

**Minnetonka Economic Development Advisory Commission  
Meeting Minutes**

**October 27, 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: Benita Bjorgo, Michael Happe, Ken Isaacson, Jacob Johnson, Jerry Knickerbocker, Charlie Yunker, and Kathryn Aanenson were present.

Staff present: Community Development Director Julie Wischnack, Economic Development Housing Manager Alisha Gray, and Community Development Specialist Celeste McDermott.

**3. Approval of July 28, 2016 Minutes**

Knickerbocker moved, Johnson seconded a motion to recommend that the EDAC approve the minutes from the July 28, 2016 meeting as included in the agenda. Happe, Johnson, Knickerbocker, Yunker, and Aanenson voted yes. Bjorgo and Isaacson abstained. Motion passed.

**4. Non-profit funding requests**

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

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

- HWR has been providing services to the city for 14 years.
- There is a need for this program. Incomes are not keeping up with the cost of homes. Many work-force families are unable to afford a house in Minnetonka.
- The number one priority is to add value to the community by rehabilitating existing houses and adding new households to the community.
- In 2016, two houses have been sold in Minnetonka. There will be a third house sold on Tuesday. Since 2002, HWR has created 55 affordable houses in Minnetonka and assisted with 10 resale. The average income of each family is \$42,000.

- There continues to be many more qualified applicants than homes.
- The program expands home ownership, provides affordable housing, and supports the community infrastructure.
- Listings in the area have been down 16 percent. 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. HWR is two properties behind where it would like to be at this time.
- She thanked Minnetonka for being a partner all of these years. The best part is seeing the excitement of buyers who are able to purchase a house in Minnetonka.

Alisha Hernandez, Advantage Service Coordinator for CommonBond Communities, and Brenda Delaney, Regional Manager, introduced themselves. Ms. Delaney stated that:

- CommonBond has received support from the city since 2011.
- Crown Ridge Apartments is a family housing community. CommonBond provides free, on-site programs and services for all residents to remove barriers related to transportation and cost. The services promote residents' stability and help with financial crisis which may impact their ability to remain housed, including paying rent.
- There is an academic mentoring program for youth called study buddies.
- The funds from Minnetonka help subsidize the rent for two spaces used to help support youth and families at Crown Ridge. In 2015, 18 children were mentored. This year there are 11 mentees. With the addition of volunteers, 20 children may be mentored.
- CommonBond provides homework help twice a week for an hour and a half. There will be a specialist hired to serve an additional 12 to 15 children.
- The space is also used for community engagement. There was recently a taco dinner with 65 residents in attendance.

Knickerbocker informed Ms. Hernandez that there is no longer money in the fund that the city used to provide funds previously to CommonBond.

Kate Whitby, YMCA Community Program Director, stated that:

- Clear Springs Elementary School has 6.9 percent of students who receive free or reduced lunch. Minnetonka Heights has 96 percent of residents who live at or below the poverty level. She is proud to be able to provide them with support.
- The mission of Treehouse is to bring hope to hurting youth and families leading to life transformation.
- Minnetonka Heights will run a five-day program.

- She requested Minnetonka help them fund 2017. It would help create sustainability through all three programs and gain funding from other sources.

Knickerbocker informed Ms. Whitby that there is no longer money in the fund that the city previously used to provide funds to the YMCA.

Christa Troup, Treehouse Community Development Coordinator, stated that:

- Treehouse serves 200 kids at the Excelsior Covenant Church. The mission is to bring living hope to youth and families that will lead to life transformation.
- Treehouse started 15 years ago. Teens from 7<sup>th</sup> to 12<sup>th</sup> grade are mentored by a trained volunteer twice a week. Eighty-five percent of mentored teens reported a decrease in at least one at-risk behavior, 94 percent reported improvement with relationships with self and others, 93 percent graduated from high school within 5 years, and 81 percent of sophomores to seniors reported making plans for after graduation.
- She requested funding that would be used for one-on-one time with low-income Minnetonka residents.
- She shared a story of a teen who has been visiting Treehouse for 4 years. She is now a teen leader at Treehouse and has overcome harming herself this year.

Knickerbocker asked for the number of Treehouses. Ms. Troup answered nine. Over 2,000 teens were served last year. The annual budget to operate a Treehouse is roughly \$250,000 per location. Wischnack noted that the budget is provided in the agenda packet.

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

- The city's funding allows CAPSH to help homeowners maintain and stay in their homes through the years by providing family asset development and retention programs to Minnetonka residents with low to moderate incomes.
- Financial services will also be offered to allow residents to participate in a one to three matching fund to obtain money that can be used over 24 months to purchase a home, continue education, or start a business. That program has been running for 9 months.
- In 2015, CAPSH assisted 34,283 low-income households. Greater than 90 percent of the people assisted have incomes below 80 percent of the area median.
- In Minnetonka, 33 households were served from January 1, 2016 to September 30, 2016. Four households utilized a homebuyer

workshop, 9 pre-purchase counseling, 9 foreclosure prevention, 10 reverse mortgage counseling, and 1 attended the home rehabilitation program.

- She provided a story of a Minnetonka resident who CAPSH assisted secure a reverse mortgage so she could remain in her house.
- A Somali-speaking advisor and Spanish-speaking advisor have been added.
- Additional programs provide energy assistance, transitional housing, free legal services, immigration services, and free tax filing assistance.

Dave Carol, volunteer 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 stated that:

- The HOME program has been serving the community for more than 65 years.
- Dave and Fran have office hours in city hall from 9 a.m. to 12 p.m.
- Services provided include snow removal, exterior painting, spring yard cleanup, mowing, and minor repairs. The charge is based on the resident's monthly income.
- Background checks are done on every worker.
- One hundred and twenty-two clients from Minnetonka are utilizing the service right now.
- The program would not be able to operate without the partnership with the city of Minnetonka. They requested funding for 2017.
- They handed out the fall senior newsletter.
- Residents must be 60 years of age or older to participate.

Tara Palm, of ResourceWest, stated that:

- ResourceWest hopes to help families move toward stability through social service programs which can be short or long term.
- ResourceWest has been helping members of the community for over 24 years. Right now, winter warm wear is being collected. Over 1,100 children will be outfitted next week. There was a wonderful back-to-school program this fall and toy chest is coming up.
- ResourceWest has a Spanish-speaking social worker and Somali case worker.
- There are emergency funds to help with transportation to keep people working.
- They have offered free tax services and dental services for children by partnering with other providers.

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.
- The funding being requested would be used in “solvable situations” to allow a family to stay in their home by ICA paying the rent for one month or to be able to pay a medical bill by receiving assistance with food for a month.
- She provided an example of a Minnetonka resident who was provided rent for one month while obtaining a new job after losing her job unexpectedly.
- 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.
- Of the 5,550 people assisted, 34 percent of those were Minnetonka residents which equals 1,187 people. The CDBG grant would help 134 Minnetonka residents who request utilities or rent assistance.
- She appreciated the request being considered.
- For the first time since 2008, the food shelf has seen a leveling off of the number of people visiting.

There was a brief recess.

Gray provided the scoring results: CAPSH 76, Treehouse 78, Resource West 80, SCS 84, ICA 87, CommonBond 66, Homes Within Reach 71, YMCA 77, and Home Line 68.

Wischnack noted that the Livable Communities Fund is empty.

Knickerbocker moved, Isaacson seconded a motion to recommend the following non-profits be funded by CDBG funds: CAPSH \$2,500; Treehouse \$3,500; ResourceWest \$4,500; SCS \$5,500; and ICA \$8,000. If 2017 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, Happe, Isaacson, Johnson, Knickerbocker, Yunker, and Aanenson voted yes. Motion passed.

Chair Aanenson noted that consistent with the EIP and due to the Livable Communities Account having no money, commissioners recommend no longer funding CommonBond and the YMCA.

Knickerbocker moved, Isaacson seconded a motion to recommend the following non-profits be funded by the Livable Communities Account funds: Homes Within Reach (WHAHLT) \$100,000. Bjorgo, Happe, Isaacson, Johnson, Knickerbocker, and Yunker, Aanenson voted yes. Motion passed.

Happe noted that there was no speaker from HOME Line in attendance.

Happe moved, Knickerbocker seconded a motion to recommend that the city council allocate HOME Line to receive \$0 from the development account.

Bjorgo, Happe, Isaacson, Johnson, Knickerbocker, Yunker, and Aanenson voted yes. Motion passed.

## 5. Staff Report

Gray reported:

- The final environmental impact statement was approved for the SWLRT. Additional funding was secured for the state portion of the \$900 million in federal funding. An in-kind land donation was completed and put toward the state match of federal funding. A subordinate design agreement was considered to encase the sewer lines. Heavy construction is set to begin in mid-2017.
- Metro Transit is considering adding two new routes in Minnetonka. Route 9N would add daytime stops and 675 would connect Ridgedale with areas west of Ridgedale. Bus stop signs will be updated to include a number to text to receive bus times in real time and general route information.
- The Open to Business Program has provided 120 hours of assistance to 27 perspective Minnetonka businesses.
- Nature Works finished Phase 1 of the project. There will be 6 new full-time jobs created within 2 years, 62 employees will be retained, and \$625,000 in equity will be contributed for the purchase of machinery and equipment.
- Field Day, Pottery Barn, Jamba Juice and other new stores are open at Ridgedale Shopping Center.
- Updated new construction projects.
- Verizon Wireless has submitted an application for a monopole on the Williston Road water tower site.
- Items for Unmapped Brewery were approved. Mr. Kraemer sold the entire shopping center.
- There are three proposals for storage facilities currently in the city.
- Review of the Lecessé project in Opus will occur at the planning commission November 3, 2016.
- The Ridgedale at Corner Shoppes should begin construction 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.
- The city received a housing score from the Metropolitan Council of 94 out of 100 which is great. The five-year average is around 80. The high score allows the city to compete for available funds.

- The funds for the small projects program are committed. The Minnetonka Home Enhancement and Welcome to Minnetonka programs are still very popular and staff anticipates that the funds will be drawn by the end of 2016.
- Staff received four requests for information regarding the redevelopment of the commercial property at 4312 Shady Oak Road. The developers will be interviewed next week.
- Cloud 9 is considering applying for the Housing Improvement Area program.

## 6. Other Business

The next EDAC meeting is scheduled for Thursday, December 8, 2016 at 6 p.m. Isaacson will be absent from the meeting.

Happe asked for the status of Total Wine's application. Wischnack explained that the city council denied the liquor license application with a four to three vote. Those who voted to deny felt that the city already has adequate liquor availability. There was some concern regarding traffic at the proposed site.

## 7. Adjournment

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