

**AGENDA**  
**CITY OF MINNETONKA**  
**ECONOMIC DEVELOPMENT ADVISORY COMMISSION**  
Thursday, January 26, 2017  
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 27, 2016 minutes

**BUSINESS ITEMS**

4. Cloud 9 Condominiums' Housing Improvement Area Request

*Recommendation: Provide feedback*

5. Staff Report

6. Other Business

•The next EDAC meeting is scheduled for **Thursday, February 23 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

**Unapproved  
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 Lecesse 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.

Isaacson 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.



**EDAC Agenda Item #4**  
**Meeting of January 26, 2017**

<b>Brief Description</b>	Cloud 9 Condominium request to establish a Housing Improvement Area
<b>Recommendation</b>	Review the Cloud 9 Condominium request and provide feedback

**Background**

In 2011, the City Council adopted a policy (attached) establishing criteria that guide the consideration of a Housing Improvement Area (HIA) in the city. A Housing Improvement Area, authorized under the Minnesota Statutes Chapter 428A, allows cities to help arrange and finance rehabilitation for common areas on owner-occupied residential buildings, such as condominiums or townhouses. An HIA is a defined area where private housing improvements are made, including common elements in a common interest community or condominium, and where costs associated with the improvements are paid for by fees imposed on property owners. Within a HIA, the city has the authority to finance housing improvements through levying fees and assessments, and may issue bonds to pay for improvements.

In 2015, Doug Strandness, a representative working on behalf of the Cloud 9 condominium, contacted staff regarding the possibility of establishing an HIA for the Cloud 9 condominiums to assist with improvement to the building. The association indicated that it was unable to secure funding through a private lender and other financing options considered were not feasible.

**Cloud 9 Condominiums**

In 2004, the property located at 5601 Smetana Drive was rezoned to allow for conversion of an office use to 164 condo units. The conversion of the offices was completed in late December 2005. At the time of the conversion, the rezoning approval required that 34 of the units were to be priced at \$193,700 or less. In addition, 16 units were required to be priced at \$170,000 or less and continue to be subject to resale restrictions to maintain affordability for 30 years. These resale restrictions would remain in place with the proposed establishment of the HIA.

In 2011, the association hired engineering firm, Encompass, to assess the curtain wall, window systems, and the HVAC systems of the building. The assessment was conducted due to reports of water leaking into a number of units. The evaluation revealed water and air leakage through the windows and curtain wall that caused damage to the building

envelope. The report noted that the deficiencies, left in the current state, would continue to deteriorate the building.

Following the assessment by Encompass, the association considered options for financing the improvements to correct the building deficiencies. The association met with several lenders and was unable to secure financing to complete the improvements. The association also considered an option to increase the association dues to cover the cost of the improvements but found that this option was too burdensome for the unit owners because it required a substantial upfront collection of dues.

In 2015, Doug Strandness, a consultant, reached out to the city, on behalf of Cloud 9 condominiums, to discuss the option of establishing an HIA to pay for the improvements. Staff has met with Mr. Strandness on several occasions to discuss the project and the HIA process. The association is now planning to formally submit an HIA application to the city in January or February. The proposed project includes repairs to the curtain wall and HVAC improvements which were identified in the report prepared by Encompass. In addition, the association is seeking funds to assist with elevator upgrades. The proposed project includes the following scope of work:

<b>Project</b>	<b>Work to be done</b>	<b>Estimated costs</b>
Curtain Wall Repairs	Curtain wall repairs, perimeter seal repairs, window replacement	\$2,110,000
HVAC Repairs	Ductwork damper repairs/improvements, system balancing	\$100,000
Elevator Upgrades	4 elevators in need of upgrades	\$925,000
Related Costs	Engineering fees, construction, contingency	\$435,700
Other Costs	HIA Consultant, Construction Financing, Fees	\$227,250
<b>Total Project Budget:</b>		<b>\$3,797,950</b>

### *Project Timeline*

The proposed project timeline is as follows:

- May 2017 to November 2017 – Curtain wall and elevator work
- November 2017 to March 2018 – Monitor HVAC performance
- April 2018 - May 2018 – HVAC system upgrades
- May to September 2018 – Parking structure work (contingent)
- September & October 2018 – Additional HVAC system upgrades (possible)

### *Financing Options*

The association indicated that it would prefer to finance the improvements initially with a construction loan provided by Western Bank. The city would then provide take-out financing following the completion of the construction.

Staff has prepared a few financing options for the city council to discuss following the receipt of the association's application:

1. Issue General Obligation Housing Improvement Bonds (15 or 20 year term) – No prepayment allowed
  - Do not allow prepayment after bond issuance.
  - The assessment would come in as anticipated and cover annual debt service required to make the bond payments.
2. Issue General Obligation Housing Improvement Bonds (15 or 20 year term) – Allow prepayment after assessment
  - Allowing prepayment after the bonds are issued adds additional risk and would require further exploration.
  - If in any given year the prepayments fall short of estimates, the city will still be required to make the full annual bond payment.
  - The association indicated that it is not requesting the option to prepay after bonds are issued.
3. Explore options to use some internal funds to make a loan to the association
  - The loan can be repaid at any time so prepayments do not create a problem.
  - The city could charge interest on the loan.

Should the council decide to pursue bonds to finance improvements within the Cloud 9 Housing Improvement Area, the bonds must be issued as taxable bonds. The issuance of these housing improvement bonds does not count toward the city's ability bank qualification limits of \$10 million annually and are not secured by the general obligation of the taxpayer.

### *Assessments*

The proposed maximum HIA fees for 15 year and 20 year bond options is attached and provides an estimate of each unit's share of the project budget and each unit's maximum monthly HIA fee. The interest factor (percent of building) for each unit, which is shown in the schedule, is the interest factor each unit owner's share of the association that is included in the association's declaration.

After establishment of the HIA, the fee is added to property taxes as a special service district fee. The HIA fee for each unit generates the revenue to pay back city issued bonds. The projected HIA fees are maximums, and it is anticipated that the actual HIA fees will be less. The HIA fees would not appear on unit owners' property tax statements until 2019.

If the project comes in under budget, then the maximum HIA fees for all units will be reduced proportionately. This means that if the project comes in 7% under budget then all of the HIA fees will be reduced 7%. In addition, when the HIA fees are finalized, the fees will continue to appear on unit owners' property tax statements for the length of the term.

The table below depicts a sampling of current 2016 dues, projected HIA dues assuming 15 and 20 year bond estimates.

Unit Number	Owner Share of Association	2016 association monthly dues	Projected 15-year term monthly dues**	Projected 20 years term monthly dues**
101	.5783	\$302	\$192	\$163
109	.6784	\$354	\$225	\$191
213	.7892	\$412	\$262	\$222
318	.3472	\$181	\$115	\$98

\*\* Projected dues based on 15 and 20 year bond issuance.

### **Pre-Application Proposal Review**

In order for the association to move forward with an application, the association must obtain signed petitions in support of the project from at least 60 percent of the property owners for the proposed HIA. The association has hosted informational meetings with the residents and is confident that it will obtain the necessary 98 petitions required to apply. The establishment of the HIA is a request of the Cloud 9 condominium association and is not something the city has proposed to the residents.

The applicant indicated that the association plans to submit a formal application with the petitions in January or February of this year. The association has also submitted supplemental project information for staff and legal review. The information was necessary to review the project to ensure it meets the guidelines outlined in the HIA policy prior to further EDAC review.

The attached HIA council policy attached describes a set of eligible uses, evaluation criteria and other provisions to assist in consideration of HIA requests. Review of the Cloud 9 HIA pre-application per the policy is described below.

### **HIA Council Policy Eligible Uses**

The HIA council policy describes a set of eligible uses, evaluation criteria and other provisions to assist in consideration of HIA requests. Review of the Cloud 9 HIA pre-application per the policy is described below.

- To promote neighborhood stabilization and revitalization by the removal or prevention of blight and/or the upgrading of the existing housing stock in a neighborhood.
  - The report by Encompass Engineering indicated that the building curtain wall deficiencies will continue to deteriorate the building if not replaced.

- To correct housing or building code violations as identified by the city's Building Official, to meet compliance on other regulatory matters, or to improve the livability of the housing stock. Roofs and siding are eligible in order prevent further and/or future deterioration. Improvements done solely for aesthetic purposes are ineligible.
  - The curtain wall and HVAC deficiencies are covered under this request, the elevators required improvements to prevent future deterioration.
- To prevent the loss of the tax base of the City in order to ensure the long-term ability of the City to provide adequate services for its residents.
- To stabilize or increase the owner-occupied level within an association or neighborhood.
- To meet other uses of public policy, as adopted by the City of Minnetonka from time to time, including energy conservation, preservation of affordable units, decreasing the capital and operating costs of local government, etc.
  - The curtain wall and HVAC improvements will improve the energy efficiency of the building.

### **HIA Council Policy Evaluation Criteria**

Review of the Cloud 9 Condominium request against the evaluation criteria finds:

- The HIA funding resolves current capital improvements for the association and the association must show that it has taken measures to remedy the costs of future improvements.
  - The association intends to comply with this criteria.
- The improvements financed by the HIA will help to meet the goals identified in the comprehensive plan and ULI study of preserving existing owner-occupied housing stock and neighborhood character.
  - The improvements will help to preserve this owner-occupied housing stock.
- Weight will be given when the values of the housing units are in the affordable to mid-priced range (approximately \$350,000 or less).
  - The values of the units at Cloud 9 range from approximately \$120,300 to \$255,500.

- Emphasis will be placed on improvements needed to remedy life, safety or other regulatory compliance issues or to prevent future life and safety issues.
  - The improvements to the elevators are needed to ensure safety for the residents. The elevators are original to the building and have been in operation for 32 years. Other items, such as the curtain wall and HVAC, must be undertaken to prevent more damage to the buildings and improve efficiencies.
- The HIA funds are not intended to provide 100% of the funding for the association's long range replacement schedule, and that the association's own current and future funds are being contributed, in addition to the HIA funding.
  - Cloud 9 explored two additional funding sources, their homeowner's association dues and bank financing. Because the homeowners would need to be assessed over a period of years they cannot address the immediacy of the projects. A bank loan was also explored, but the bank was not comfortable in lending money to an association to provide permanent financing.

Additionally, the council policy spells out other provisions that must be met to be considered for a HIA. These provisions include:

- The petition with at least 60 percent of the property owners from the proposed housing improvement area must first be received prior to any city review.
  - Cloud 9 intends to submit petitions from at least 98 of the 164 property owners.
- Applications and petitions will be reviewed annually and due to the city by March 1.
  - The Cloud 9 association plans to submit their application in January or February of 2017.
- A \$5,000 administrative fee is due at the time of application and is non-refundable.
  - The association is planning to pay the administrative fee of \$5,000 at time of application.
- A fee of one-half percent of a bond issuance will be charged to cover the consulting expenses if a bond is issued.
  - The association has been informed of the fee to cover the ongoing expense of bond issuance.

- A surcharge will be assessed with the project assessment to cover day to day costs associated with managing the assessment.
  - A surcharge of \$10 per unit per year will be included in the total assessment.
- The commonly owned areas must be current on all fees, charges, taxes, special assessments and other debts or obligations that are payable to the city regarding any matter.
  - Cloud 9 is current on all fees, charges, taxes, etc. for the commonly owned areas.
- The applicant will be required to enter into a development agreement with the city outlining the terms of the HIA.
  - Cloud 9 is aware of this item, and will be working with the city on the development agreement, which will be ready for city council review in the spring.
- The maximum financing term will be for 20 years, unless approved by the council.
  - Cloud 9 has requested a 20 year term. Staff prepared both 15 year and 20 year bond estimates for the purpose of discussion.

### **Proposed Schedule for HIA Application Review**

The proposed timeline and process for the Cloud 9 HIA request is as follows:

- January/February 2017 – Cloud 9 submission of application to the City
- February 2017 – Council Resolution to accept petition, initiate process, call public hearing regarding Ordinance and Fee Resolution
- February/March 2017– City Council public hearing regarding Ordinance and Fee
- April 2017 – Effective date of Ordinance and Fee Resolution
- TBD – City Council approves Development Agreement
- May 2018 – City Council authorizes sale of bonds (if applicable)

**Staff recommends the EDAC review the request to establish a Housing Improvement Area to provide feedback on the following questions:**

1. Does the EDAC find the request to establish an HIA for Cloud 9 reasonable?
2. Does the EDAC have any questions or comments about the project scope of work or preliminary cost estimates?
3. Does the EDAC have any questions or comments regarding the HIA fees being considered for the project?

Submitted through:

Julie Wischnack, AICP, Community Development Director

Originated by:

Alisha Gray, EDFP, Economic Development and Housing Manager

**Supplemental Information**

- Location Map
- HIA Council Policy

**Supplemental Information provided by Cloud 9 Condominium Association**

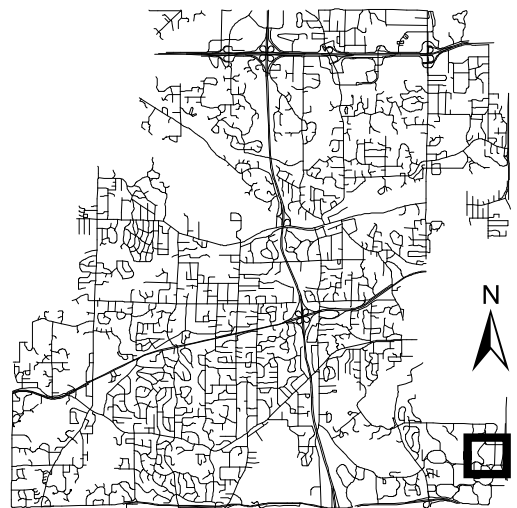
- Draft Project Budget
- 2016 Association Dues by unit
- 15 and 20 Year Bond Estimates





### Location Map

Cloud 9 Condominiums  
Address: 5601 Smetana Dr



This map is for illustrative purposes only.

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**Policy Number 2.15**  
**Housing Improvement Areas**

**Purpose of Policy:** This policy establishes evaluation criteria that guide the city council in consideration of a housing improvement area

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### **Introduction**

Under the Minnesota Statutes Chapter 428A, cities are given authority to create Housing Improvement Areas (HIA). A HIA is a defined area where private housing improvements are made, including common elements in a common interest community or condominium, and where costs associated with the improvements are paid for by fees imposed on property owners. Within a HIA, the city has the authority to finance housing improvements through levying fees and assessments, and may issue bonds to pay for improvements.

Consideration of a HIA must come from a petition of the owners of at least 60 percent of the housing units where the HIA fee would be imposed. If the city approves a HIA, and if more than 45 percent of the owners file an objection after the approval, then the HIA is not effective.

The council is aware that creation of a HIA may be of benefit to the city and will consider requests subject to this council policy. The council considers the creation of a HIA to be a privilege, not a right.

It is the judgment of the council that the creation of a HIA be used on a selective basis. It is the applicant's responsibility to demonstrate the benefit to the city, and that they should understand that although approval for another HIA may have been granted previously by the city for a similar project, the council is not bound by that earlier approval.

### **Eligible Uses of HIA Financing**

The City of Minnetonka will consider using HIA financing to assist private property owners only in those circumstances in which the proposed private project addresses one or more of the following goals:

- To promote neighborhood stabilization and revitalization by the removal or prevention of blight and/or the upgrading of the existing housing stock in a neighborhood.
- To correct housing or building code violations as identified by the city's Building Official, to meet compliance on other regulatory matters, or to improve the livability of the housing stock. Roofs and siding are eligible in order prevent further and/or future deterioration. Improvements done solely for aesthetic purposes are ineligible.

- To maintain or obtain FHA mortgage eligibility for a particular condominium or townhouse association.
- To prevent the loss of the tax base of the City in order to ensure the long-term ability of the City to provide adequate services for its residents.
- To stabilize or increase the owner-occupied level within an association or neighborhood.
- To meet other uses of public policy, as adopted by the City of Minnetonka from time to time, including energy conservation, preservation of affordable units, decreasing the capital and operating costs of local government, etc.

### Evaluation Criteria

The city will use the following criteria when evaluating a HIA request:

- The HIA funding resolves current capital improvements for the association and the association must show that it has taken measures to remedy the costs of future improvements. The association must submit an adopted financial plan for both the capital and operating budgets, prepared by an independent third party that provides for the maintenance and operation of the common elements within the association and a long-range plan to conduct and finance capital improvements. Compliance with Minnesota Statutes 515B.3-1141 should be maintained.
- The improvements financed by the HIA will help to meet the goals identified in the comprehensive plan and ULI study of preserving existing owner-occupied housing stock and neighborhood character.
- Weight will be given when the values of the housing units are in the affordable to mid-priced range (approximately \$350,000 or less).
- Emphasis will be placed on improvements needed to remedy life, safety or other regulatory compliance issues or to prevent future life and safety issues.
- The HIA funds are not intended to provide 100% of the funding for the association's long range replacement schedule, and that the association's own current and future funds are being contributed, in addition to the HIA funding.
- All other funding sources have been explored and are not feasible. Evidence that the association has sought other financing must be provided and should include an explanation and verification that an assessment by the association is not feasible along with letters from private lenders or other evidence indicating a lack of financing options. Coordination and partnering among other lending agencies for financing the improvements is allowed and encouraged.

**Other Provisions**

- The petition with at least 60 percent of the property owners from the proposed housing improvement area must first be received prior to any city review.
- Applications and petitions will be reviewed annually and are due to the city by March 1.
- An administrative fee of \$5,000 will be required at the time of application and is non-refundable.
- A fee of one-half percent of a bond issuance will be charged to cover the consulting expenses if a bond is issued. The city will determine if and when a bond may be issued to finance the improvements. Therefore, this fee may not be collected upfront, but would be added to the assessment at the time of bond issuance.
- A surcharge will be assessed with the project assessment to cover day to day costs associated with managing the assessment.
- The commonly owned areas must be current on all fees, charges, taxes, special assessments and other debts or obligations that are payable to the city regarding any matter.
- The applicant will be required to enter into a development agreement with the city outlining the terms of the HIA, which may include, but is not limited to, the following terms:
  - Staffing requirements related to third party involvement on annual reporting requirements
  - Annual reporting requirements, including annual financial audits
  - Conditions of disbursement
  - Required dues increases
  - Notification to new owners levied fees
  - Minimum number of bids to be submitted for the construction work
  - Development and construction of plans relating to the improvements
- The maximum financing term will be for 20 years, unless otherwise approved by the council.

Adopted by Resolution No. 2011-XXX  
Council Meeting of XXXX

## CLOUD 9 SKY FLATS: Proposed HIA Project Budget

October 20, 2016

		<u>Estimate</u>
<b>Curtain wall repairs:</b>		
Curtain wall repairs	\$800,000	
Stone panel perimeter seal repairs	250,000	
Operable window replacement	420,000	
Installation of insulation at spandrel glass areas	320,000	
Miscellaneous labor	200,000	
Rigging	80,000	
Mobilization/demobilization	40,000	
	<hr/>	\$2,110,000
<b>HVAC repairs:</b>		
Ductwork damper repairs/improvements	\$70,000	
System balancing	30,000	
	<hr/>	100,000
		<hr/> 2,210,000
<b>Related costs:</b>		
Engineering design fees	\$70,700	
Engineering construction oversight (6.5%)	144,000	
Contingency (10%)	221,000	
	<hr/>	435,700
<b>Elevator upgrades</b> (all 4 elevators)		<hr/> 925,000
<b>Total construction work</b>		3,570,700
<b>Other costs:</b>		
Dunbar Strandness, Inc. (HIA consultant)	\$10,000	
Construction financing:		
origination fee (1.0%) (based on \$3.5 million)	35,000	
interest (4.5% on \$2.7 million for 18 months) (\$2.7 million = weighted average)	182,250	
	<hr/>	227,250
<b>Total project budget</b>		3,797,950
<b>Use</b>		<hr/> <hr/> \$3,800,000

**Cloud 9 Sky Flats: HIA Allocations by Unit**

November 16, 2016

**Project Budget & HIA Fees (maximum)**

<b>Unit No.</b>	<b>Interest</b>	<b>Share of Project Budget</b>	<b>Maximum Monthly HIA Fee</b>
101	0.5783%	\$21,975	\$145
102	0.5357%	\$20,357	\$134
103	0.5458%	\$20,740	\$137
104	0.6710%	\$25,498	\$168
106	0.9015%	\$34,257	\$226
107	0.5693%	\$21,633	\$143
108	0.5687%	\$21,611	\$143
109	0.6784%	\$25,779	\$170
110	0.5629%	\$21,390	\$141
111	0.5293%	\$20,113	\$133
112	0.5458%	\$20,740	\$137
113	0.6667%	\$25,335	\$167
114	0.5267%	\$20,015	\$132
117	0.6566%	\$24,951	\$165
201	0.5778%	\$21,956	\$145
202	0.5357%	\$20,357	\$134
203	0.5698%	\$21,652	\$143
204	0.7892%	\$29,990	\$198
205	0.4084%	\$15,519	\$102
206	0.4707%	\$17,887	\$118
207	0.5671%	\$21,550	\$142
208	0.5693%	\$21,633	\$143
209	0.6784%	\$25,779	\$170
210	0.5687%	\$21,611	\$143
211	0.5357%	\$20,357	\$134
212	0.5698%	\$21,652	\$143
213	0.7892%	\$29,990	\$198
214	0.4084%	\$15,519	\$102
215	0.4707%	\$17,887	\$118
216	0.5693%	\$21,633	\$143
217	0.5421%	\$20,600	\$136
218	0.3621%	\$13,760	\$91
301	0.5778%	\$21,956	\$145
302	0.5357%	\$20,357	\$134
303	0.5698%	\$21,652	\$143
304	0.7886%	\$29,967	\$198
305	0.4084%	\$15,519	\$102
306	0.4707%	\$17,887	\$118
307	0.5666%	\$21,531	\$142
308	0.7780%	\$29,564	\$195
309	0.7780%	\$29,564	\$195
310	0.5693%	\$21,633	\$143
311	0.5357%	\$20,357	\$134
312	0.5693%	\$21,633	\$143
313	0.7886%	\$29,967	\$198
314	0.4084%	\$15,519	\$102
315	0.4707%	\$17,887	\$118
316	0.5666%	\$21,531	\$142
317	0.8680%	\$32,984	\$218
318	0.3472%	\$13,194	\$87

**Cloud 9 Sky Flats: HIA Allocations by Unit - *continued***

November 16, 2016

<u>Unit No.</u>	<u>Interest</u>	<u>Share of Project Budget</u>	<u>Maximum Monthly HIA Fee</u>
401	0.5783%	\$21,975	\$145
402	0.5357%	\$20,357	\$134
403	0.5698%	\$21,652	\$143
404	0.7892%	\$29,990	\$198
405	0.4084%	\$15,519	\$102
406	0.4707%	\$17,887	\$118
407	0.5661%	\$21,512	\$142
408	0.7780%	\$29,564	\$195
409	0.7780%	\$29,564	\$195
410	0.5693%	\$21,633	\$143
411	0.5357%	\$20,357	\$134
412	0.5693%	\$21,633	\$143
413	0.7892%	\$29,990	\$198
414	0.4084%	\$15,519	\$102
415	0.4707%	\$17,887	\$118
416	0.5661%	\$21,512	\$142
417	0.8685%	\$33,003	\$218
418	0.3467%	\$13,175	\$87
501	0.5788%	\$21,994	\$145
502	0.5368%	\$20,398	\$135
504	1.3616%	\$51,741	\$341
505	0.4079%	\$15,500	\$102
507	0.8392%	\$31,890	\$210
508	0.7791%	\$29,606	\$195
509	0.7791%	\$29,606	\$195
510	0.5698%	\$21,652	\$143
511	0.5368%	\$20,398	\$135
512	0.5703%	\$21,671	\$143
513	0.7918%	\$30,088	\$199
514	0.4079%	\$15,500	\$102
516	0.8398%	\$31,912	\$211
517	0.8696%	\$33,045	\$218
518	0.3445%	\$13,091	\$86
601	0.5788%	\$21,994	\$145
602	0.5368%	\$20,398	\$135
603	0.5698%	\$21,652	\$143
604	0.7913%	\$30,069	\$198
605	0.4079%	\$15,500	\$102
607	0.8398%	\$31,912	\$211
608	0.7791%	\$29,606	\$195
609	0.7791%	\$29,606	\$195
610	0.5698%	\$21,652	\$143
611	0.5368%	\$20,398	\$135
612	0.5698%	\$21,652	\$143
613	0.7918%	\$30,088	\$199
614	0.4079%	\$15,500	\$102
616	0.8398%	\$31,912	\$211
617	0.8691%	\$33,026	\$218
618	0.3424%	\$13,011	\$86

**Cloud 9 Sky Flats: HIA Allocations by Unit - *continued***

November 16, 2016

<u>Unit No.</u>	<u>Interest</u>	<u>Share of Project Budget</u>	<u>Maximum Monthly HIA Fee</u>
701	0.5794%	\$22,017	\$145
702	0.5368%	\$20,398	\$135
703	0.4606%	\$17,503	\$116
704	0.7918%	\$30,088	\$199
705	0.4079%	\$15,500	\$102
707	0.8403%	\$31,931	\$211
708	0.7785%	\$29,583	\$195
709	0.7791%	\$29,606	\$195
710	0.5698%	\$21,652	\$143
711	0.5368%	\$20,398	\$135
712	0.4601%	\$17,484	\$115
713	0.7913%	\$30,069	\$198
714	0.4079%	\$15,500	\$102
716	0.8403%	\$31,931	\$211
717	0.8696%	\$33,045	\$218
718	0.3477%	\$13,213	\$87
801	0.5788%	\$21,994	\$145
802	0.5368%	\$20,398	\$135
803	0.4606%	\$17,503	\$116
804	0.7918%	\$30,088	\$199
805	0.4079%	\$15,500	\$102
807	0.8392%	\$31,890	\$210
808	0.7785%	\$29,583	\$195
809	0.7791%	\$29,606	\$195
810	0.5698%	\$21,652	\$143
811	0.5368%	\$20,398	\$135
812	0.4606%	\$17,503	\$116
813	0.7913%	\$30,069	\$198
814	0.4079%	\$15,500	\$102
816	0.8398%	\$31,912	\$211
817	0.8696%	\$33,045	\$218
818	0.3483%	\$13,235	\$87
901	0.5794%	\$22,017	\$145
902	0.5373%	\$20,417	\$135
903	0.4606%	\$17,503	\$116
904	0.7918%	\$30,088	\$199
905	0.4079%	\$15,500	\$102
907	0.8392%	\$31,890	\$210
908	0.7785%	\$29,583	\$195
909	0.7791%	\$29,606	\$195
910	0.5698%	\$21,652	\$143
911	0.5368%	\$20,398	\$135
912	0.4606%	\$17,503	\$116
913	0.7913%	\$30,069	\$198
914	0.4079%	\$15,500	\$102
916	0.8430%	\$32,034	\$211
917	0.8696%	\$33,045	\$218
918	0.3477%	\$13,213	\$87



**Cloud 9 Sky Flats: HIA Allocations by Unit - *continued***

November 16, 2016

<b><u>Unit No.</u></b>	<b><u>Interest</u></b>	<b><u>Share of Project Budget</u></b>	<b><u>Maximum Monthly HIA Fee</u></b>
1001	0.5788%	\$21,994	\$145
1002	0.5368%	\$20,398	\$135
1003	0.4601%	\$17,484	\$115
1004	0.7918%	\$30,088	\$199
1005	0.4079%	\$15,500	\$102
1007	0.8430%	\$32,034	\$211
1008	0.5906%	\$22,443	\$148
1009	0.8312%	\$31,586	\$208
1010	0.5698%	\$21,652	\$143
1011	0.5368%	\$20,398	\$135
1012	0.4606%	\$17,503	\$116
1013	0.7918%	\$30,088	\$199
1014	0.4084%	\$15,517	\$102
1016	0.8430%	\$32,032	\$211
1017	0.8691%	\$33,024	\$218
1018	0.3477%	\$13,211	\$87
<b>Total</b>	100.000%	\$3,800,000	\$25,078

Cloud 9 Sky Flats Association, Inc.			Page: 1
OWNER/RESIDENT LISTING AS OF 10/14/16			
PROPERTY ADDRESS	OWNER	INTEREST	ASSMT AMT
5601 Smetana Drive # 101		0.5783	\$302.06
5601 Smetana Drive # 102		0.5357	\$279.81
5601 Smetana Drive # 103		0.5458	\$285.09
5601 Smetana Drive # 104		0.6710	\$350.48
5601 Smetana Drive # 106		0.9015	\$470.88
5601 Smetana Drive # 107		0.5693	\$297.36
5601 Smetana Drive # 108		0.5687	\$297.05
5601 Smetana Drive # 109		0.6784	\$354.35
5601 Smetana Drive # 110		0.5629	\$294.02
5601 Smetana Drive # 111		0.5293	\$276.47
5601 Smetana Drive # 112		0.5458	\$285.09
5601 Smetana Drive # 113		0.6667	\$348.23
5601 Smetana Drive # 114		0.5267	\$275.11
5601 Smetana Drive # 117		0.6566	\$342.96
5601 Smetana Drive # 201		0.5778	\$301.80
5601 Smetana Drive # 202		0.5357	\$279.81
5601 Smetana Drive # 203		0.5698	\$297.62
5601 Smetana Drive # 204		0.7892	\$412.22
5601 Smetana Drive # 205		0.4084	\$213.32
5601 Smetana Drive # 206		0.4707	\$245.86
5601 Smetana Drive # 207		0.5671	\$296.21
5601 Smetana Drive # 208		0.5693	\$297.36
5601 Smetana Drive # 209		0.6784	\$354.35
5601 Smetana Drive # 210		0.5687	\$297.05
5601 Smetana Drive # 211		0.5357	\$279.81
5601 Smetana Drive # 212		0.5698	\$297.62
5601 Smetana Drive # 213		0.7892	\$412.22
5601 Smetana Drive # 214		0.4084	\$213.32
5601 Smetana Drive # 215		0.4707	\$245.86
5601 Smetana Drive # 216		0.5693	\$297.36
5601 Smetana Drive # 217		0.5421	\$283.15
5601 Smetana Drive # 218		0.3621	\$189.13
5601 Smetana Drive # 301		0.5778	\$301.80
5601 Smetana Drive # 302		0.5357	\$279.81
5601 Smetana Drive # 303		0.5698	\$297.62
5601 Smetana Drive # 304		0.7886	\$411.91
5601 Smetana Drive # 305		0.4084	\$213.32
5601 Smetana Drive # 306		0.4707	\$245.86
5601 Smetana Drive # 307		0.5666	\$295.95
5601 Smetana Drive # 308		0.7780	\$406.37
5601 Smetana Drive # 309		0.7780	\$406.37
5601 Smetana Drive # 310		0.5693	\$297.36
5601 Smetana Drive # 311		0.5357	\$279.81
5601 Smetana Drive # 312		0.5693	\$297.36
5601 Smetana Drive # 313		0.7886	\$411.91
5601 Smetana Drive # 314		0.4084	\$213.32
5601 Smetana Drive # 315		0.4707	\$245.86
5601 Smetana Drive # 316		0.5666	\$295.95
5601 Smetana Drive # 317		0.8680	\$453.38
5601 Smetana Drive # 318		0.3472	\$181.35

Cloud 9 Sky Flats Association, Inc.			Page: 2
OWNER/RESIDENT LISTING AS OF 10/14/16			
PROPERTY ADDRESS	OWNER	INTEREST	ASSMT AMT
5601 Smetana Drive # 401		0.5783	\$302.06
5601 Smetana Drive # 402		0.5357	\$279.81
5601 Smetana Drive # 403		0.5698	\$297.62
5601 Smetana Drive # 404		0.7892	\$412.22
5601 Smetana Drive # 405		0.4084	\$213.32
5601 Smetana Drive # 406		0.4707	\$245.86
5601 Smetana Drive # 407		0.5661	\$295.69
5601 Smetana Drive # 408		0.7780	\$406.37
5601 Smetana Drive # 409		0.7780	\$406.37
5601 Smetana Drive # 410		0.5693	\$297.36
5601 Smetana Drive # 411		0.5357	\$279.81
5601 Smetana Drive # 412		0.5693	\$297.36
5601 Smetana Drive # 413		0.7892	\$412.22
5601 Smetana Drive # 414		0.4084	\$213.32
5601 Smetana Drive # 415		0.4707	\$245.86
5601 Smetana Drive # 416		0.5661	\$295.69
5601 Smetana Drive # 417		0.8685	\$453.64
5601 Smetana Drive # 418		0.3467	\$181.09
5601 Smetana Drive # 501		0.5788	\$302.32
5601 Smetana Drive # 502		0.5368	\$280.38
5601 Smetana Drive # 504		1.3616	\$711.20
5601 Smetana Drive # 505		0.4079	\$213.06
5601 Smetana Drive # 507		0.8392	\$438.34
5601 Smetana Drive # 508		0.7791	\$406.94
5601 Smetana Drive # 509		0.7791	\$406.94
5601 Smetana Drive # 510		0.5698	\$297.62
5601 Smetana Drive # 511		0.5368	\$280.38
5601 Smetana Drive # 512		0.5703	\$297.88
5601 Smetana Drive # 513		0.7918	\$413.58
5601 Smetana Drive # 514		0.4079	\$213.06
5601 Smetana Drive # 516		0.8398	\$438.65
5601 Smetana Drive # 517		0.8696	\$454.21
5601 Smetana Drive # 518		0.3445	\$179.94
5601 Smetana Drive # 601		0.5788	\$302.32
5601 Smetana Drive # 602		0.5368	\$280.38
5601 Smetana Drive # 603		0.5698	\$297.62
5601 Smetana Drive # 604		0.7913	\$413.32
5601 Smetana Drive # 605		0.4079	\$213.06
5601 Smetana Drive # 607		0.8398	\$438.65
5601 Smetana Drive # 608		0.7791	\$406.94
5601 Smetana Drive # 609		0.7791	\$406.94
5601 Smetana Drive # 610		0.5698	\$297.62
5601 Smetana Drive # 611		0.5368	\$280.38
5601 Smetana Drive # 612		0.5698	\$297.62
5601 Smetana Drive # 613		0.7918	\$413.58
5601 Smetana Drive # 614		0.4079	\$213.06
5601 Smetana Drive # 616		0.8398	\$438.65
5601 Smetana Drive # 617		0.8691	\$453.95
5601 Smetana Drive # 618		0.3424	\$178.84
5601 Smetana Drive # 701		0.5794	\$302.64

Cloud 9 Sky Flats Association, Inc.			Page: 3
OWNER/RESIDENT LISTING AS OF 10/14/16			
PROPERTY ADDRESS	OWNER	INTEREST	ASSMT AMT
5601 Smetana Drive # 702		0.5368	\$280.38
5601 Smetana Drive # 703		0.4606	\$240.58
5601 Smetana Drive # 704		0.7918	\$413.58
5601 Smetana Drive # 705		0.4079	\$213.06
5601 Smetana Drive # 707		0.8403	\$438.91
5601 Smetana Drive # 708		0.7785	\$406.63
5601 Smetana Drive # 709		0.7791	\$406.94
5601 Smetana Drive # 710		0.5698	\$297.62
5601 Smetana Drive # 711		0.5368	\$280.38
5601 Smetana Drive # 712		0.4601	\$240.32
5601 Smetana Drive # 713		0.7913	\$413.32
5601 Smetana Drive # 714		0.4079	\$213.06
5601 Smetana Drive # 716		0.8403	\$438.91
5601 Smetana Drive # 717		0.8696	\$454.21
5601 Smetana Drive # 718		0.3477	\$181.61
5601 Smetana Drive # 801		0.5788	\$302.32
5601 Smetana Drive # 802		0.5368	\$280.38
5601 Smetana Drive # 803		0.4606	\$240.58
5601 Smetana Drive # 804		0.7918	\$413.58
5601 Smetana Drive # 805		0.4079	\$213.06
5601 Smetana Drive # 807		0.8392	\$438.34
5601 Smetana Drive # 808		0.7785	\$406.63
5601 Smetana Drive # 809		0.7791	\$406.94
5601 Smetana Drive # 810		0.5698	\$297.62
5601 Smetana Drive # 811		0.5368	\$280.38
5601 Smetana Drive # 812		0.4606	\$240.58
5601 Smetana Drive # 813		0.7913	\$413.32
5601 Smetana Drive # 814		0.4079	\$213.06
5601 Smetana Drive # 816		0.8398	\$438.65
5601 Smetana Drive # 817		0.8696	\$454.21
5601 Smetana Drive # 818		0.3483	\$181.93
5601 Smetana Drive # 901		0.5794	\$302.64
5601 Smetana Drive # 902		0.5373	\$280.65
5601 Smetana Drive # 903		0.4606	\$240.58
5601 Smetana Drive # 904		0.7918	\$413.58
5601 Smetana Drive # 905		0.4079	\$213.06
5601 Smetana Drive # 907		0.8392	\$438.34
5601 Smetana Drive # 908		0.7785	\$406.63
5601 Smetana Drive # 909		0.7791	\$406.94
5601 Smetana Drive # 910		0.5698	\$297.62
5601 Smetana Drive # 911		0.5368	\$280.38
5601 Smetana Drive # 912		0.4606	\$240.58
5601 Smetana Drive # 913		0.7913	\$413.32
5601 Smetana Drive # 914		0.4079	\$213.06
5601 Smetana Drive # 916		0.8430	\$440.32
5601 Smetana Drive # 917		0.8696	\$454.21
5601 Smetana Drive # 918		0.3477	\$181.61
5601 Smetana Drive # 1001		0.5788	\$302.32
5601 Smetana Drive # 1002		0.5368	\$280.38
5601 Smetana Drive # 1003		0.4601	\$240.32

Cloud 9 Sky Flats Association, Inc.		Page: 4	
OWNER/RESIDENT LISTING AS OF 10/14/16			
PROPERTY ADDRESS	OWNER	INTEREST	ASSMT AMT
5601 Smetana Drive # 1004		0.7918	\$413.58
5601 Smetana Drive # 1005		0.4079	\$213.06
5601 Smetana Drive # 1007		0.8430	\$440.32
5601 Smetana Drive # 1008		0.5906	\$308.49
5601 Smetana Drive # 1009		0.8312	\$434.16
5601 Smetana Drive # 1010		0.5698	\$297.62
5601 Smetana Drive # 1011		0.5368	\$280.38
5601 Smetana Drive # 1012		0.4606	\$240.58
5601 Smetana Drive # 1013		0.7918	\$413.58
5601 Smetana Drive # 1014		0.4084	\$213.32
5601 Smetana Drive # 1016		0.8430	\$440.32
5601 Smetana Drive # 1017		0.8691	\$453.95
5601 Smetana Drive # 1018		0.3477	\$181.61
Total Properties Listed: 163		100.000	\$52,232.68

# Cloud 9 HIA

## Sources and Uses 1-13-17

### 15-Year Term

### Separate Construction Financing; Bond Issue for Permanent Financing

Sources and Uses of Funds	15-Year Term
<b>SOURCES OF FUNDS</b>	
Taxable GO Bonds (12-01-2018 Dated Date)	\$3,930,000.00
Prepaid Assessments	\$0.00
Association Funds	\$0.00
<b>TOTAL</b>	<b>\$3,930,000.00</b>
<b>USES OF FUNDS</b>	
Common Costs	\$3,570,700.00
Limited Common Costs	\$0.00
Rebate of prepaids special assessments	\$0.00
<b>Total Project Costs</b>	<b>\$3,570,700.00</b>
Underwriters Discount	\$47,160.00
Cost of Issuance	\$47,000.00
Rounding	\$4,190.00
Capitalized Interest (Bond)	\$0.00
Capitalized Interest (Interim Financing)	\$182,300.00
City Admin Fee (\$5,000 paid at time of application)	\$0.00
Soft Costs	\$78,650.00
<b>Total Soft and Loan Costs</b>	<b>\$359,300.00</b>
<b>TOTAL</b>	<b>\$3,930,000.00</b>
Term (years)	15
TIC	5.00%
Average Annual Debt Service at 105%	\$378,625
<b>Required Coverage (105%)</b>	<b>\$397,556</b>
<b>Annual Dues Paid</b>	<b>\$397,556</b>
<b>Breakdown of Soft Costs</b>	
Dunbar Strandness (HIA Consultant)	\$10,000.00
Construction Financing Origination Fee	\$35,000
Ongoing Bond Consulting Expenses	\$19,650
Reserve Study	\$0
Legal Fee	\$10,000
Financial Advisor Fee	\$4,000
<b>TOTAL</b>	<b>\$78,650.00</b>

# City of Minnetonka

Housing Improvement Area - Cloud 9 - 15 year option  
Assessment Allocation January 13, 2017

## CLOUD 9 CONDOMINIUM HOUSING IMPROVEMENT AREA - ESTIMATE OF UNIT FEES

#	Unit No.	Percentage Interest	Total Common Area Construction Cost	Total Financing & Soft Costs	Total Costs (BEFORE BOND SALE)	Annual Fee (105% of Total Costs)	Total P & I Paid Per Unit (105%) - Non prepaid only	Total Annual Fee With \$10 City Admin. Charge
1	101	0.5783%	\$20,649.31	\$2,077.83	\$22,727.14	\$2,299	\$34,486	\$2,309.06
2	102	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$2,130	\$31,946	\$2,139.71
3	103	0.5458%	\$19,488.84	\$1,961.05	\$21,449.89	\$2,170	\$32,548	\$2,179.86
4	104	0.6710%	\$23,959.35	\$2,410.90	\$26,370.25	\$2,668	\$40,014	\$2,677.60
5	106	0.9015%	\$32,189.82	\$3,239.09	\$35,428.90	\$3,584	\$53,759	\$3,593.97
6	107	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$2,263	\$33,949	\$2,273.28
7	108	0.5687%	\$20,306.53	\$2,043.33	\$22,349.86	\$2,261	\$33,913	\$2,270.90
8	109	0.6784%	\$24,223.58	\$2,437.49	\$26,661.07	\$2,697	\$40,455	\$2,707.02
9	110	0.5629%	\$20,099.43	\$2,022.50	\$22,121.92	\$2,238	\$33,568	\$2,247.84
10	111	0.5293%	\$18,899.67	\$1,901.77	\$20,801.44	\$2,104	\$31,564	\$2,114.26
11	112	0.5458%	\$19,488.84	\$1,961.05	\$21,449.89	\$2,170	\$32,548	\$2,179.86
12	113	0.6667%	\$23,805.81	\$2,395.45	\$26,201.26	\$2,651	\$39,758	\$2,660.50
13	114	0.5267%	\$18,806.83	\$1,892.43	\$20,699.26	\$2,094	\$31,409	\$2,103.92
14	117	0.6566%	\$23,445.17	\$2,359.16	\$25,804.33	\$2,610	\$39,155	\$2,620.35
15	201	0.5778%	\$20,631.46	\$2,076.03	\$22,707.49	\$2,297	\$34,456	\$2,307.08
16	202	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$2,130	\$31,946	\$2,139.71
17	203	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
18	204	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$3,138	\$47,063	\$3,147.51
19	205	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,624	\$24,354	\$1,633.62
20	206	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,871	\$28,069	\$1,881.29
21	207	0.5671%	\$20,249.40	\$2,037.59	\$22,286.98	\$2,255	\$33,818	\$2,264.54
22	208	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$2,263	\$33,949	\$2,273.28
23	209	0.6784%	\$24,223.58	\$2,437.49	\$26,661.07	\$2,697	\$40,455	\$2,707.02
24	210	0.5687%	\$20,306.53	\$2,043.33	\$22,349.86	\$2,261	\$33,913	\$2,270.90
25	211	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$2,130	\$31,946	\$2,139.71
26	212	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
27	213	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$3,138	\$47,063	\$3,147.51
28	214	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,624	\$24,354	\$1,633.62
29	215	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,871	\$28,069	\$1,881.29
30	216	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$2,263	\$33,949	\$2,273.28
31	217	0.5421%	\$19,356.72	\$1,947.76	\$21,304.48	\$2,155	\$32,327	\$2,165.15
32	218	0.3621%	\$12,929.46	\$1,301.02	\$14,230.48	\$1,440	\$21,593	\$1,449.55
33	301	0.5778%	\$20,631.46	\$2,076.03	\$22,707.49	\$2,297	\$34,456	\$2,307.08
34	302	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$2,130	\$31,946	\$2,139.71
35	303	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
36	304	0.7886%	\$28,158.50	\$2,833.44	\$30,991.93	\$3,135	\$47,027	\$3,145.13
37	305	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,624	\$24,354	\$1,633.62
38	306	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,871	\$28,069	\$1,881.29
39	307	0.5666%	\$20,231.54	\$2,035.79	\$22,267.33	\$2,253	\$33,788	\$2,262.55
40	308	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$3,093	\$46,395	\$3,102.98
41	309	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$3,093	\$46,395	\$3,102.98
42	310	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$2,263	\$33,949	\$2,273.28
43	311	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$2,130	\$31,946	\$2,139.71
44	312	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$2,263	\$33,949	\$2,273.28
45	313	0.7886%	\$28,158.50	\$2,833.44	\$30,991.93	\$3,135	\$47,027	\$3,145.13
46	314	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,624	\$24,354	\$1,633.62
47	315	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,871	\$28,069	\$1,881.29
48	316	0.5666%	\$20,231.54	\$2,035.79	\$22,267.33	\$2,253	\$33,788	\$2,262.55
49	317	0.8680%	\$30,993.63	\$3,118.72	\$34,112.35	\$3,451	\$51,762	\$3,460.79
50	318	0.3472%	\$12,397.43	\$1,247.49	\$13,644.91	\$1,380	\$20,705	\$1,390.31
51	401	0.5783%	\$20,649.31	\$2,077.83	\$22,727.14	\$2,299	\$34,486	\$2,309.06
52	402	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$2,130	\$31,946	\$2,139.71
53	403	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
54	404	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$3,138	\$47,063	\$3,147.51
55	405	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,624	\$24,354	\$1,633.62
56	406	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,871	\$28,069	\$1,881.29
57	407	0.5661%	\$20,213.69	\$2,033.99	\$22,247.68	\$2,251	\$33,758	\$2,260.56
58	408	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$3,093	\$46,395	\$3,102.98
59	409	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$3,093	\$46,395	\$3,102.98
60	410	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$2,263	\$33,949	\$2,273.28
61	411	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$2,130	\$31,946	\$2,139.71
62	412	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$2,263	\$33,949	\$2,273.28
63	413	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$3,138	\$47,063	\$3,147.51
64	414	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,624	\$24,354	\$1,633.62
65	415	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,871	\$28,069	\$1,881.29
66	416	0.5661%	\$20,213.69	\$2,033.99	\$22,247.68	\$2,251	\$33,758	\$2,260.56
67	417	0.8685%	\$31,011.49	\$3,120.52	\$34,132.00	\$3,453	\$51,792	\$3,462.77
68	418	0.3467%	\$12,379.57	\$1,245.69	\$13,625.26	\$1,378	\$20,675	\$1,388.32
69	501	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$2,301	\$34,516	\$2,311.05

70	502	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
71	504	1.3616%	\$48,618.61	\$4,892.22	\$53,510.83	\$5,413	\$81,197	\$5,423.12
72	505	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
73	507	0.8392%	\$29,965.27	\$3,015.24	\$32,980.51	\$3,336	\$50,044	\$3,346.29
74	508	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$3,097	\$46,460	\$3,107.36
75	509	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$3,097	\$46,460	\$3,107.36
76	510	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
77	511	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
78	512	0.5703%	\$20,363.66	\$2,049.08	\$22,412.74	\$2,267	\$34,009	\$2,277.26
79	513	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$3,148	\$47,218	\$3,157.85
80	514	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
81	516	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$3,339	\$50,080	\$3,348.67
82	517	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$3,457	\$51,857	\$3,467.15
83	518	0.3445%	\$12,301.02	\$1,237.78	\$13,538.80	\$1,370	\$20,544	\$1,379.58
84	601	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$2,301	\$34,516	\$2,311.05
85	602	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
86	603	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
87	604	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$3,146	\$47,188	\$3,155.86
88	605	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
89	607	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$3,339	\$50,080	\$3,348.67
90	608	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$3,097	\$46,460	\$3,107.36
91	609	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$3,097	\$46,460	\$3,107.36
92	610	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
93	611	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
94	612	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
95	613	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$3,148	\$47,218	\$3,157.85
96	614	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
97	616	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$3,339	\$50,080	\$3,348.67
98	617	0.8691%	\$31,032.91	\$3,122.67	\$34,155.58	\$3,455	\$51,827	\$3,465.16
99	618	0.3424%	\$12,226.03	\$1,230.24	\$13,456.27	\$1,361	\$20,418	\$1,371.23
100	701	0.5794%	\$20,688.59	\$2,081.78	\$22,770.37	\$2,303	\$34,552	\$2,313.44
101	702	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
102	703	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,831	\$27,467	\$1,841.14
103	704	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$3,148	\$47,218	\$3,157.85
104	705	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
105	707	0.8403%	\$30,004.55	\$3,019.19	\$33,023.74	\$3,341	\$50,110	\$3,350.66
106	708	0.7785%	\$27,797.86	\$2,797.15	\$30,595.00	\$3,095	\$46,425	\$3,104.97
107	709	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$3,097	\$46,460	\$3,107.36
108	710	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
109	711	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
110	712	0.4601%	\$16,428.75	\$1,653.13	\$18,081.88	\$1,829	\$27,437	\$1,839.15
111	713	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$3,146	\$47,188	\$3,155.86
112	714	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
113	716	0.8403%	\$30,004.55	\$3,019.19	\$33,023.74	\$3,341	\$50,110	\$3,350.66
114	717	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$3,457	\$51,857	\$3,467.15
115	718	0.3477%	\$12,415.28	\$1,249.28	\$13,664.56	\$1,382	\$20,734	\$1,392.30
116	801	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$2,301	\$34,516	\$2,311.05
117	802	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
118	803	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,831	\$27,467	\$1,841.14
119	804	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$3,148	\$47,218	\$3,157.85
120	805	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
121	807	0.8392%	\$29,965.27	\$3,015.24	\$32,980.51	\$3,336	\$50,044	\$3,346.29
122	808	0.7785%	\$27,797.86	\$2,797.15	\$30,595.00	\$3,095	\$46,425	\$3,104.97
123	809	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$3,097	\$46,460	\$3,107.36
124	810	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
125	811	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
126	812	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,831	\$27,467	\$1,841.14
127	813	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$3,146	\$47,188	\$3,155.86
128	814	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
129	816	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$3,339	\$50,080	\$3,348.67
130	817	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$3,457	\$51,857	\$3,467.15
131	818	0.3483%	\$12,436.70	\$1,251.44	\$13,688.14	\$1,385	\$20,770	\$1,394.68
132	901	0.5794%	\$20,688.59	\$2,081.78	\$22,770.37	\$2,303	\$34,552	\$2,313.44
133	902	0.5373%	\$19,185.33	\$1,930.51	\$21,115.84	\$2,136	\$32,041	\$2,146.07
134	903	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,831	\$27,467	\$1,841.14
135	904	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$3,148	\$47,218	\$3,157.85
136	905	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
137	907	0.8392%	\$29,965.27	\$3,015.24	\$32,980.51	\$3,336	\$50,044	\$3,346.29
138	908	0.7785%	\$27,797.86	\$2,797.15	\$30,595.00	\$3,095	\$46,425	\$3,104.97
139	909	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$3,097	\$46,460	\$3,107.36
140	910	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$2,265	\$33,979	\$2,275.27
141	911	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
142	912	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,831	\$27,467	\$1,841.14
143	913	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$3,146	\$47,188	\$3,155.86
144	914	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,622	\$24,324	\$1,631.63
145	916	0.8430%	\$30,100.96	\$3,028.89	\$33,129.85	\$3,351	\$50,271	\$3,361.40
146	917	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$3,457	\$51,857	\$3,467.15
147	918	0.3477%	\$12,415.28	\$1,249.28	\$13,664.56	\$1,382	\$20,734	\$1,392.30
148	1001	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$2,301	\$34,516	\$2,311.05
149	1002	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$2,134	\$32,011	\$2,144.08
150	1003	0.4601%	\$16,428.75	\$1,653.13	\$18,081.88	\$1,829	\$27,437	\$1,839.15



151	1004	0.7918%	\$28,272.76	\$2,844.93	<b>\$31,117.69</b>	\$3,148	\$47,218	\$3,157.85
152	1005	0.4079%	\$14,564.84	\$1,465.58	<b>\$16,030.42</b>	\$1,622	\$24,324	\$1,631.63
153	1007	0.8430%	\$30,100.96	\$3,028.89	<b>\$33,129.85</b>	\$3,351	\$50,271	\$3,361.40
154	1008	0.5906%	\$21,088.51	\$2,122.02	<b>\$23,210.53</b>	\$2,348	\$35,219	\$2,357.96
155	1009	0.8312%	\$29,679.61	\$2,986.50	<b>\$32,666.11</b>	\$3,304	\$49,567	\$3,314.48
156	1010	0.5698%	\$20,345.80	\$2,047.29	<b>\$22,393.09</b>	\$2,265	\$33,979	\$2,275.27
157	1011	0.5368%	\$19,167.47	\$1,928.72	<b>\$21,096.19</b>	\$2,134	\$32,011	\$2,144.08
158	1012	0.4606%	\$16,446.60	\$1,654.93	<b>\$18,101.53</b>	\$1,831	\$27,467	\$1,841.14
159	1013	0.7918%	\$28,272.76	\$2,844.93	<b>\$31,117.69</b>	\$3,148	\$47,218	\$3,157.85
160	1014	0.4084%	\$14,582.69	\$1,467.38	<b>\$16,050.07</b>	\$1,624	\$24,354	\$1,633.62
161	1016	0.8430%	\$30,100.96	\$3,028.89	<b>\$33,129.85</b>	\$3,351	\$50,271	\$3,361.40
162	1017	0.8691%	\$31,032.91	\$3,122.67	<b>\$34,155.58</b>	\$3,455	\$51,827	\$3,465.16
163	1018	0.3477%	\$12,415.28	\$1,249.28	<b>\$13,664.56</b>	\$1,382	\$20,734	\$1,392.30

**GRAND TOTAL    100.0002%    \$3,570,700.00    \$359,300.00    \$3,930,000.00    \$397,556    \$5,963,347    \$399,186**

# Cloud 9 HIA

## Sources and Uses 1-13-17

### 20-Year Term

### Separate Construction Financing; Bond Issue for Permanent Financing

Sources and Uses of Funds	15-Year Term
<b>SOURCES OF FUNDS</b>	
Taxable GO Bonds (05-01-2018 Dated Date)	\$3,930,000.00
Prepaid Assessments	\$0.00
Association Funds	\$0.00
<b>TOTAL</b>	<b>\$3,930,000.00</b>
<b>USES OF FUNDS</b>	
Common Costs	\$3,570,700.00
Limited Common Costs	\$0.00
Rebate of prepaids special assessments	\$0.00
<b>Total Project Costs</b>	<b>\$3,570,700.00</b>
Underwriters Discount	\$47,160.00
Cost of Issuance	\$47,000.00
Rounding	\$4,190.00
Capitalized Interest (Bond)	\$0.00
Capitalized Interest (Interim Financing)	\$182,300.00
City Admin Fee (\$5,000 paid at time of application)	\$0.00
Soft Costs	\$78,650.00
<b>Total Soft and Loan Costs</b>	<b>\$359,300.00</b>
<b>TOTAL</b>	<b>\$3,930,000.00</b>
Term (years)	20
TIC	5.20%
Average Annual Debt Service at 105%	\$320,723
<b>Required Coverage (105%)</b>	<b>\$336,759</b>
<b>Annual Dues Paid</b>	<b>\$336,759</b>
<b>Breakdown of Soft Costs</b>	
Dunbar Strandness (HIA Consultant)	\$10,000.00
Construction Financing Origination Fee	\$35,000
Ongoing Bond Consulting Expenses	\$19,650
Reserve Study	\$0
Legal Fee	\$10,000
Financial Advisor Fee	\$4,000
<b>TOTAL</b>	<b>\$78,650.00</b>

# City of Minnetonka

Housing Improvement Area - Cloud 9 - 20 year option  
Assessment Allocation January 13, 2017

## CLOUD 9 CONDOMINIUM HOUSING IMPROVEMENT AREA - ESTIMATE OF UNIT FEES

#	Unit No.	Percentage Interest	Total Common Area Construction Cost	Total Financing & Soft Costs	Total Costs (BEFORE BOND SALE)	Annual Fee (105% of Total Costs)	Total P & I Paid Per Unit (105%) - Non prepaid only	Total Annual Fee With \$10 City Admin. Charge
1	101	0.5783%	\$20,649.31	\$2,077.83	\$22,727.14	\$1,947	\$38,950	\$1,957.48
2	102	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$1,804	\$36,080	\$1,814.02
3	103	0.5458%	\$19,488.84	\$1,961.05	\$21,449.89	\$1,838	\$36,761	\$1,848.03
4	104	0.6710%	\$23,959.35	\$2,410.90	\$26,370.25	\$2,260	\$45,193	\$2,269.65
5	106	0.9015%	\$32,189.82	\$3,239.09	\$35,428.90	\$3,036	\$60,718	\$3,045.88
6	107	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$1,917	\$38,343	\$1,927.17
7	108	0.5687%	\$20,306.53	\$2,043.33	\$22,349.86	\$1,915	\$38,303	\$1,925.15
8	109	0.6784%	\$24,223.58	\$2,437.49	\$26,661.07	\$2,285	\$45,691	\$2,294.57
9	110	0.5629%	\$20,099.43	\$2,022.50	\$22,121.92	\$1,896	\$37,912	\$1,905.61
10	111	0.5293%	\$18,899.67	\$1,901.77	\$20,801.44	\$1,782	\$35,649	\$1,792.46
11	112	0.5458%	\$19,488.84	\$1,961.05	\$21,449.89	\$1,838	\$36,761	\$1,848.03
12	113	0.6667%	\$23,805.81	\$2,395.45	\$26,201.26	\$2,245	\$44,903	\$2,255.17
13	114	0.5267%	\$18,806.83	\$1,892.43	\$20,699.26	\$1,774	\$35,474	\$1,783.71
14	117	0.6566%	\$23,445.17	\$2,359.16	\$25,804.33	\$2,211	\$44,223	\$2,221.16
15	201	0.5778%	\$20,631.46	\$2,076.03	\$22,707.49	\$1,946	\$38,916	\$1,955.79
16	202	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$1,804	\$36,080	\$1,814.02
17	203	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
18	204	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$2,658	\$53,154	\$2,667.70
19	205	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,375	\$27,506	\$1,385.32
20	206	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,585	\$31,702	\$1,595.12
21	207	0.5671%	\$20,249.40	\$2,037.59	\$22,286.98	\$1,910	\$38,195	\$1,919.76
22	208	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$1,917	\$38,343	\$1,927.17
23	209	0.6784%	\$24,223.58	\$2,437.49	\$26,661.07	\$2,285	\$45,691	\$2,294.57
24	210	0.5687%	\$20,306.53	\$2,043.33	\$22,349.86	\$1,915	\$38,303	\$1,925.15
25	211	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$1,804	\$36,080	\$1,814.02
26	212	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
27	213	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$2,658	\$53,154	\$2,667.70
28	214	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,375	\$27,506	\$1,385.32
29	215	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,585	\$31,702	\$1,595.12
30	216	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$1,917	\$38,343	\$1,927.17
31	217	0.5421%	\$19,356.72	\$1,947.76	\$21,304.48	\$1,826	\$36,511	\$1,835.57
32	218	0.3621%	\$12,929.46	\$1,301.02	\$14,230.48	\$1,219	\$24,388	\$1,229.40
33	301	0.5778%	\$20,631.46	\$2,076.03	\$22,707.49	\$1,946	\$38,916	\$1,955.79
34	302	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$1,804	\$36,080	\$1,814.02
35	303	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
36	304	0.7886%	\$28,158.50	\$2,833.44	\$30,991.93	\$2,656	\$53,114	\$2,665.68
37	305	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,375	\$27,506	\$1,385.32
38	306	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,585	\$31,702	\$1,595.12
39	307	0.5666%	\$20,231.54	\$2,035.79	\$22,267.33	\$1,908	\$38,161	\$1,918.07
40	308	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$2,620	\$52,400	\$2,629.98
41	309	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$2,620	\$52,400	\$2,629.98
42	310	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$1,917	\$38,343	\$1,927.17
43	311	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$1,804	\$36,080	\$1,814.02
44	312	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$1,917	\$38,343	\$1,927.17
45	313	0.7886%	\$28,158.50	\$2,833.44	\$30,991.93	\$2,656	\$53,114	\$2,665.68
46	314	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,375	\$27,506	\$1,385.32
47	315	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,585	\$31,702	\$1,595.12
48	316	0.5666%	\$20,231.54	\$2,035.79	\$22,267.33	\$1,908	\$38,161	\$1,918.07
49	317	0.8680%	\$30,993.63	\$3,118.72	\$34,112.35	\$2,923	\$58,461	\$2,933.07
50	318	0.3472%	\$12,397.43	\$1,247.49	\$13,644.91	\$1,169	\$23,384	\$1,179.22
51	401	0.5783%	\$20,649.31	\$2,077.83	\$22,727.14	\$1,947	\$38,950	\$1,957.48
52	402	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$1,804	\$36,080	\$1,814.02
53	403	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
54	404	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$2,658	\$53,154	\$2,667.70
55	405	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,375	\$27,506	\$1,385.32
56	406	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,585	\$31,702	\$1,595.12
57	407	0.5661%	\$20,213.69	\$2,033.99	\$22,247.68	\$1,906	\$38,128	\$1,916.39
58	408	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$2,620	\$52,400	\$2,629.98
59	409	0.7780%	\$27,780.00	\$2,795.35	\$30,575.35	\$2,620	\$52,400	\$2,629.98
60	410	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$1,917	\$38,343	\$1,927.17
61	411	0.5357%	\$19,128.20	\$1,924.77	\$21,052.96	\$1,804	\$36,080	\$1,814.02
62	412	0.5693%	\$20,327.95	\$2,045.49	\$22,373.44	\$1,917	\$38,343	\$1,927.17
63	413	0.7892%	\$28,179.92	\$2,835.59	\$31,015.51	\$2,658	\$53,154	\$2,667.70
64	414	0.4084%	\$14,582.69	\$1,467.38	\$16,050.07	\$1,375	\$27,506	\$1,385.32
65	415	0.4707%	\$16,807.24	\$1,691.22	\$18,498.46	\$1,585	\$31,702	\$1,595.12
66	416	0.5661%	\$20,213.69	\$2,033.99	\$22,247.68	\$1,906	\$38,128	\$1,916.39
67	417	0.8685%	\$31,011.49	\$3,120.52	\$34,132.00	\$2,925	\$58,495	\$2,934.75
68	418	0.3467%	\$12,379.57	\$1,245.69	\$13,625.26	\$1,168	\$23,351	\$1,177.54
69	501	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$1,949	\$38,983	\$1,959.16

70	502	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
71	504	1.3616%	\$48,618.61	\$4,892.22	\$53,510.83	\$4,585	\$91,706	\$4,595.31
72	505	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
73	507	0.8392%	\$29,965.27	\$3,015.24	\$32,980.51	\$2,826	\$56,522	\$2,836.08
74	508	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$2,624	\$52,474	\$2,633.69
75	509	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$2,624	\$52,474	\$2,633.69
76	510	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
77	511	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
78	512	0.5703%	\$20,363.66	\$2,049.08	\$22,412.74	\$1,921	\$38,411	\$1,930.53
79	513	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$2,666	\$53,329	\$2,676.46
80	514	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
81	516	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$2,828	\$56,562	\$2,838.10
82	517	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$2,928	\$58,569	\$2,938.45
83	518	0.3445%	\$12,301.02	\$1,237.78	\$13,538.80	\$1,160	\$23,203	\$1,170.13
84	601	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$1,949	\$38,983	\$1,959.16
85	602	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
86	603	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
87	604	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$2,665	\$53,295	\$2,674.77
88	605	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
89	607	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$2,828	\$56,562	\$2,838.10
90	608	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$2,624	\$52,474	\$2,633.69
91	609	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$2,624	\$52,474	\$2,633.69
92	610	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
93	611	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
94	612	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
95	613	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$2,666	\$53,329	\$2,676.46
96	614	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
97	616	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$2,828	\$56,562	\$2,838.10
98	617	0.8691%	\$31,032.91	\$3,122.67	\$34,155.58	\$2,927	\$58,535	\$2,936.77
99	618	0.3424%	\$12,226.03	\$1,230.24	\$13,456.27	\$1,153	\$23,061	\$1,163.06
100	701	0.5794%	\$20,688.59	\$2,081.78	\$22,770.37	\$1,951	\$39,024	\$1,961.18
101	702	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
102	703	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,551	\$31,022	\$1,561.11
103	704	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$2,666	\$53,329	\$2,676.46
104	705	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
105	707	0.8403%	\$30,004.55	\$3,019.19	\$33,023.74	\$2,830	\$56,596	\$2,839.78
106	708	0.7785%	\$27,797.86	\$2,797.15	\$30,595.00	\$2,622	\$52,433	\$2,631.67
107	709	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$2,624	\$52,474	\$2,633.69
108	710	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
109	711	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
110	712	0.4601%	\$16,428.75	\$1,653.13	\$18,081.88	\$1,549	\$30,989	\$1,559.43
111	713	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$2,665	\$53,295	\$2,674.77
112	714	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
113	716	0.8403%	\$30,004.55	\$3,019.19	\$33,023.74	\$2,830	\$56,596	\$2,839.78
114	717	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$2,928	\$58,569	\$2,938.45
115	718	0.3477%	\$12,415.28	\$1,249.28	\$13,664.56	\$1,171	\$23,418	\$1,180.91
116	801	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$1,949	\$38,983	\$1,959.16
117	802	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
118	803	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,551	\$31,022	\$1,561.11
119	804	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$2,666	\$53,329	\$2,676.46
120	805	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
121	807	0.8392%	\$29,965.27	\$3,015.24	\$32,980.51	\$2,826	\$56,522	\$2,836.08
122	808	0.7785%	\$27,797.86	\$2,797.15	\$30,595.00	\$2,622	\$52,433	\$2,631.67
123	809	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$2,624	\$52,474	\$2,633.69
124	810	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
125	811	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
126	812	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,551	\$31,022	\$1,561.11
127	813	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$2,665	\$53,295	\$2,674.77
128	814	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
129	816	0.8398%	\$29,986.69	\$3,017.40	\$33,004.09	\$2,828	\$56,562	\$2,838.10
130	817	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$2,928	\$58,569	\$2,938.45
131	818	0.3483%	\$12,436.70	\$1,251.44	\$13,688.14	\$1,173	\$23,459	\$1,182.93
132	901	0.5794%	\$20,688.59	\$2,081.78	\$22,770.37	\$1,951	\$39,024	\$1,961.18
133	902	0.5373%	\$19,185.33	\$1,930.51	\$21,115.84	\$1,809	\$36,188	\$1,819.40
134	903	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,551	\$31,022	\$1,561.11
135	904	0.7918%	\$28,272.76	\$2,844.93	\$31,117.69	\$2,666	\$53,329	\$2,676.46
136	905	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
137	907	0.8392%	\$29,965.27	\$3,015.24	\$32,980.51	\$2,826	\$56,522	\$2,836.08
138	908	0.7785%	\$27,797.86	\$2,797.15	\$30,595.00	\$2,622	\$52,433	\$2,631.67
139	909	0.7791%	\$27,819.28	\$2,799.30	\$30,618.58	\$2,624	\$52,474	\$2,633.69
140	910	0.5698%	\$20,345.80	\$2,047.29	\$22,393.09	\$1,919	\$38,377	\$1,928.85
141	911	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
142	912	0.4606%	\$16,446.60	\$1,654.93	\$18,101.53	\$1,551	\$31,022	\$1,561.11
143	913	0.7913%	\$28,254.91	\$2,843.14	\$31,098.04	\$2,665	\$53,295	\$2,674.77
144	914	0.4079%	\$14,564.84	\$1,465.58	\$16,030.42	\$1,374	\$27,473	\$1,383.64
145	916	0.8430%	\$30,100.96	\$3,028.89	\$33,129.85	\$2,839	\$56,778	\$2,848.88
146	917	0.8696%	\$31,050.76	\$3,124.47	\$34,175.23	\$2,928	\$58,569	\$2,938.45
147	918	0.3477%	\$12,415.28	\$1,249.28	\$13,664.56	\$1,171	\$23,418	\$1,180.91
148	1001	0.5788%	\$20,667.17	\$2,079.62	\$22,746.79	\$1,949	\$38,983	\$1,959.16
149	1002	0.5368%	\$19,167.47	\$1,928.72	\$21,096.19	\$1,808	\$36,154	\$1,817.72
150	1003	0.4601%	\$16,428.75	\$1,653.13	\$18,081.88	\$1,549	\$30,989	\$1,559.43

151	1004	0.7918%	\$28,272.76	\$2,844.93	<b>\$31,117.69</b>	\$2,666	\$53,329	\$2,676.46
152	1005	0.4079%	\$14,564.84	\$1,465.58	<b>\$16,030.42</b>	\$1,374	\$27,473	\$1,383.64
153	1007	0.8430%	\$30,100.96	\$3,028.89	<b>\$33,129.85</b>	\$2,839	\$56,778	\$2,848.88
154	1008	0.5906%	\$21,088.51	\$2,122.02	<b>\$23,210.53</b>	\$1,989	\$39,778	\$1,998.90
155	1009	0.8312%	\$29,679.61	\$2,986.50	<b>\$32,666.11</b>	\$2,799	\$55,983	\$2,809.14
156	1010	0.5698%	\$20,345.80	\$2,047.29	<b>\$22,393.09</b>	\$1,919	\$38,377	\$1,928.85
157	1011	0.5368%	\$19,167.47	\$1,928.72	<b>\$21,096.19</b>	\$1,808	\$36,154	\$1,817.72
158	1012	0.4606%	\$16,446.60	\$1,654.93	<b>\$18,101.53</b>	\$1,551	\$31,022	\$1,561.11
159	1013	0.7918%	\$28,272.76	\$2,844.93	<b>\$31,117.69</b>	\$2,666	\$53,329	\$2,676.46
160	1014	0.4084%	\$14,582.69	\$1,467.38	<b>\$16,050.07</b>	\$1,375	\$27,506	\$1,385.32
161	1016	0.8430%	\$30,100.96	\$3,028.89	<b>\$33,129.85</b>	\$2,839	\$56,778	\$2,848.88
162	1017	0.8691%	\$31,032.91	\$3,122.67	<b>\$34,155.58</b>	\$2,927	\$58,535	\$2,936.77
163	1018	0.3477%	\$12,415.28	\$1,249.28	<b>\$13,664.56</b>	\$1,171	\$23,418	\$1,180.91

**GRAND TOTAL    100.0002%    \$3,570,700.00    \$359,300.00    \$3,930,000.00    \$336,759    \$6,735,187    \$338,389**

**EDAC Agenda Item #5**  
**Meeting of January 26, 2017**

**Brief Description**

Staff Report

**Transit**

***Green Line Extension (Southwest LRT)***

- On Monday, October 24, 2016 the city council approved an action to approve a subordinate funding agreement (SFA) for design work related to extending the storm sewer casings at various locations along the line, fencing upgrades, and paint color upgrades for retaining walls.
- On December 5, 2016, the Southwest Project Office hosted a Construction Contracting Open House at the Minnetonka Community Center. The focus of the event was to inform contractors and subcontractors about the projects, contracts, and construction timeline and how to participate in the bidding process. There were over 200 attendees at the event.
- On January 9, 2017, the city council finalized the final subordinate funding agreements for the locally funded projects.
- Updated Milestone Schedule as of 8/19/2016
  - FTA Approves Entry into Engineering – Nov 2016
  - Complete 100% Design Package for Civil Engineering – Dec 2016
  - Submit Full Funding Grant Agreement (FFGA) – Early 2017
  - Complete 100% Design Package for Systems – March 2017
  - Complete 100% Design Package for OMF – May 2017
  - FTA Approves FFGA – July 2017
  - Heavy Construction – 2017-2020
  - Revenue Service – 2021

***Metro Transit***

Community Development staff continued to meet with Metro Transit on a quarterly basis. Most of the time has been devoted to new development connections and preparing for the LRT opening. The contract with Metro Transit will be re-negotiated in 2017.

## Business Development

2016 was another successful year for the Open to Business program. There were a total of 33 clients served that were provided 157 hours of technical assistance hours. Types of services provided included: business feasibility, regulatory assistance, marketing, loan packaging and others. The majority of assistance went to businesses in the service industry, with some in the food and real estate industry as well. Specific types of businesses assisted included: restaurants, pet grooming, child care center, floral shop, and many others.

Below are a few client testimonials from Minnetonka Clients:

*Deep bows of gratitude for your candid comments and heavy dose of reality yesterday. I have a clear picture of what needs to happen next, and will begin gathering information and putting pen to paper - pronto.” - Minnetonka resident*

### **Businesses Now Open:**

- Ridgedale Mall
  - Claire’s
  - Lolli and Pops
  - JM Cremps’ Adventure Store

## Development Updates

### **Under Construction**

- Prestige Preschool, 14730 Excelsior Blvd
- Highland Bank Redevelopment, 1700 Plymouth Road
- Cherrywood Pointe, 2004 Plymouth Road
- Applewood Pointe, 12201 Minnetonka Boulevard
- Zvago, 14217 Stewart Lane
- At-Home Apartments, 5709 Rowland Rd
- Minnetonka High School Ice Arena, 18313 State Hwy 7

### **Under Review/Other**

PROJECT	DESCRIPTION	LOCATION	PLANS	STATUS
Tony's Addition	Two lot, R-1 subdivision	9597 Sandra Lane	<a href="http://tinyurl.com/TonysAdd">http://tinyurl.com/TonysAdd</a>	Under Review
Wilson Ridge 6th Addition	3-lot subdivision	4316/4328 Wilson Street	<a href="http://tinyurl.com/WilsonRidge6th">http://tinyurl.com/WilsonRidge6th</a>	Under Review

The Enclave at Regal Oaks	Rezoning and plat for 5-lot subdivision	3639 Shady Oak Road	<a href="http://tinyurl.com/EnclaveatRegalOak">http://tinyurl.com/EnclaveatRegalOak</a>	Under Review
Saville Replat	Five-lot, R-1 subdivision	Spring Lane and Tracy Lynn Terrace	<a href="http://eminnetonka.com/current-projects/planning-projects/1703-saville-west-2nd-addition">http://eminnetonka.com/current-projects/planning-projects/1703-saville-west-2nd-addition</a>	Under Review
Associated Bank	Sign Plan Amendment for two wall signs	6000 Clearwater Drive	<a href="http://tinyurl.com/AssociatedBanksign">http://tinyurl.com/AssociatedBanksign</a>	Under Review
Plekkenpol Builders	Expansion Permit for second story addition	3153 Lake Shore Blvd	<a href="http://tinyurl.com/3153LakeShore">http://tinyurl.com/3153LakeShore</a>	Under Review
Public Works Bldg	CUP and SBP for storage building	11522 Minnetonka Blvd	<a href="http://eminnetonka.com/current-projects/planning-projects/1678-minnetonka-public-works-cold-storage-building-11522-minnetonka-blvd">http://eminnetonka.com/current-projects/planning-projects/1678-minnetonka-public-works-cold-storage-building-11522-minnetonka-blvd</a>	Under Review
Shadow Investments	Two lot, R-1 subdivision	3900 Cottage Lane	<a href="http://tinyurl.com/ShadowInv">http://tinyurl.com/ShadowInv</a>	Under Review
BTR Voyager	Variance for display of two wall signs on one building face	10653 Wayzata Blvd	<a href="http://tinyurl.com/BTRVoyager">http://tinyurl.com/BTRVoyager</a>	Under Review
Odom Health and Wellness	CUP amendment for expansion of existing medical office	10653 Wayzata Blvd	<a href="http://tinyurl.com/10653WayzataBlvd">http://tinyurl.com/10653WayzataBlvd</a>	Under Review
Linner Road Estates	Preliminary and final plat for a 4-lot, R-1 subdivision	1911 and 1935 Linner Road	<a href="http://tinyurl.com/LinnerRdEstates">http://tinyurl.com/LinnerRdEstates</a>	Under Review
Solar Ordinance	Add setback requirements for groundmounted solar arrays.	City Wide	<a href="#">N/A</a>	N/A
Telecommunication Ordinance	Update ordinance as it pertains to use of ROW	City Wide	<a href="#">N/A</a>	N/A
Crest Ridge Senior Housing	Items concerning a senior rental building	10955 Wayzata Blvd	<a href="http://tinyurl.com/CrestRidgeSH">http://tinyurl.com/CrestRidgeSH</a>	Waiting for grading permit application
Woodlands at Linner	Preliminary plat with lot width at ROW variance	1555 Linner Road	<a href="http://tinyurl.com/WoodlandsLinner">http://tinyurl.com/WoodlandsLinner</a>	Waiting for final plat application



	to divide the existing property into 5 lots			
Mesaba Capital	Concept Plan for senior living facility	17710 & 17724 Old Excelsior Blvd	<a href="http://eminnetonka.com/current-projects/planning-projects/1685-mesaba-capital-17710-old-excelsior-blvd">http://eminnetonka.com/current-projects/planning-projects/1685-mesaba-capital-17710-old-excelsior-blvd</a>	Waiting for formal application
Lecesse	Multiple items for construction of a 322-unit apartment building	10101 Bren Road East	<a href="http://tinyurl.com/lecresse">http://tinyurl.com/lecresse</a>	Waiting for grading permit application
Unmapped Brewing	CUP for a microbrewery and taproom	14625 Excelsior Blvd	<a href="http://tinyurl.com/UnmappedBrewing">http://tinyurl.com/UnmappedBrewing</a>	Building Permit Under Review
Mayfair at Copperfield	Preliminary plat for a 3-lot subdivision	14700 Copperfield Place	<a href="http://tinyurl.com/mayfair-copperfield">http://tinyurl.com/mayfair-copperfield</a>	Waiting for final plat application
Williston Water Tower	Concept Plan for construction of a telecommunications tower	Williston water tower site	<a href="http://tinyurl.com/willistonmono">http://tinyurl.com/willistonmono</a>	Waiting for CUP application
Tonkawoods Farms	Preliminary plat with lot width at setback variances for a 3-lot subdivision	15014 Highwood Drive	<a href="http://tinyurl.com/tonkawd-farms">http://tinyurl.com/tonkawd-farms</a>	Waiting for final plat application
Eldorado Villas	Multiple items for construction of three townhomes	11901 Minnetonka Blvd	<a href="http://tinyurl.com/eldorado-mtka">http://tinyurl.com/eldorado-mtka</a>	Waiting for final plat application
Ridgedale Corner Shoppes	Multiple items for redevelopment of the existing TCF bank site.	1801 Plymouth Road	<a href="http://tinyurl.com/ridgedale-TCF">http://tinyurl.com/ridgedale-TCF</a>	Grading Permit Issued
Williston Woods West	Proposed 5-lot subdivision	5431/5439 Williston Road	<a href="http://eminnetonka.com/current-projects/planning-projects/1412-williston-woods-west">http://eminnetonka.com/current-projects/planning-projects/1412-williston-woods-west</a>	Grading Permit Under Review
Shady Oak Road Redevelopment	Redevelopment of city's owned parcel	4312 Shady Oak Road	<a href="http://eminnetonka.com/current-projects/planning-projects/1490-shady-oak-rd-redevelopment">http://eminnetonka.com/current-projects/planning-projects/1490-shady-oak-rd-redevelopment</a>	Under Review - routed to staff 12/13/16
Highview Place	Rezoning and plat for 9-lot R-1A subdivision	4301 Highview Place	<a href="http://eminnetonka.com/current-projects/planning-projects/1465-highview-place">http://eminnetonka.com/current-projects/planning-projects/1465-highview-place</a>	Waiting for grading permit application

## **Housing**

### ***HOME Line Funding Update***

Following the October 27 EDAC non-profit funding meeting, Beth Kodluboy, Executive Director of HOME Line reached out to staff apologizing for missing the meeting. Beth communicated that her calendar appointments for that week had been accidentally deleted from her calendar. Beth sent a letter to the council members to request reconsideration of funding for HOME Line. The council took into consideration Beth's circumstance for missing the meeting at the City Council Study Session on November 21, and granted HOME Line approximately \$4,100 to be included in the budget through the general fund. HOME Line was previously funded through the development fund. The 2017 budget will be finalized on December 5.

### ***Small Projects Program***

All of the 2016 funds have been committed to 25 approved homeowners and several of the projects are still underway. HUD requires that a minimum percentage of the city's total CDBG funds be spent by May and we are on track to meet that goal by the end of December. The application window will open again in the spring of 2017 and will be advertised in the Minnetonka Memo and on the city website.

### ***Minnetonka Home Enhancement and Welcome to Minnetonka***

City staff continues to receive pre-applications for both The Minnetonka Home Enhancement Loan program and the Welcome to Minnetonka. In 2016, there were four home enhancement loans issued and five down-payment loans issued. The fund balance is approximately \$45,000 for the two programs.

### ***Homes Within Reach***

Two additional Homes Within Reach properties have been acquired in Minnetonka in 2016, bringing the total number of properties in the city to 55. The properties are located at 2402 Ford Rd and 13823 Knollway Drive.

### ***Shady Oak Road Redevelopment***

At a special city council study session on November 21, the city council interviewed four development groups' concepts for the Shady Oak Road Redevelopment project. The council was pleased with the caliber of the developers and commented that they could work with any of the groups. Staff additionally requested a subcommittee of the EDAC to provide input. The city council ultimately selected Ron Clark Construction as its development partner. The city will now begin negotiations with Ron Clark on the sale of

the city owned property. If, for some reason, the city is unable to come to terms with the developer, the city has the option of selecting a new development partner.

Staff is anticipating that there related to the Shady Oak Road Redevelopment project will be brought forward to the EDAC for consideration.

### **Domus Development**

Domus Development is hosting a neighborhood meeting for consideration of a redevelopment project at 10400, 10500 and 10550 Bren Road East. The concept plan includes a 240 unit multifamily housing development with an affordability component. These properties are immediately south of the Opus station property.

### ***EDAC Commission Updates***

Kate Aanenson and Benita Bjorgo will not be seeking reappointment to the EDAC in 2018. Kate and Benita both served seven years on the board and were involved in several projects including:

- Annual review and recommendations for the Development Account, HRA Levy, and Livable Communities Account
- Establishment of the Open to Business Program
- Assisted in drafting the city's TIF, Tax Abatement, and TIF Pooling Policy
- Reviewed changes to the city's Tax Exempt Financing Policy
- Applewood Pointe
- At Home Apartments
- Cedar Ridge Condominiums' Housing Improvement Area
- Metro Transit Bus Service
- Reviewing and providing direction on the Economic Improvement Program (EIP)
- Housing Choice Market Study
- The Glen by St. Therese
- The Ridge
- Tonka on the Creek
- Ridgedale Mall Improvements
- Ridgedale Village Center Study
- Southwest Corridor Housing Strategy
- Southwest LRT
- Zvago in Glen Lake

Kate and Benita, on behalf of the city council, fellow EDAC members and the Minnetonka residents you represented over the years, thank you for your outstanding service to the city of Minnetonka!

Kate and Benita's last meeting will be on January 26. Staff is advertising the two commission openings for a member with a planning background and a member with a

finance background in the Minnetonka Memo. Please reach out to your contacts and encourage them to apply. The new members will be appointed by the mayor and confirmed by the city council. The mayor will also appoint a new chair following the January meeting.

### **Upcoming Events**

Friday, January 27	ULI – Build for the Future 7:00 a.m. to 8:30 a.m. Town and Country Club 300 N Mississippi River Blvd St. Paul, MN 55104
Wednesday, February 1	ULI – Encore Tour 3:45 p.m. to 5:15 p.m. 212 10th Avenue South Minneapolis, MN 55415
Wednesday, February 22	SLUC Luncheon Location TBD
Thursday, February 23	EDAC Meeting Council Chambers 6:00 p.m.

### **Attachments**

- 2017 Draft Work Plan

### **Originated by:**

Alisha Gray, Economic Development and Housing Manager  
Julie Wischnack, AICP, Community Development Director

**2017 EDAC Meetings**  
Updated January 1, 2017

<b>Meeting Date</b> Meetings at 6:00pm unless otherwise noted	<b>Item Description</b>	<b>Room/Special Notes</b>
Thursday, January 26	Regular EDAC Meeting	Council Chambers • Cloud 9 Condominiums - HIA
Thursday, February 23	Regular EDAC Meeting	Council Chambers • <i>2016 Annual Activity Report</i>
Thursday, March 16	Regular EDAC Meeting	Council Chambers • <i>2016-2020 EIP Introduction</i>
Thursday, April 27	Regular EDAC Meeting	Council Chambers • <i>Draft 2018-2022 EIP Review</i>
Thursday, May 25	Regular EDAC Meeting	Council Chambers • <i>2018-2022 EIP recommendation</i>
Thursday, June 29	Regular EDAC Meeting	Council Chambers • <i>2018 Budget and HRA Levy</i>
Thursday, July 27	Regular EDAC Meeting	Council Chambers • <i>2018 Budget and HRA Levy</i>
Thursday, August 3	Joint EDAC/Planning Commission	TBD
Thursday, August 17	Regular EDAC Meeting	Council Chambers
Thursday, October 19	Regular EDAC Meeting	Council Chambers • <i>2016 non-profit funding requests</i>
Thursday, December 7	Regular EDAC Meeting	Council Chambers

\*\*Note: This schedule is tentative and subject to change.

Other Potential Agenda Items

- Continuous updates: Southwest LRT, Community Works, Development Updates
- Shady Oak Road Redevelopment
- SWLRT Redevelopment
- Business Development Newsletter and Business Retention Visit Plan
- Metro Transit Cooperative Agreement