrial Revenue Bond</b>

<b>Type</b>	Program	<b>Department</b>	2-Business
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Business	<b>Priority</b>	Yellow
<b>Key Measures</b>	Businesses Assisted	<b>Key Measures</b>	
<b>Key Measures</b>	Business Contacts	<b>Key Measures</b>	

**Description**

The Common Bond fund and Industrial Revenue Bonds are sources of funding for industrial/manufacturing businesses that are expanding or relocating.

**SCHEDULING AND PROJECT STATUS**  
 There have been no previous projects, nor are any contemplated at this time. The city has previously used Industrial Revenue Bonds by giving host approval to another city to issue the bonds. The Common Bond fund, which is applied for and administered through the City of Minneapolis/Hennepin County has been explored by several Minnetonka businesses, but none have moved forward.

**Justification**

This program is to assist those manufacturing/industrial businesses with funding support for land acquisition, new facility construction, additions, renovations, and purchase of production equipment.

**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-Support business retention and expansion and attract new businesses to help our private sector be economically competitive.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Business Contacts	0	0	0	0	0	0	0	1	0	0	0
Businesses Assisted	0	0	0	0	0	0	0	0	0	0	0

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

**Budget Impact/Other**

There is minimal staff work involved with either of these programs. The Common Bond fund is administered through a Hennepin County/City of Minneapolis partnership, but requires city council approval. All Industrial Revenue Bonds require city council approval.

No funds flow through the city for the Common Bond fund.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

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



**Type** Program  
**Useful Life** N/A  
**Category** Business  
**Key Measures** Business Contacts  
**Key Measures**

**Department** 2-Business  
**Contact** Community Development  
**Priority** Green  
**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, and technology assistance.

### 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-Facilitate connections between local businesses and various programs that provide incentives and financial assistance for business retention and recruitment.

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

### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Business Projects	0	1	1	0	X	2	2	2	2	1	1
Media Headlines	N/A	N/A	N/A	32	X	35	35	40	40	40	40

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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 for a three year, \$25,000 per year commitment, which would be reviewed annually with the city budget for renewal. At the end of 2015, the city will need to review its membership and determine whether to continue.

The city became a member in 2013 for an initial three-year period.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Business-06</b>
<b>Project Name</b>	<b>Minnesota Investment Fund Projects</b>



<b>Type</b>	Program	<b>Department</b>	2-Business
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Business	<b>Priority</b>	Yellow
<b>Key Measures</b>	Businesses Assisted	<b>Key Measures</b>	
<b>Key Measures</b>	Applications Submitted	<b>Key Measures</b>	

### Description

The Minnesota Investment Fund (MIF) is a Department of Employment and Economic Development program 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 three MIF awards, one each for Cargill, Nestle and IMRIS. A fourth application was submitted to DEED in late 2015. That award is expected to be made in 2016.

### Justification

MIF is a business and economic development program, focusing on industrial, manufacturing, and technology related industries.

#### 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-Support business retention and expansion and attract new businesses to help our private sector be economically competitive.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Applications Submitted	0	1	0	0	1	0	0	1	0	0	0
Businesses Assisted	0	0	0	1	0	1	0	1	0	0	0

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0	500,000	0	0	0	500,000
<b>Total</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0	500,000	0	0	0	500,000
<b>Total</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</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

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Business-07</b>
<b>Project Name</b>	<b>Open to Business</b>



<b>Type</b>	Program	<b>Department</b>	2-Business
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Business	<b>Priority</b>	Green
<b>Key Measures</b>	Technical Assistance Hours	<b>Key Measures</b>	Loans Made
<b>Key Measures</b>	Businesses Assisted	<b>Key Measures</b>	

### Description

The Minnetonka Open to Business program, in collaboration with the Metropolitan Consortium of Community Developers, provides one-on-one technical assistance customized to meet the needs of small businesses.

#### SCHEDULING AND PROJECT STATUS

The program began in 2011 and is ongoing. The contract is reviewed on an annual basis.

### Justification

The Open to Business program assists small business owners and potential entrepreneurs, while filling a need in business programming not available previously. Assistance is given in planning and organizing business ventures, financial management, marketing and regulatory compliance. A small loan fund is also available to access the capital to grow their business.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Provide services that support residents and businesses to maintain attractiveness as a balanced community that is economically diverse.

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

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Businesses Assisted	45	24	32	38	36	42	45	47	49	50	50
Tech. Assist. Hours	140	95	218	168	125	150	160	175	175	175	175
Loans Made	1	1	6	2	1	3	4	4	4	4	4

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	15,000	15,000	15,000	15,000	15,000	75,000
<b>Total</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>75,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Development Fund	15,000	15,000	15,000	15,000	15,000	75,000
<b>Total</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>75,000</b>

### Budget Impact/Other

The Minnetonka Open to Business program is provided collaboratively with the MCCD. The MCCD provides the technical assistance, while the city assists in marketing the program. City staff spends approximately 40 hours per year with this program.

The funding for 2015 is \$7,500-half of the cost of the program due to an expected grant received from Hennepin County. While the city has received this same grant in previous years, this opportunity is not expected to continue.

The funding justification for this program came from the \$80,000 worth of funds returned from change in membership of the Twin Cities Community Capital Fund to the Minnesota Community Capital Fund. These funds will be exhausted by 2016, if the fee remains as is.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

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

<b>Type</b> Program	<b>Department</b> 2-Business
<b>Useful Life</b>	<b>Contact</b> Community Development
<b>Category</b> Business	<b>Priority</b> Green
<b>Key Measures</b> Business Contacts	<b>Key Measures</b>
<b>Key Measures</b>	<b>Key Measures</b>

### Description

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

SCHEDULING AND PROJECT STATUS  
 Staff is coordinating through "Sales Force", which is an online tool for cities, chambers and GreaterMSP to enter business contacts.

### 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.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
 Comprehensive Plan-Promote public involvement by residents and businesses, and actively communicate city values and services.  
 Strategic Plan-Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Business Contacts	N/A	N/A	N/A	N/A	N/A	25	30	35	40	40	

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost		25,000		25,000		50,000
<b>Total</b>		<b>25,000</b>		<b>25,000</b>		<b>50,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
HRA Levy		25,000		25,000		50,000
<b>Total</b>		<b>25,000</b>		<b>25,000</b>		<b>50,000</b>

### Budget Impact/Other

Funds are budgeted for a business survey.

Outreach will be coordinated with GreaterMSP and TwinWest Chamber.



# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Business-09</b>
<b>Project Name</b>	<b>Property Assessed Clean Energy</b>

<b>Type</b>	Program	<b>Department</b>	2-Business
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Business	<b>Priority</b>	Green
<b>Key Measures</b>	Businesses Assisted	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### 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.

### 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

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Businesses Assisted	N/A	N/A	N/A	0	0	1	1	1	0	0	0

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>Business-10</b>
<b>Project Name</b>	<b>Economic Development Infrastructure Fund</b>

<b>Type</b>	Program	<b>Department</b>	2-Business
<b>Useful Life</b>		<b>Contact</b>	Community Development
<b>Category</b>	Business	<b>Priority</b>	Green
<b>Key Measures</b>	Buildings Assisted	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

The Economic Development Infrastructure Fund is a new program offered by Hennepin County. Up to \$500,000 is available in grant funding to municipalities to support business recruitment and expansion through investments in infrastructure. Projects must be outside of priority transit corridors, such as the Green Line Extension.

SCHEDULING AND PROJECT STATUS.  
This is a pilot program.

### Justification

The Economic Development Infrastructure Fund will assist businesses that are new or expanding and have a financial need due to extraordinary costs such as demolition, site clearance, soil stabilization and utilities. The business must expend at least \$500,000 in property improvements and create at least 10 new permanent, full time jobs.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
Comprehensive Plan-In order to maintain and perhaps enhance its current economic vitality, the city in the future will need to consider and promote: business outreach and retention activities.

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

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Businesses Assisted	N/A	N/A	N/A	N/A	N/A	0	1	0	0	0	

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</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 time would be required to work with the business to apply for the program and to administer the funds. The city would be a pass through of the funds.

# Economic Improvement Program

2017 thru 2021

## City of Minnetonka, Minnesota

**Project #** Business-11  
**Project Name** Economic Gardening



**Type** Conceptual  
**Useful Life** N/A  
**Category** Business  
**Key Measures** Businesses Assisted  
**Key Measures**

**Department** 2-Business  
**Contact** Community Development  
**Priority** n/a  
**Key Measures**  
**Key Measures**

### Description

Hennepin County offers this program to assist medium size companies with growth potential.

SCHEDULING AND PROJECT STATUS  
 Originally, a pilot program, the Economic Gardening program is now a partnership between Hennepin, Anoka, Ramsey, Carver and Scott counties.

### Justification

Hennepin County is offering this as part of a partnership to help high-growth / high potential Stage II companies grow faster and create more jobs by providing CEO peer mentoring, stage-specific content and referral to relevant service providers. Stage II is defined as: 10-99 employees, more than \$1M in revenue and having high-growth potential. There is no cost to the companies accepted for participation in the network.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
 Comprehensive Plan-In order to maintain and perhaps enhance its current economic vitality, the city in the future will need to consider and promote: business outreach and retention activities.

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

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Businesses Assisted	N/A	N/A	N/A	N/A	N/A	2	1	0	0	1	0

Expenditures	2017	2018	2019	2020	2021	Total
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

Funding Sources	2017	2018	2019	2020	2021	Total
Unfunded	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

### Budget Impact/Other

The county is providing this service, but some of the 2015 and 2016 programs were held in the Minnetonka Community Center. If the program expands, cities may be asked to participate in the costs of the program.

City of Minnetonka, Minnesota

<b>Project #</b>	<b>Business-12</b>
<b>Project Name</b>	<b>Special Service District</b>

<b>Type</b>	Conceptual	<b>Department</b>	2-Business
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Business	<b>Priority</b>	n/a
<b>Key Measures</b>	SSDs Established	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

**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. A change to this legislation, to allow mixed use projects with a housing component as part of special service districts, is currently under review at the state legislature.

**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-Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.

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

**KEY MEASURES**

	2011	2012	2013	2014	2015 (est)	2016	2017	2018	2019	2020	2021
SSDs Established	0	0	0	0	0	0	0	1	0	0	0

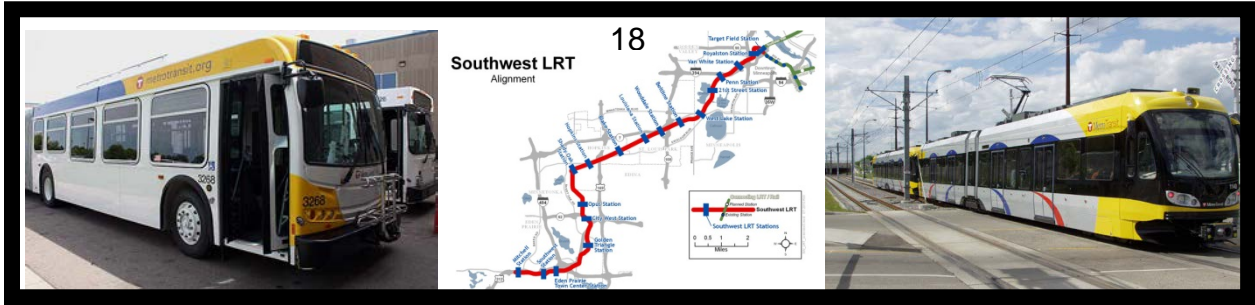
<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Development Fund	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

**Budget Impact/Other**

Staff time is likely to be significant during the set up 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.



# 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 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 had a renegotiated contract in place providing more detail and clarity on the roles and responsibilities for both the city and Metro Transit.

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 programs is \$60,000.

<b>Program</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>5-Year Total</b>
Commuter Services (494)	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	<b>\$60,000</b>
Transit Improvements	0	0	0	0	0	<b>\$0</b>
	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$60,000</b>

Programs in green=funding/program is expected to continue

Programs in yellow=funding/program is uncertain for a number of reasons

Programs in red=funding/program is ending

- All facets of transit, such as commuting, bus/dial-a-ride, and Light Rail Transit (LRT), are included.
- The contract with Metro Transit for service will likely be extended in 2016 and renegotiated closer to opening day of LRT service.

City of Minnetonka, Minnesota

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



Type	Program	Department	3-Transit
Useful Life	N/A	Contact	Community Development
Category	Transit	Priority	Green
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, which the city is a member of. 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, and other information on alternative transportation choices to Minnetonka residents and businesses.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Anticipate, plan for and collaborate with other agencies for local and regional transportation improvements and programs to lessen the impacts of congestion.

Strategic Plan-Pursuing shared sub-regional transit solutions with neighboring communities to improve service within the area.

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Business Contacts	140	145	132	150	182	180	180	185	190	190	190
Commuters Assisted	273	269	421	450	433	425	425	425	450	450	450

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	12,000	12,000	12,000	12,000	12,000	60,000
<b>Total</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>60,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
General Fund	12,000	12,000	12,000	12,000	12,000	60,000
<b>Total</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>60,000</b>

**Budget Impact/Other**

One councilmember 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. Additionally, the city is required to be the treasurer of the Commission for two years, which commits additional finance staff time. This happens every 10 years as it rotates between member cities.

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.

City of Minnetonka, Minnesota

**Project #** Transit-02  
**Project Name** Transit Improvements



**Type** Program  
**Useful Life** N/A  
**Category** Transit  
**Key Measures** Annual Bus Trips  
**Key Measures**

**Department** 3-Transit  
**Contact** Community Development  
**Priority** Green  
**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**  
 The Sector Study was completed December 2012 and suggested route changes from that study were implemented August 2013. The negotiation of a new Transit Cooperation Agreement was also completed in 2013, with a three-year term. The agreement will likely be temporarily extended while more detailed plans with the LRT are developed .

**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 MVST money and provide more local service to better meet the needs of the community.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan-Encourage the expansion of multi-modal and transit services in the city with other government agencies to support resident and business transportation needs.

Strategic Plan-Pursue shared sub-regional transit solutions with neighboring communities to improve service within the area.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Annual Bus Trips	100,421	100,166	109,715	110,225	110,938	111,000	111,500	111,500	112,500	114,000	115,000

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
MVST Revenue	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

**Budget Impact/Other**

Staff time of approximately 40 to 80 hours per year will be spent attending quarterly meetings, marketing, and consulting with Metro Transit staff.

Currently, the MVST revenues due to the city (~\$4.4 million) go directly to the Metropolitan Council for transit service.





# DEVELOPMENT AND REDEVELOPMENT



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**

## DEVELOPMENT/REDEVELOPMENT CHAPTER SUMMARY

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

For the 2017-2021 Economic Improvement Program, there are three development/redevelopment programs underway, and one additional program that is conceptual.

- The total five-year estimated cost of the programs is \$845,000.

<b>Program</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>5-Year Total</b>
Predevelopment	\$45,000	\$50,000	\$50,000	\$50,000	\$50,000	<b>\$245,000</b>
Village Center/Comp Plan	75,000	75,000	75,000	0	0	<b>\$225,000</b>
LRT & Station areas	75,000	75,000	75,000	75,000	75,000	<b>\$375,000</b>
	<b>\$195,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$125,000</b>	<b>\$125,000</b>	<b>\$845,000</b>

### **Conceptual Programs**

Strategic Marketing

**\$0**

Programs in green=funding/program is expected to continue

Programs in yellow=funding/program is uncertain for a number of reasons

Programs in red=funding/program is ending

- The Village Center studies, an outcome of the 2008 Comprehensive Plan update, are on hold while the Comprehensive Plan is updated.
- Some of the pass-through grants identified in the business chapter may be geared towards 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 by the city towards 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

2017 *thru* 2021

## City of Minnetonka, Minnesota

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



<b>Type</b>	Program	<b>Department</b>	4-Development & Redevelopme
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Develop/Redevelopment	<b>Priority</b>	Green
<b>Key Measures</b>	Projects Assisted	<b>Key Measures</b>	
<b>Key Measures</b>	Projects Continued	<b>Key Measures</b>	

### 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 project to determine if a TIF district 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-Support existing commercial areas and encourage new development techniques that contribute to the vitality and diversity of the area.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Projects Assisted	2	1	4	2	2	3	3	2	2	2	2
Projects Continued after Assistance	0	1	2	1	1	1	2	1	1	1	1

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Planning/Design	45,000	50,000	50,000	50,000	50,000	245,000
<b>Total</b>	<b>45,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>245,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Development Fund	45,000	50,000	50,000	50,000	50,000	245,000
<b>Total</b>	<b>45,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>245,000</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

2017 thru 2021

City of Minnetonka, Minnesota

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



<b>Type</b>	Program	<b>Department</b>	4-Development & Redevelopme
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	Develop/Redevelopment	<b>Priority</b>	Green
<b>Key Measures</b>	Village Centers Studied	<b>Key Measures</b>	
<b>Key Measures</b>	Comprehensive Plan update	<b>Key Measures</b>	

**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 centers have been completed: Minnetonka Mills, Opus, Hwy 7/101, Shady Oak, Ridgedale, and some Glen Lake. Additional work on village centers are on hold as the city commences the Comprehensive Plan update process beginning in 2016.

**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-Guide development and redevelopment to ensure community vitality.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Village Centers Studied	2	0	1	1	1	N/A	TBD	TBD	TBD	TBD	TBD

Expenditures	2017	2018	2019	2020	2021	Total
Planning/Design	75,000	75,000	75,000	0	0	225,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>225,000</b>

Funding Sources	2017	2018	2019	2020	2021	Total
HRA Levy	75,000	75,000	75,000	0	0	225,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>0</b>	<b>0</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.

There will be significant staff time when the Comprehensive Plan is updated.

City of Minnetonka, Minnesota

**Project #** Dev/Redev-03  
**Project Name** LRT and LRT Station Area Development



**Type** Construction      **Department** 4-Development & Redevelopment  
**Useful Life** N/A      **Contact** Community Development  
**Category** Develop/Redevelopment      **Priority** Green  
**Key Measures**      **Key Measures**  
**Key Measures**      **Key Measures**

**Description**

Minnetonka has actively been planning for LRT since the early 2000's. By late 2015 SWLRT design was at 60% design and work on the infrastructure around the station areas continues to be discussed and added to when possible. 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.

**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 2016 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-Encourage a greater density/intensity and mix of land uses where access is available and supported by regional transportation systems (such as LRT).

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

**KEY MEASURES**  
 TBD

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	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>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
HRA Levy	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**

In July 2015 the city committed \$2 million towards the LRT project. This is being initially funded through the Special Assessment Construction Fund. Payback will occur from HRA levy funds over a 10 year period.

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**

2017 *thru* 2021

**City of Minnetonka, Minnesota**

**Project #** Dev/Redev-04  
**Project Name** Strategic Marketing



**Type** Conceptual      **Department** 4-Development & Redevelopment  
**Useful Life** N/A      **Contact** Community Development  
**Category** Develop/Redevelopment      **Priority** n/a  
**Key Measures**      **Key Measures**  
**Key Measures**      **Key Measures**

**Description**

Development of a marketing strategy to promote the city to current and future residents and businesses.

SCHEDULING AND PROJECT STATUS  
 The first step--a market assessment was completed in 2014. A marketing plan will be developed in 2016 with existing funds.

**Justification**

Minnetonka is ideally located and in the past has been successful in attracting residents, as well as all types of businesses, including multi-national corporations without much need for promotion. As the economy changes and attracting residents and businesses becomes more competitive it may be necessary to develop a marketing strategy to better promote the city.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
 Comprehensive Plan-Provide regional leadership in promoting community facilities, programs and land uses that are diverse, inclusive, and supportive of residents and businesses.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

KEY MEASURES  
 TBD

Expenditures	2017	2018	2019	2020	2021	Total
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

Funding Sources	2017	2018	2019	2020	2021	Total
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

**Budget Impact/Other**

Development of a marketing strategy will likely take significant time to develop--including time from both city staff and outside assistance. Funds were budgeted previously from the HRA Levy to begin the marketing project. Future funds will be determined once the marketing plan is completed.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

**Project #** Dev/Redev-05  
**Project Name** City Owned Properties



**Type** Conceptual  
**Useful Life**  
**Category** Develop/Redevelopment  
**Key Measures**  
**Key Measures**

**Department** 4-Development & Redevelopme  
**Contact** Community Development  
**Priority** n/a  
**Key Measures**  
**Key Measures**

**Description**

The city owns scattered site residential and commercial properties. These properties have been purchased over the years for a variety of reasons.

SCHEDULING AND PROJECT STATUS  
 This is an on-going project.

**Justification**

The city-owned properties include:

- 5501 Baker Road (residential)
- 5432 Rowland Road (residential)
- 3441 Martha Lane (residential)
- 5937 County Road 101 (residential)
- 4292 Oak Drive Lane (residential)
- 4312 Shady Oak Road (commercial)

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS  
 Comprehensive Plan-Encourage a diversity of land uses within the city to ensure a broad range of housing and employment choice, shopping nad other services for residents and businesses.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment and public activities.

KEY MEASURES  
 TBD

Expenditures	2017	2018	2019	2020	2021	Total
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

Funding Sources	2017	2018	2019	2020	2021	Total
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

**Budget Impact/Other**

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.



# TAX INCREMENT FINANCING



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**



# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

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



<b>Type</b>	Program	<b>Department</b>	5-TIF Districts
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	TIF	<b>Priority</b>	Green
<b>Key Measures</b>	TIF Districts	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

Anytime 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-Encourage redevelopment projects that include mixed income housing, including affordable units, while balancing density and the preservation of natural resources.

#### Strategic Plan-

- Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.
- Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment and public activities.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Active TIF Districts	4	4	4	4	6	6	6	6	7	7	6

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	120,000	120,000	140,000	140,000	120,000	640,000
<b>Total</b>	<b>120,000</b>	<b>120,000</b>	<b>140,000</b>	<b>140,000</b>	<b>120,000</b>	<b>640,000</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Development Fund	120,000	120,000	140,000	140,000	120,000	640,000
<b>Total</b>	<b>120,000</b>	<b>120,000</b>	<b>140,000</b>	<b>140,000</b>	<b>120,000</b>	<b>640,000</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 520 hours.

# Economic Improvement Program

2017 thru 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>TIF-02</b>
<b>Project Name</b>	<b>Beacon Hill TIF District</b>



<b>Type</b>	Program	<b>Department</b>	5-TIF Districts
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	TIF	<b>Priority</b>	Yellow
<b>Key Measures</b>	Affordable Units	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

The Beacon Hill TIF district is a housing district approved on February 14, 1994 to construct a senior living facility that includes both senior housing (110 units) and an assisted living component (42 units).

**SCHEDULING AND PROJECT STATUS**  
 This TIF district was approved in 1994 and will expire in 2021.

All of the original obligations were paid on the district by 2009. At that time though the EDA modified the district at that time to keep it open in order to keep the affordability in some of the units. With the revised contract stipulates the city extended the assistance for affordability, but reduces the percent of increment paid to the development, 90% for five years (2015) and decreases by 10% every year until 2020.

### Justification

The Beacon Hill TIF District was established to assist in the development of 152 total units, of which, 62 units are affordable to those at 60% AMI or less.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Affordable Units	62	62	62	62	62	62	62	62	62	62	N/A

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Program Cost	0					0
<b>Total</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 can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

<b>Project #</b>	<b>TIF-03</b>
<b>Project Name</b>	<b>Boulevard Gardens TIF District</b>



<b>Type</b>	Program	<b>Department</b>	5-TIF Districts
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	TIF	<b>Priority</b>	Green
<b>Key Measures</b>	Affordable Units	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### Description

The Boulevard Gardens TIF district was adopted December 11, 1995 to facilitate the redevelopment and affordable housing built at West Ridge Market, beginning in 1996. Over 500 housing units were created with over 200 of those units as affordable ownership and rental. West Ridge Market was one of the very first Metropolitan Council Livable Communities Demonstration projects.

**SCHEDULING AND PROJECT STATUS**  
 This TIF district was approved in 1995, and will expire in 2022. The developer's note was paid in full in 2011. The housing affordability, set at 30 years, will expire between 2025 and 2027 depending on the component.

In 2010 a TIF plan modification was made using the "Jobs Bill" legislation to allow for special TIF pooling for affordable housing as well as \$100,000 to pay for the utility costs associated with the construction of The Glenn by St. Therese in the Glenhaven TIF District.

### Justification

The development agreement expired with the final TIF payment in 2011. This district has a maximum life of 26 years. The city could use the cash balance to pool for other redevelopment eligible projects in the city if the TIF plan and the project areas are modified.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**  
 Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Affordable Units	185	185	185	185	185	185	185	185	185	185	185

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

### Budget Impact/Other

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

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.

# Economic Improvement Program

2017 *thru* 2021

## City of Minnetonka, Minnesota

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

<b>Type</b>	Program	<b>Department</b>	5-TIF Districts
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	TIF	<b>Priority</b>	Green
<b>Key Measures</b>	Affordable Units	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

### 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--a mixed use apartment building with retail on the first floor and a senior housing rental community are completed. The third phase, originally planned as a condominium building, was recently changed and a 58-unit cooperative will be built on the site beginning in 2016.

TIF revenue bonds were issued in 2010 and have a lien on the current TIF revenues. Annually, after the bonds are paid, the excess increment will pay the city's \$500,000 interfund loan. Next, the developer's pay as you go note is paid, and once that is paid off, then the city will repay itself for costs associated with the Alano facility. Even with the third phase, it's not likely the developer's note or the city's costs with Alano will be repaid.

### 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-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents. Strategic Plan-

- Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.
- Actively promote the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

#### KEY MEASURES

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Affordable Units	13	13	13	43	43	43	43	43	43	43	43

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</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 can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.

City of Minnetonka, Minnesota

<b>Project #</b>	<b>TIF-06</b>
<b>Project Name</b>	<b>Tonka on the Creek TIF District</b>



<b>Type</b>	Program	<b>Department</b>	5-TIF Districts
<b>Useful Life</b>	N/A	<b>Contact</b>	Community Development
<b>Category</b>	TIF	<b>Priority</b>	Green
<b>Key Measures</b>	Affordable Units	<b>Key Measures</b>	
<b>Key Measures</b>		<b>Key Measures</b>	

**Description**

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

**SCHEDULING AND PROJECT STATUS**

This TIF district was approved in 2014 and will end in 2042. Construction began in late 2014, and will be 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-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Affordable Units	N/A	N/A	N/A	N/A	N/A	20	20	20	20	20	20

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</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 can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.

City of Minnetonka, Minnesota

**Project #** TIF-07  
**Project Name** Applewood Pointe TIF District



**Type** Program  
**Useful Life**  
**Category** TIF  
**Key Measures** Affordable Units  
**Key Measures**

**Department** 5-TIF Districts  
**Contact** Community Development  
**Priority** Green  
**Key Measures**  
**Key Measures**

**Description**

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

SCHEDULING AND PROJECT STATUS

The TIF district was approved in 2014 and will end in 2041. Construction began in late 2015 and will be completed in 2016.

**Justification**

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

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.  
 Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Affordable Units	N/A	N/A	N/A	N/A	N/A	9	9	9	9	9	9

Expenditures	2017	2018	2019	2020	2021	Total
Other	0					0
<b>Total</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.

# Economic Improvement Program

## City of Minnetonka, Minnesota

2017 thru 2021

**Project #** TIF-08  
**Project Name** Rowland Housing TIF District



**Type** Program  
**Useful Life**  
**Category** TIF  
**Key Measures** Affordable Units  
**Key Measures**

**Department** 5-TIF Districts  
**Contact** Community Development  
**Priority** Green  
**Key Measures**  
**Key Measures**

**Description**

At Home apartments is proposing a 106-unit apartment building and is requesting TIF assistance through a housing TIF district. As proposed, 21 units will be made 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 will be completed in 2016.

**Justification**

This is a proposed TIF district where 21 of the 106 rental units will be made affordable to those at 50% AMI or less.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**

Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Affordable Units	N/A	N/A	N/A	N/A	N/A	21	21	21	21	21	21

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</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.



# TAX ABATEMENT



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**



**Economic Improvement Program**

2017 *thru* 2021

**City of Minnetonka, Minnesota**

**Project #** Abatement-1  
**Project Name** Ridgedale



**Type** Improvement **Department** 6-Tax Abatement  
**Useful Life** N/A **Contact** Community Development  
**Category** Tax Abatement **Priority** Green  
**Key Measures** Property Value Increase **Key Measures**  
**Key Measures** **Key Measures**

**Description**

The Ridgedale Tax Abatement was approved in connection with the Ridgedale Mall expansion. 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-Manage the impact of new development upon the local transportation system and encourage the use of Transportation Demand Management (TDM) and other traffic management techniques.

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

KEY MEASURES

	2011	2012	2013	2014	2015	2016 (est)	2017	2018	2019	2020	2021
Property Value Increase	N/A	N/A	N/A	N/A	5.5%	5.3%					

<b>Expenditures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</b>	<b>0</b>					<b>0</b>

<b>Funding Sources</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Other	0					0
<b>Total</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*

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*

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.

### *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*

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.

### *TIF Pooling*

Under the Minnesota Statutes Chapter 469, at least 75 percent of tax increment in a redevelopment tax increment financing (TIF) district must be spent on eligible activities within the district, leaving up to 25 percent of the funds to be pooled and therefore eligible to be spent outside of the district, but within the project area. An exception to the pooling funds is for affordable rental housing that meet federal housing tax credit guidelines. The city may choose to increase the pooling allowance to 35 percent, which can then go to finance certain affordable housing projects.

**SUMMARY TABLE**  
**EIP 2017**  
**Expenditures by Category & Fund**

Category	Program	Total	Fund						
			CDBG	Devpt Fund	HRA Levy	Livable Com Fund	TIF	TIF Pooling	Other
<b>Housing:</b>									
	CDBG Admin	\$ 6,000	\$ 6,000						
	Crown Ridge Adv Ctr	\$ -							
	Small Projects Program	\$ 80,000	80,000						
	Employer Assisted Hsg	\$ -							
	Fair Housing	\$ 900	900						
	Homes Within Reach	\$ 100,000				100,000			
	Housing Improvement Areas	\$ -							
	Minnetonka Heights	\$ -							
	Mtka Home Enhancement	\$ -							
	Owner Occup Rehab Pgm	\$ -							
	Public Services	\$ 12,000	12,000						
	Next Generation Pgm	\$ -							
	Tax Exempt Conduit Debt	\$ -							
	Affordable housing via TIF Poolir	\$ 2,000,000						2,000,000	
	Welcome to Minnetonka	\$ -							
	<b>Subtotal</b>	<b>\$ 2,198,900</b>	<b>\$ 98,900</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>
<b>Business:</b>									
	Economic Gardening	\$ -							
	Econ. Dev. Infrastructure	\$ -							
	Fire Sprinkler Retrofit	\$ -							
	Common Bond/Ind Rev	\$ -							
	Pass-Through Grants	\$ 200,000		200,000					
	GreaterMSP	\$ 25,000		25,000					
	MN Investment Fund	\$ -							
	Open to Business	\$ 15,000		15,000					
	Outreach	\$ -							
	Special Service Districts	\$ -							
	<b>Subtotal</b>	<b>\$ 240,000</b>	<b>\$ -</b>	<b>\$ 240,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Transit:</b>									
	Commuter Services	\$ 12,000							12,000
	Transit Improvments	\$ -							
	<b>Subtotal</b>	<b>\$ 12,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,000</b>
<b>Devpt &amp; Redeopt:</b>									
	Predevelopment	\$ 45,000		\$ 45,000					
	Village Center/Comp Plan	\$ 75,000			75,000				
	LRT and Station Area	\$ 75,000			75,000				
	<b>Subtotal</b>	<b>\$ 195,000</b>	<b>\$ -</b>	<b>\$ 45,000</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TIF Districts:</b>									
	Devpt Agmt & TIF Admin	\$ 120,000		\$ 120,000					
	Beacon Hill TIF District	\$ -							
	Blvd Gardens TIF District	\$ -							
	Glenhaven TIF District	\$ -							
	Mtka Mills TIF District	\$ -							
	Tonka on the Creek TIF District	\$ -							
	<b>Subtotal</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>\$ -</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>\$ -</b>	<b>\$ -</b>
	<b>TOTALS</b>	<b>\$ 2,765,900</b>	<b>\$ 98,900</b>	<b>\$ 405,000</b>	<b>\$ 150,000</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 2,000,000</b>	<b>\$ 12,000</b>

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2017 thru 2026

**SOURCES AND USES OF FUNDS**

Source	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
<b>Development Fund</b>											
<b>Beginning Balance</b>	2,689,829	2,789,229	2,631,329	2,770,829	2,910,329	3,019,829	3,224,329	3,228,829	3,233,329	3,237,829	
<b>Revenues and Other Fund Sources</b>											
<i>Revenue</i>											
Boulevard Gardens Returned Levy Proceeds	200,000	200,000	200,000	200,000	200,000	200,000	0	0	0	0	
Cedar Ridge Assessments	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	
Grants	200,000	200,000	200,000	0	200,000	0	0	0	0	0	
Interest Income	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	
TIFAdmin Revenue	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	
<b>Total</b>	569,500	569,500	569,500	369,500	569,500	369,500	169,500	169,500	169,500	169,500	
No Funds	0	0	0	0	0	0	0	0	0	0	
<b>Total</b>	0	0	0	0	0	0	0	0	0	0	
<b>Total Revenues and Other Fund Sources</b>	569,500	569,500	569,500	369,500	569,500	369,500	169,500	169,500	169,500	169,500	
<b>Total Funds Available</b>	3,259,329	3,358,729	3,200,829	3,140,329	3,479,829	3,389,329	3,393,829	3,398,329	3,402,829	3,407,329	
<b>Expenditures and Uses</b>											
<i>Capital Projects &amp; Equipment</i>											
<u>1-Housing</u>											
Housing Improvement Areas		<i>Housing-06</i>	0	(250,000)	0	0	(250,000)	0	0	0	0
<b>Total</b>	0	(250,000)	0	0	(250,000)	0	0	0	0	0	
<u>2-Business</u>											

Source		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Development Fund</b>											
Grants	<i>Business-02</i>	(200,000)	(200,000)	(200,000)	0	0	0	0	0	0	0
GreaterMSP	<i>Business-04</i>	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	0	0	0	0	0
Open to Business	<i>Business-07</i>	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Special Service District	<i>Business-12</i>	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	(240,000)	(240,000)	(240,000)	(40,000)	(40,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
<u>4-Development &amp; Redevelopment</u>											
Pre-Development	<i>Dev/Redev-01</i>	(45,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
	<b>Total</b>	(45,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<u>5-TIF Districts</u>											
Development Agreement and TIF Administration	<i>TIF-01</i>	(120,000)	(120,000)	(140,000)	(140,000)	(120,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
	<b>Total</b>	(120,000)	(120,000)	(140,000)	(140,000)	(120,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
<i>Other Uses</i>											
Indirect Allocation (Transfers Out)		(65,100)	(67,400)	0	0	0	0	0	0	0	0
	<b>Total</b>	(65,100)	(67,400)	0	0	0	0	0	0	0	0
<b>Total Expenditures and Uses</b>		(470,100)	(727,400)	(430,000)	(230,000)	(460,000)	(165,000)	(165,000)	(165,000)	(165,000)	(165,000)
<b>Change in Fund Balance</b>		99,400	(157,900)	139,500	139,500	109,500	204,500	4,500	4,500	4,500	4,500
<b>Ending Balance</b>		2,789,229	2,631,329	2,770,829	2,910,329	3,019,829	3,224,329	3,228,829	3,233,329	3,237,829	3,242,329

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2017 thru 2026

**SOURCES AND USES OF FUNDS**

Source	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Livable Communities Fund</b>										
<b>Beginning Balance</b>	270,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456
<b>Revenues and Other Fund Sources</b>										
<i>Revenue</i>										
Interest Income	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>	270,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456
<b>Expenditures and Uses</b>										
<i>Capital Projects &amp; Equipment</i>										
<i>1-Housing</i>										
Homes Within Reach	(100,000)	0	0	0	0	0	0	0	0	0
<i>Total</i>	(100,000)	0	0	0	0	0	0	0	0	0
<b>Total Expenditures and Uses</b>	(100,000)	0	0	0	0	0	0	0	0	0
<b>Change in Fund Balance</b>	(100,000)	0	0	0	0	0	0	0	0	0
<b>Ending Balance</b>	170,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456	170,456

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2017 thru 2026

**SOURCES AND USES OF FUNDS**

Source	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>CDBG</b>										
<b>Beginning Balance</b>	0	0	0	0	0	0	0	0	0	0
<b><u>Revenues and Other Fund Sources</u></b>										
<i>Revenue</i>										
federal grant	88,900	44,600	20,300	0	0	0	0	0	0	0
program income	10,000	10,000	10,000	0	0	0	0	0	0	0
<i>Total</i>	98,900	54,600	30,300	0	0	0	0	0	0	0
<b>Total Revenues and Other Fund Sources</b>	98,900	54,600	30,300	0	0	0	0	0	0	0
<b>Total Funds Available</b>	98,900	54,600	30,300	0	0	0	0	0	0	0
<b><u>Expenditures and Uses</u></b>										
<i>Capital Projects &amp; Equipment</i>										
<u>1-Housing</u>										
CDBG Administration	<i>Housing-01</i>	(6,000)	(4,000)	(2,000)	0	0	0	0	0	0
Small Projects Program	<i>Housing-03</i>	(80,000)	(40,000)	(20,000)	0	0	0	0	0	0
Fair Housing	<i>Housing-04</i>	(900)	(600)	(300)	0	0	0	0	0	0
Owner-Occupied Rehabilitation Program	<i>Housing-09</i>	0	0	0	0	0	0	0	0	0
Public Services	<i>Housing-10</i>	(12,000)	(10,000)	(8,000)	0	0	0	0	0	0
<i>Total</i>		(98,900)	(54,600)	(30,300)	0	0	0	0	0	0
<b>Total Expenditures and Uses</b>		(98,900)	(54,600)	(30,300)	0	0	0	0	0	0



Source	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>CDBG</b>										
<b>Change in Fund Balance</b>	0	0	0	0	0	0	0	0	0	0
<b>Ending Balance</b>	0	0	0	0	0	0	0	0	0	0

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2017 thru 2026

**SOURCES AND USES OF FUNDS**

Source	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>HRA Levy</b>										
<b>Beginning Balance</b>	0	12,000	(126,000)	(289,000)	(327,000)	(340,000)	(378,000)	(391,000)	(429,000)	(442,000)
<b>Revenues and Other Fund Sources</b>										
<i>Revenue</i>										
Ad Valorem Tax Levy	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Investment Interest	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Loan paybacks	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>Total</b>	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000
<b>Total Revenues and Other Fund Sources</b>	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000	187,000
<b>Total Funds Available</b>	187,000	199,000	61,000	(102,000)	(140,000)	(153,000)	(191,000)	(204,000)	(242,000)	(255,000)
<b>Expenditures and Uses</b>										
<i>Capital Projects &amp; Equipment</i>										
<b>1-Housing</b>										
Homes Within Reach	<i>Housing-05</i>	0	(100,000)	(100,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Minnetonka Home Enhancement	<i>Housing-08</i>	0	0	0	0	0	0	0	0	0
Welcome to Minnetonka Loan Program	<i>Housing-13</i>	0	0	0	0	0	0	0	0	0
<b>Total</b>		0	(100,000)	(100,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
<b>2-Business</b>										
Outreach	<i>Business-08</i>	0	(25,000)	0	(25,000)	0	(25,000)	0	(25,000)	0
<b>Total</b>		0	(25,000)	0	(25,000)	0	(25,000)	0	(25,000)	(25,000)
<b>4-Development &amp; Redevelopment</b>										
Village Center Studies and Comprehensive Plan	<i>Dev/Redev-02</i>	(75,000)	(75,000)	(75,000)	0	0	0	0	0	0

Source		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>HRA Levy</b>											
LRT and LRT Station Area Development	<i>Dev/Redev-03</i>	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	0
Future HRA Levy projects	<i>Dev/Redev-06</i>	(25,000)	(50,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
	<i>Total</i>	(175,000)	(200,000)	(250,000)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	(100,000)
<b>Total Expenditures and Uses</b>		(175,000)	(325,000)	(350,000)	(225,000)	(200,000)	(225,000)	(200,000)	(225,000)	(200,000)	(150,000)
<b>Change in Fund Balance</b>		12,000	(138,000)	(163,000)	(38,000)	(13,000)	(38,000)	(13,000)	(38,000)	(13,000)	37,000
<b>Ending Balance</b>		12,000	(126,000)	(289,000)	(327,000)	(340,000)	(378,000)	(391,000)	(429,000)	(442,000)	(405,000)

City of Minnetonka, Minnesota  
*Economic Improvement Program*  
 2017 thru 2026

**SOURCES AND USES OF FUNDS**

Source	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>TIF Pooling</b>										
<b>Beginning Balance</b>	2,003,802	653,802	1,303,802	453,802	0	(650,000)	0	0	0	0
<b>Revenues and Other Fund Sources</b>										
<i>Revenue</i>										
Pooled TIF Funds	650,000	650,000	650,000	650,000	650,000	650,000	0	0	0	0
<i>Total</i>	650,000	650,000	650,000	650,000	650,000	650,000	0	0	0	0
<b>Total Revenues and Other Fund Sources</b>	650,000	650,000	650,000	650,000	650,000	650,000	0	0	0	0
<b>Total Funds Available</b>	2,653,802	1,303,802	1,953,802	1,103,802	650,000	0	0	0	0	0
<b>Expenditures and Uses</b>										
<i>Capital Projects &amp; Equipment</i>										
<i>1-Housing</i>										
Affordable Housing via TIF Pooling	(2,000,000)	0	(1,500,000)	(1,103,802)	(1,300,000)	0	0	0	0	0
<i>Total</i>	(2,000,000)	0	(1,500,000)	(1,103,802)	(1,300,000)	0	0	0	0	0
<b>Total Expenditures and Uses</b>	(2,000,000)	0	(1,500,000)	(1,103,802)	(1,300,000)	0	0	0	0	0
<b>Change in Fund Balance</b>	(1,350,000)	650,000	(850,000)	(453,802)	(650,000)	650,000	0	0	0	0
<b>Ending Balance</b>	653,802	1,303,802	453,802	0	(650,000)	0	0	0	0	0

**EIP 2017-2026**  
**All Categories**  
**Funding Sources and Expenditure Projections**

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	TOTAL
<b>Funding Sources</b>											
Development Account	\$ 404,000	\$ 660,000	\$ 430,000	\$ 230,000	\$ 460,000	\$ 165,000	\$ 165,000	\$ 165,000	\$ 165,000	\$ 165,000	\$ 2,844,000
Livable Communities Account	100,000										\$ 100,000
Federal Grant	98,900	54,600	30,300								\$ 183,800
Ad Valorem Tax Levy	175,000	325,000	350,000	225,000	200,000	225,000	200,000	225,000	200,000	150,000	\$ 2,275,000
Pooled TIF Funds	2,000,000		1,500,000	1,103,802	1,300,000						\$ 5,903,802
Revenue Bonds											\$ -
<b>Total Funding Sources</b>	<b>\$ 2,777,900</b>	<b>\$ 1,039,600</b>	<b>\$ 2,310,300</b>	<b>\$ 1,558,802</b>	<b>\$ 1,960,000</b>	<b>\$ 390,000</b>	<b>\$ 365,000</b>	<b>\$ 390,000</b>	<b>\$ 365,000</b>	<b>\$ 315,000</b>	<b>\$ 11,306,602</b>
<b>Expenditures</b>											
Housing	\$ 2,198,900	\$ 404,600	\$ 1,630,300	\$ 1,128,802	\$ 1,575,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 7,062,602
Business	240,000	765,000	290,000	65,000	240,000	40,000	15,000	40,000	15,000	40,000	\$ 1,750,000
Transit	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	\$ 108,000
Development/Redevelopment	195,000	200,000	200,000	125,000	125,000	50,000	50,000	50,000	50,000	50,000	\$ 1,045,000
TIF Projects	120,000	120,000	140,000	140,000	120,000	100,000	100,000	100,000	100,000	100,000	\$ 1,040,000
<b>Total Expenditures</b>	<b>\$ 2,765,900</b>	<b>\$ 1,501,600</b>	<b>\$ 2,272,300</b>	<b>\$ 1,470,802</b>	<b>\$ 2,072,000</b>	<b>\$ 227,000</b>	<b>\$ 202,000</b>	<b>\$ 227,000</b>	<b>\$ 202,000</b>	<b>\$ 227,000</b>	<b>\$ 10,940,602</b>

**Fund Balance Analysis**

**Housing District 2 Beacon Hill**

Housing District  
 City approved: 2/14/1994  
 Cert Request: 4/19/1994  
 Certified: 9/19/1994  
 Decertifies: 12/31/2021

	Current Cumulative Modified Budget	End of District Actual Projected Total	Projected								Actual	Acctd for In Prior Years
			2021	2020	2019	2018	2017	2016	2015	2014	2013	
			Beginning Fund Balance			23,055	29,128	25,865	14,777	27,657	49,060	
Revenues												
Bond proceeds		0										
Tax increment	4,256,000	4,021,460	187,373	187,373	187,373	187,373	187,373	187,373	187,373	187,373	180,744	2,341,732
Interest	0	921	231	291	259	148	277	491	789	740	(8,475)	6,172
MVHC	0	27,464										27,464
Other	0	0										
<b>Total Revenues</b>	<b>4,256,000</b>	<b>4,049,846</b>	<b>187,604</b>	<b>187,664</b>	<b>187,632</b>	<b>187,521</b>	<b>187,650</b>	<b>187,864</b>	<b>188,162</b>	<b>188,113</b>	<b>172,269</b>	<b>2,375,368</b>
Expenditures												
Land/building	706,000	1,660,848			0	17,064	121,792	140,530	159,267	164,448	160,261	897,486
Site	1,000,000	0										
Other qualifying activity	400,000	0										
Bond		0										
Principal		0										
Interest		0										
Admin	350,000	310,151	7,495	18,737	9,369	9,369	18,737	18,737	18,737	18,737	18,074	172,158
Loan		0										
Principal		0										
Interest	1,400,000	1,225,682										1,225,682
Affordable housing	400,000	850,000	200,000	175,000	175,000	150,000	60,000	50,000	40,000			0
<b>Total Expenditures</b>	<b>4,256,000</b>	<b>4,046,682</b>	<b>207,495</b>	<b>193,737</b>	<b>184,369</b>	<b>176,432</b>	<b>200,530</b>	<b>209,267</b>	<b>218,004</b>	<b>183,186</b>	<b>178,335</b>	<b>2,295,326</b>
Projected Ending Fund Balance	0	3,164	3,164	23,055	29,128	25,865	14,777	27,657	49,060	78,903	73,975	80,042



**City of Minnetonka  
Fund Balance Analysis**

**TIF 1-2 Boulevard Gardens**

Redevelopment  
City approved: 12/11/1995  
Cert Request:6/11/1996  
Certified:7/2/1996  
Decertifies:12/31/2022 (duration extended in 2010)

County #1460	End of District Projected Actual Total	Projected										Actual 2013	Acctd for In Prior Years
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013		
Beginning Fund Balance	Cumulative Modified Budget	18,499	21,128	15,767	10,459	5,203	(1)	24,550	1,603,313	938,722	290,353		
Revenues													
Bond proceeds													
Tax increment	37,300,000	37,092,096	1,839,115	1,839,115	1,839,115	1,839,115	1,839,115	1,839,115	1,839,115	1,839,115	829,294	19,710,765	
Interest	350,000	137,615	185	211	158	105	52	(0)	245	16,033	9,387	(6,936)	118,175
MVHC	0	190,137											190,137
Other	0	0											
<b>Total Revenues</b>	<b>37,650,000</b>	<b>37,419,849</b>	<b>1,839,300</b>	<b>1,839,327</b>	<b>1,839,273</b>	<b>1,839,220</b>	<b>1,839,167</b>	<b>1,839,115</b>	<b>1,839,361</b>	<b>1,855,148</b>	<b>1,848,502</b>	<b>822,358</b>	<b>20,019,077</b>
Expenditures													
Land/building	10,164,578	10,406,395											10,406,395
Public utilities		100,000											100,000
Admin	2,335,422	2,745,591	91,956	91,956	183,912	183,912	183,912	183,912	183,912	183,912	183,912	173,989	1,100,310
County admin		5,601											5,601
Loan													
Principal													
Interest	7,350,000	6,286,418											6,286,418
Affordable housing	6,400,000	8,055,000	750,000	750,000	650,000	650,000	650,000	650,000	680,000	2,250,000			1,025,000
Jobs Bill (expenditure in utilities)	400,000	0											
Return to County		9,805,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		805,000
<b>Total Expenditures</b>	<b>26,650,000</b>	<b>37,404,005</b>	<b>1,841,956</b>	<b>1,841,956</b>	<b>1,833,912</b>	<b>1,833,912</b>	<b>1,833,912</b>	<b>1,833,912</b>	<b>1,863,912</b>	<b>3,433,912</b>	<b>1,183,912</b>	<b>173,989</b>	<b>19,728,724</b>
Projected Ending Fund Balance	11,000,000	15,844	15,844	18,499	21,128	15,767	10,459	5,203	(1)	24,550	1,603,313	938,722	290,353



**City of Minnetonka  
Fund Balance Analysis**

**Glenhaven TIF District**

Renewal and Renovation

City approved: 1/23/2006

Cert Request:4/3/2006

Certified:6/2/2006

Decertifies:12/31/2022-12/31/2029

(Duration extended by special leg)

County #1463

	Original Budget	End of District Actual Total	(Extended Duration)																	
			Projected										Actual							
			2030	2029	2028	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Beginning Fund Balance			2,335,506	2,195,403	2,057,777	1,922,009	1,787,486	1,658,700	1,540,249	1,421,386	1,306,299	1,189,258	1,074,823	962,698	852,587	744,196	637,237	531,425	426,475	298,091
Revenues																				
Bond proceeds	5,000,000	2,380,000																		
Tax increment	13,300,000	6,058,712		338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	338,315	284,793
Interest		231,659	23,355	21,954	20,578	19,220	17,875	16,587	15,402	14,214	13,063	11,893	10,748	9,627	8,526	7,442	6,372	5,314	4,265	(4,120)
MVHC		68																		
Sales/lease proceeds		0																		
Interfund loan	2,000,000	0																		
<b>Total Revenues</b>	<b>20,300,000</b>	<b>8,670,439</b>	<b>23,355</b>	<b>360,269</b>	<b>358,892</b>	<b>357,535</b>	<b>356,190</b>	<b>354,902</b>	<b>353,717</b>	<b>352,529</b>	<b>351,378</b>	<b>350,207</b>	<b>349,063</b>	<b>347,942</b>	<b>346,841</b>	<b>345,757</b>	<b>344,687</b>	<b>343,629</b>	<b>342,579</b>	<b>280,673</b>
Expenditures																				
Land/building	4,000,000	0																		
Site	300,000	0																		
Public utilities	470,000	0																		
Public park facilities		0																		
Public parking facilities		0																		
Social/recreational		0																		
Streets/sidewalks	1,000,000	0																		
Bond		0																		
Principal	5,000,000	2,380,000	295,000	190,000	180,000	170,000	160,000	155,000	145,000	135,000	130,000	120,000	115,000	110,000	105,000	100,000	95,000	90,000	85,000	0
Interest	4,700,000	1,789,516	8,850	23,400	34,500	45,000	54,900	64,350	73,350	81,750	89,375	96,250	102,713	108,901	114,813	120,450	125,813	130,901	135,713	138,050
Admin	1,330,000	312,189	0	6,766	6,766	6,766	6,766	6,766	16,916	16,916	16,916	16,916	16,916	16,916	16,916	16,916	16,916	16,916	16,916	14,240
Loan		0																		
Principal		1,995,905																		
Interest	1,500,000	78,318																		
Bond Discount		59,500																		
Interfund Loan-interest	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>20,300,000</b>	<b>6,615,428</b>	<b>303,850</b>	<b>220,166</b>	<b>221,266</b>	<b>221,766</b>	<b>221,666</b>	<b>226,116</b>	<b>235,266</b>	<b>233,666</b>	<b>236,291</b>	<b>233,166</b>	<b>234,629</b>	<b>235,817</b>	<b>236,729</b>	<b>237,366</b>	<b>237,729</b>	<b>237,817</b>	<b>237,629</b>	<b>152,290</b>
Projected Ending Fund Balance		2,055,011	2,055,011	2,335,506	2,195,403	2,057,777	1,922,009	1,787,486	1,658,700	1,540,249	1,421,386	1,306,299	1,189,258	1,074,823	962,698	852,587	744,196	637,237	531,425	426,475







# AFFORDABLE HOUSING GOALS



**MINNETONKA  
ECONOMIC  
IMPROVEMENT  
PROGRAM**

## 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.

### *1995-2010 AFFORDABLE HOUSING GOALS*

	Goals (1995-2010)	Results	Percent Achieved
New Affordable Ownership Units	180 Units	202	111%
New Affordable Rental Units	324 Units	213	65%
New Rental Units (All)	540 Units	697	129%

### *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	101	41%
New Lifecycle Units	375 to 800	314	84%

*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 (est.)	21	Rowland Housing TIF

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

*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 (est.)	106	Rowland Housing TIF
Applewood Pointe*	2017 (est.)	89	Applewood Pointe TIF

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

The following is a list EIP programs and their contribution to the city's affordable housing goals.

<b>PROGRAM</b>	<b>AFFORDABLE HOUSING CONTRIBUTION</b>
<b>Housing</b>	
CDBG Program Administration	No direct impact
Crown Ridge Apartments	46 affordable units participate in program
Emergency Repair Program	No direct impact
Employer Assisted Housing	No direct impact
Fair Housing	No direct impact
Homes Within Reach	Preservation of affordable housing
Housing Improvement Area (HIA)	No direct impact
Minnetonka Heights Apartments	172 affordable units participate in program
Minnetonka Home Enhancement program	No direct impact
Owner-Occupied Housing Rehabilitation	No direct impact
Public Services	No direct impact
Senior Regeneration Program	Program could preserve affordable units
Tax Exempt Financing	Program may add or preserve affordable units
TIF Pooling	51 units added through The Ridge
Welcome to Minnetonka program	No direct impact
<b>Business</b>	
Economic Gardening	No direct impact
Fire Sprinkler Retrofit	No direct impact
Grants	May assist with components of projects that have affordable units
Industrial Revenue Bonds (Common Bond)	No direct impact
GreaterMSP	No direct impact
Minnesota Community Capital Fund (MCCF)	No direct impact
Minnesota Investment Fund (MIF)	No direct impact
Open to Business	No direct impact
Outreach	No direct impact
PACE	No direct impact
Economic Development Infrastructure	No direct impact
<b>Transit</b>	
Commuter Services	No direct impact
LRT	No direct impact
Transit Improvements	No direct impact
<b>Redevelopment</b>	
Predevelopment Projects	May assist projects that are developing affordable housing
Village Center	Help to guide areas where affordable housing may be developed
<b>Tax Increment Financing (TIF)</b>	
Development Agmt/TIF Admin	No direct impact
Beacon Hill TIF District	44 affordable units added in 1994 (prior to affordable housing goals). Preserved in 2010.
Boulevard Gardens TIF District	227 affordable units added in 1996/1997
Glenhaven TIF District	43 affordable units added in 2008 and 2011
Minnetonka Mills TIF District	30 affordable units added in 1997. Even though district has expired, units remain affordable
Tonka on the Creek TIF District	20 affordable units expected in 2015
Applewood Pointe TIF District	9 affordable units expected in 2017 (will not meet Met Council guidelines, therefore not included in goals)
<b>Tax Abatement</b>	
Ridgedale	No direct impact

## 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
Minnesota Investment Fund (MIF)	A business financing tool 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 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 housing and community development activities

**EDAC Agenda Item #5  
Meeting of March 23, 2016**

**Brief Description**

**Staff Report**

**Green Line Extension (Southwest LRT)**

This month, city staff provided input on 90% design plans for light rail specifically regarding the fencing, retaining walls and noise wall. Staff also continued to review other portions of the plan, including lighting.

Staff presented information to the Hennepin County Community Works Steering Committee regarding financing tools for transit oriented development. Some of the challenges with existing statutes was explained and discussed.

**Development Updates**

Below is a list of projects with a link to plans and information about the project.

<b>PROJECT</b>	<b>DESCRIPTION</b>	<b>LOCATION</b>	<b>PLANS</b>	<b>STATUS</b>
Williston Woods West	Proposed 5-lot subdivision	5431/5439 Williston Road	<a href="http://tinyurl.com/Williston-Woods-West">http://tinyurl.com/Williston-Woods-West</a>	Under Review
TCF Bank	CONCEPT PLAN: redevelopment of existing bank property	1801 Plymouth Road	<a href="http://tinyurl.com/TCF-Bank-Concept">http://tinyurl.com/TCF-Bank-Concept</a>	Under Review
Lindsay Group	Remodel of existing building and changes to parking lot and driveways	14900 State Highway 7	<a href="http://tinyurl.com/Lindsay-Group">http://tinyurl.com/Lindsay-Group</a>	Under Review
Prestige Preschool	Construction of new daycare center on former Kraemer's hardware site	14730 Excelsior Blvd	<a href="http://tinyurl.com/Prestige-Preschool">http://tinyurl.com/Prestige-Preschool</a>	Under Review
Villas West	CONCEPT PLAN: six villa homes	16913 State Highway 7	<a href="http://tinyurl.com/Villas-West">http://tinyurl.com/Villas-West</a>	Waiting for Formal Application
Wilson Ridge	2-lot subdivision.	4329 Wilson Street	<a href="http://tinyurl.com/Wilson-Ridge">http://tinyurl.com/Wilson-Ridge</a>	Waiting for Permit
Lecesse Apartments	CONCEPT PLAN: 7 story, 350 unit apartment bldg	10101 Bren Road East	<a href="http://tinyurl.com/Lecesse-Apartments">http://tinyurl.com/Lecesse-Apartments</a>	Waiting for Formal Application
Cherrywood Pointe	Requesting to increase the building residential unit count from 99 to 100.	2004 Plymouth Road	<a href="http://tinyurl.com/Cherrywood-Pointe">http://tinyurl.com/Cherrywood-Pointe</a>	Under Review
Highland Bank	6 story mixed use building	1700 Plymouth Road	<a href="http://tinyurl.com/Highland-Bank">http://tinyurl.com/Highland-Bank</a>	Under Construction
Applewood Pointe	4 story, 86-unit coop building	12201 Minnetonka Boulevard	<a href="http://tinyurl.com/Applewood-Pointe">http://tinyurl.com/Applewood-Pointe</a>	Under Construction

Zvago	5 story, 54-unit coop building	14217 Stewart Lane	<a href="http://tinyurl.com/Zvago">http://tinyurl.com/Zvago</a>	Reviewing Permit
At-Home Apartments	4-story, 106 unit apartment building	5709 Rowland Rd	<a href="http://tinyurl.com/At-Home-Apartments">http://tinyurl.com/At-Home-Apartments</a>	Under Construction
Pagel II	Ice arena at Minnetonka High School	18313 State Hwy 7	<a href="http://tinyurl.com/Pagel-II">http://tinyurl.com/Pagel-II</a>	Waiting for Permit
Shady Oak Road Redevelopment	Redevelopment of city's owned parcel.	4312 Shady Oak Road	<a href="http://tinyurl.com/Shady-Oak-Rd">http://tinyurl.com/Shady-Oak-Rd</a>	Neighborhood Meetings
Glen Lake Village Center Study	Conceptual design for various redevelopment sites	Multiple Sites	<a href="http://tinyurl.com/Glen-Lake-Study">http://tinyurl.com/Glen-Lake-Study</a>	Neighborhood Meetings

## Upcoming Events

Wednesday, March 30

“What does this new economy look like and how will it change the way we develop in the future?”  
Sensible Land Use Coalition program  
11:30 a.m. to 1:30 p.m.  
DoubleTree Park Place (St. Louis Park)

Thursday, April 21

EDAC Meeting  
Council Chambers  
6:00 p.m.

Wednesday, April 27

Annual Boards and Commissions  
TBD

Originated by:

Julie Wischnack, AICP, Community Development Director