

**Minnetonka Economic Development Advisory Commission  
Meeting Minutes**

**July 28, 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, Jacob Johnson, Jerry Knickerbocker, Charlie Yunker, and Kathryn Aanenson. Benita Bjorgo and Ken Isaacson were absent.

Staff present: Community Development Director Julie Wischnack and Economic Development Housing Manager Alisha Gray.

**3. Approval of May 26, 2016 Minutes**

Knickerbocker moved, Johnson seconded a motion to recommend that the EDAC approve the minutes from the May 26, 2016 meeting as included in the agenda. Happe, Johnson, Knickerbocker, Yunker, and Aanenson voted yes. Bjorgo and Isaacson were absent. Motion passed.

**4. 2017 Preliminary Budget**

Gray presented the staff report.

Knickerbocker confirmed with Gray that funds from the Development Account could be used to purchase a building located on Shady Oak Road and Main Street.

Commissioners indicated general agreement with staff's recommendations for the Development, Livable Communities, CDBG, and HRA Levy accounts.

In response to Knickerbocker's question, Wischnack explained that if a program's parameters would change, then the program would be reviewed by the EDAC. It is difficult to anticipate the number of repayments.

Happe confirmed with Gray that there have been no defaults. She speculated that the funds would be exhausted this fall. There have been a few cases of residents wanting to purchase properties that exceed the \$300,000 limit. Happe likes the home improvement loan program and supports increasing its amount of available funds.

Knickerbocker asked what money makes up the difference between the \$750,000 and the \$2 million. Wischnack answered that there are many sources including franchise fees from electric utilities.

Johnson confirmed with Wischnack that the funds would be reappropriated if the program would not be approved.

Johnson asked if the program would be easier to manage if the cost limit would be tied to an index rather than setting an amount each year. Wischnack explained how the amount is determined. Aanenson thought indexing is a good idea, but it would help to know the percentage of houses that meet the parameters. Wischnack said that the specifics of the issued loans could be provided to the commission.

Johnson moved, Yunker seconded a motion to recommend that the city council approve staff's recommendation of the HRA Levy as submitted. Happe, Johnson, Knickerbocker, Yunker, and Aanenson voted yes. Bjorgo and Isaacson were absent. Motion passed.

Wischnack will provide information on the non-profit applicants prior to the meeting in October.

The maximum levy is set by the city council on September 12, 2016. It can be reduced, but not increased after that.

## **5. Staff Report**

Gray reported:

- The Federal Transit Administration signed the Record for Decision for the SWLRT project. It found that NEPA's requirements have been met. The city's receipt of federal funds hinges on the legislature taking action this session.
- Metro Transit is having a meeting September 10, 2016 and September 18, 2016 to review bus routes 9N and 675.
- Open to Business billboards are now located on Interstates 494 and 394 and Highway 7.
- There will be a new session of the economic gardening session this fall.
- There is a new sewer access charge and residential equivalency charge prepayment program available to commercial property owners and tenants. The Metropolitan Council's fee will be estimated at the time of the issuance of the building permit.

- The Station Pizzeria will be located on Minnetonka Boulevard on the Bennis Feed and Fuel site. Traffic and parking issues are being worked out.
- A concept plan to add an apartment building to Minnetonka Hills is being reviewed.
- Eden Prairie Islamic Center, EPIC, is proposing to relocate a community center on Smetana Drive. It will be reviewed by the city council soon.
- The city will be adopting an ordinance to opt out of the state's Temporary Family Healthcare Dwelling statute requirements. Minnetonka already has procedures for this type of use.
- Kraemer's Hardware is being demolished. Prestige School, a daycare, will be located at the site.
- The Highland Bank construction will continue. The lumber tested retardant to fire.
- The Applewood Pointe affordable units do not count toward the city's number of units required by the Metropolitan Council, because the price of the units would be above 60 percent of median income and would exceed the maximum sale price allowed.
- The At Home Apartments on Rowland Road are looking nice.
- The music barn project is moving forward. Funding requests will be going to the city council.
- The SW Corridor Housing Strategy was accepted at the July 25, 2016 meeting. Staff will begin to look at the suggestions related to housing gaps along the SWLRT route.
- The Small Project Loan program received 17 applications. There are 8 loans that remain to be funded by that program.

## 6. Other Business

The next EDAC meeting is scheduled for Thursday, August 25, 2016 at 6 p.m.

There will be a SLUC presentation August 31, 2016.

There will be a study session with the EDAC and city council September 19, 2016 to review the TIF management report.

## 7. Adjournment

Happe moved, Yunker seconded a motion to adjourn the meeting at 7:10 p.m. Motion passed unanimously.