



**AGENDA**  
**CITY OF MINNETONKA**  
**ECONOMIC DEVELOPMENT ADVISORY COMMISSION**  
Thursday, July 25, 2019  
6:00 p.m.

Council Chambers  
Minnetonka Community Center

1. Call to Order

2. Roll Call

Charlie Yunker  
Jerry Knickerbocker  
Melissa Johnston  
Ann Duginske Cibulka

Jacob Johnson  
Jay Hromatka  
Lee Jacobsohn

3. Approval of May 8, 2019 minutes

**BUSINESS ITEMS**

4. The Kinsel at Glen Lake

*Recommendation: Review financing request and recommend approval*

5. Staff Report

6. Other Business

The joint commissioner tour will be held on **August 22, 2019 – Time TBD.**

The next regularly scheduled EDAC meeting will be held on **September 12 at 6:00 p.m.**

7. Adjourn

If you have questions about any of the agenda items, please contact:  
Alisha Gray, EDFP, 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**

**May 8, 2019  
6 p.m.**

**1. Call to Order**

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

**2. Roll Call**

EDAC commissioners present: Ann Duginski-Cibulka, Lee Jacobsohn, Jacob Johnson, Charlie Yunker, and Melissa Johnston were present. Jerry Knickerbocker and Jay Hromatka were absent.

Staff present: Community Development Director Julie Wischnack, Economic Development Housing Manager Alisha Gray, and Economic Development Coordinator Rob Hanson.

Councilmember present: Deb Calvert.

Financial consultant present: Stacie Kvilvang of Ehlers and Associates, Inc.

**3. Approval of March 14, 2019 Minutes**

Johnson motioned, Jacobsohn seconded a motion to recommend that the EDAC approve the minutes from the March 14, 2019 meeting as included in the agenda. Motion passed.

**4. 2020-2024 Economic Improvement Program**

Gray reported.

Jacobsohn asked if there is a purchase price limit for the Welcome to Minnetonka program. Gray responded that the purchase price limit is \$300,000.

Cibulka asked for more history on Homes Within Reach and why there is a fund balance for the organization. Gray explained that, due to the number of funding sources and staff capacity, the organization is typically on a two-year lag to spend the balance.

Johnson asked for the amount of demand on the loan programs. Hanson responded that the city typically provides three to four loans per year and that the city does meet the demand. Wischnack added that the fund balance could support potentially one to two years' worth of loans as it stands, but it is hard to predict if that demand would remain the same.

Jacobsohn suggested adjusting the sales-price restriction to \$350,000. He asked if the balance for the loan program is due to the 2018 changeover on the servicer of the loan.

Calvert explained that councilmembers would like more direction from the EDAC on the allocation of funding for Homes Within Reach and other programs since the council has many new members.

Chair Yunker asked commissioners if there is an appetite to raise the HRA levy at this time. Jacobson likes that idea but did not think that the demand is there yet to permanently increase the levy. Cibulka supports increasing marketing efforts.

Jacobsohn made a motion, Cibulka seconded the motion to approve the HRA levy as proposed in the EIP with the reallocation of \$125,000 from the HRA levy loan pool from the Welcome to Minnetonka and Minnetonka Home Enhancement Programs to be committed to Homes Within Reach in 2020. Cibulka, Jacobsohn, Johnson, Johnston, and Yunker voted yes. Hromatka and Knickerbocker were absent. Motion passed.

## 5. Affordable Housing Policy

Gray reported.

Cibulka asked for more clarification on which scenarios may warrant a waiver of the affordable unit requirements. Wischnack responded that extraordinary costs such as dealing with the existence of contamination, a high-water table, methane, etc. could be situations where this would apply.

Jacobsohn wanted clarification on how condominiums, townhomes, or other for-sale units would be required to comply with the policy. Gray explained that a covenant would be attached to the property and the city currently accomplishes this with unit indexing.

Jacobsohn suggested that payment-in-lieu be considered as an option commensurate with the cost of providing affordable housing. Wischnack responded that a payment-in-lieu would be investigated by staff at a later time.

Cibulka stated that a payment-in-lieu is a useful tool in development. The costs of development can make it difficult for a development to succeed.

Johnson asked how cities are currently providing a subsidy for affordable units. Cibulka and Wischnack stated that cities use several tools, including TIF, abatement, and land subsidy to provide support for projects.

Kvilvang explained that utilizing a payment-in-lieu can be flawed because the fee the developer pays does not cover the actual cost of the affordable unit.

Jacobsohn motioned, Johnston seconded a motion to approve the affordable housing policy as submitted. Jacobsohn, Johnson, Johnston, and Yunker voted yes. Cibulka voted no. Hromatka and Knickerbocker were absent. Motion passed.

## 6. Staff Report

Gray and Wischnack gave the staff report:

- Construction activities are scheduled to begin throughout the SWLRT corridor over the next few weeks.
- Bike trails along the SWLRT route will be closed for up to three years as a result of the project.
- Review of an application for Highcroft Meadows, a 15-unit, contentious subdivision was tabled at the last council meeting.
- Walser Nissan is adding an additional building to the property.
- Ridgedale is undergoing numerous development projects.
- Opus placemaking and design guidelines are being developed with help from a Hennepin County Grant.
- Peoplenet received \$1.6 million from state jobs development funds to support 250 new jobs.
- HWR received a \$110,000 grant from the Metropolitan Council to purchase homes in the west metro.

## 7. Other Business

The third Opus Launch development meeting is scheduled to be held May 14<sup>th</sup> at 5:30 p.m.

SLUC meets Wednesday, May 22<sup>nd</sup>, at 11:30 a.m. at Brookview in Golden Valley.

The next EDAC meeting is scheduled for May 23<sup>rd</sup> at 6 p.m.

## 8. Adjournment

Johnson moved, Jacobsohn seconded a motion to adjourn the meeting at 8:27 p.m. Motion passed unanimously.

**EDAC Agenda Item #4  
Meeting of July 25, 2019**

**Brief Description**                      The Kinsel at Glen Lake at 14317 Excelsior Blvd

**Recommendation**                      Review financing and provide a recommendation

**Background**

In August 2018, Ron Clark Construction submitted a concept plan for the redevelopment of the property at 14317 Excelsior Blvd. The plan contemplated removal of the existing single-family home and construction of a three-story, 60-unit market-rate apartment building.

On Dec. 17, 2018, the city council approved a comprehensive guide plan amendment, changing the property from commercial to mixed-use. On June 24, 2019, the city council voted to introduce the ordinance to continue review and consideration the formal proposal for the site. At that meeting, the city council did discuss the inclusion of affordable housing and requested staff work on the issue with the developer.

In July 2019, the developer formally submitted a plan for formal development review. The revised plan reduced the unit count to 58 units based upon feedback from residents and previous meetings.

The council will review the project again at its Aug. 26, 2019, meeting. Initially, the developer had submitted the proposal as a market-rate project but is requesting that the EDAC review potential proposals for including affordability in the project should the council prefer the addition of affordable units. The developer has expressed willingness to include affordable units in the project, and the attached letter from Ron Clark Construction details the request.

**Existing Affordability in Glen Lake (Multi-family)**

The Glen Lake area (see attached map) currently has 460 units of rental multi-family housing that is primarily comprised of senior housing (general senior, assisted living, memory care) constructed between 1980 and 2010. The exception is the Oaks Glen Lake property, built in 2008, which is comprised of 39 market-rate units and 13 units affordable at 60% AMI that are available as general occupancy units. If approved, the Kinsel would add 58 units of general occupancy units to the area. The chart below illustrates the current multi-family rental housing unit mix in the Glen Lake area:

<b>Multifamily Rental</b>					
<b>Property</b>	<b>Year Constructed</b>	<b>Total # of units</b>	<b>Affordable # @ 30%</b>	<b>Affordable # @ 50%</b>	<b>Affordable # @60%</b>
Oaks Glen Lake (General Occupancy) "The Exchange"	2008	52	0	0	13
Beacon Hill* (Senior) "Pres. Homes"	1994	152	0	0	62
Glen Lake Landing (Senior)	1980	97	97	0	0
The Glenn Minnetonka (Senior) "St. Therese"	2010	159	0	0	30
<b>TOTAL</b>		<b>460</b>	<b>97</b>	<b>0</b>	<b>105</b>
<b>For Sale Multifamily</b>					
<b>Property</b>	<b>Year Constructed</b>	<b>Total # of units</b>	<b>Estimated Market Value of units</b>		
Glen Lake Shores	1982	30	\$200,000 - \$250,000 (affordability approximately 80% AMI depending on unit size)		
Zvago	2017	54	\$200,000 - \$300,000 (Initial cooperative purchase allowed up front payment of 20%-95% of 40-year mortgage. There are additional monthly fees to cover building maintenance and operations)		
<b>TOTAL</b>		<b>84</b>			

\*Affordability through 12/31/2021

### Current Concept and Financing Request

The council recently adopted the Affordable Housing Policy on July 8, 2019. The policy provides guidance on the inclusion of affordability in new multifamily and attached for-sale housing projects. The Kinsel was submitted for review prior to the adoption of this policy; therefore this

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proposal is not technically required to follow the Affordable Housing Policy. However, staff has worked with the developer to find a way to provide some affordable units in this project.

Staff has reviewed the developer's pro\_forma and prepared general gap financing scenarios (illustrated in the chart below). Under the Affordable Housing Policy, the developer would be required to provide 5% of the units affordable at 50% AMI and 5% affordable at 60% AMI, without city assistance when requesting a zoning change or comprehensive plan amendment. Under this scenario, the project would have a financing gap of approximately \$532,000. The developer has indicated they could not absorb the cost of providing the affordable units under this scenario.

Staff is recommending that the developer include 10% of the units (a total of six units) at 80% AMI (one studio, four one-bedroom, and one-two-bedroom units). Under this scenario, rents would range from \$1,400-\$1,800, and a two-person household could earn up to \$64,000. The anticipated gap to provide the affordable units is estimated at \$209,600 or \$1,164 per unit/ per year. Previously approved multifamily housing, receiving city assistance, have per unit/per year assistance ranging from \$337 to \$3,968. Staff is proposing that the developer split the cost of providing the affordability, reducing the recommended city assistance to \$104,800 for 30 years of affordability (\$582 unit/per year). The anticipated funding sources for the assistance is through the Livable Communities Fund that has an uncommitted fund balance of \$300,000 of Economic Development Authority loan proceeds that were returned to the city following the sale of Minnetonka Heights and could be used for these purposes. This source of funding does not have the same affordability requirements as tax increment financing (which Minnetonka has used historically to fund affordable housing) and is available to assist this project.

**Kinsel Financing Scenarios (staff recommended scenario is 10% of units at 80% AMI)**

<b>Affordability Level</b>	<b>Number of Affordable Units</b>	<b>Number of Market Rate Units</b>	<b>Total Gap (for affordable units)</b>	<b>Years of Affordability</b>	<b>Assistance per Unit, per Year</b>	<b>Financing Option</b>
<b>20% of Units at 50% AMI</b>	12	46	\$1,631,000	30	\$4,530	TIF Pooling
<b>40% of Units at 60% AMI</b>	28	30	\$2,330,000	30	\$2,773	TIF Pooling
<b>5% of units at 50% AMI and 5% of Units at 60% AMI</b>	6	52	\$532,000	30	\$2,956	No Assistance Per Affordable Housing Policy
<b>10% of units at 80% AMI</b>	6	52	\$209,600 total \$104,800 (city) \$104,800 (developer)	30	\$1,164 total \$582 (city)	Livable Communities

**Project Schedule:**

Aug. 26, 2019 – City Council Meeting to review to approve or deny the proposal

**Recommendation**

Staff recommends the EDAC review the financing and recommend the inclusion of 10% of the units at 80% AMI with city assistance up to \$104,800. Staff would then prepare the development agreement and related documents for the city council.

Submitted through:

Julie Wischnack, AICP, Community Development Director



Originated by:

Alisha Gray, EDFP, Economic Development and Housing Manager

**Additional Information**

Memo from Stacie Kvilvang, Ehlers

Letter from Ron Clark Construction

Location Map

Concept Plan

Site Plans

Affordable Housing Policy

# Memo

**To:** Alisha Gray, Economic Development and Housing Manager  
**From:** Stacie Kvilvang, Ehlers  
**Cc:**  
**Date:** July 19, 2019  
**Subject:** Kinsel at Glen Lake Apartment Project

Ron Clark (the “Developer”) submitted a proposal to construct the above referenced 58-unit market rate project. Their submittal was prior to the approval of the updated inclusionary affordable housing policy that would require a minimum of 10% of the units be affordable a 50% and 60% (5% respectively) of the area median income (AMI).

The Developer has noted that providing that level of affordability would be a challenge due to the small size of the project. In order to accomplish this goal, they would require significant City, State, federal and other public financial assistance (typical funding for low income tax credit projects, similar to their Shady Oak Road project). Below is a table that shows income and rents at the various levels:

50% AMI			
<b>Income Limit by Household Size</b>		<b>Rent Limit by Unit Size</b>	
Household Size	Income Limit	Unit Size	Rent Limit
1	\$35,000	Studio	\$875
2	\$40,000	1	\$937
3	\$45,000	2	\$1,125

60% AMI			
<b>Income Limit by Household Size</b>		<b>Rent Limit by Unit Size</b>	
Household Size	Income Limit	Unit Size	Rent Limit
1	\$42,000	Studio	\$1,050
2	\$48,000	1	\$1,125
3	\$54,000	2	\$1,350

80% AMI			
<b>Income Limit by Household Size</b>		<b>Rent Limit by Unit Size</b>	
Household Size	Income Limit	Unit Size	Rent Limit
1	\$56,000	Studio	\$1,400
2	\$64,000	1	\$1,500
3	\$72,000	2	\$1,800

As noted, the 50% rents are approximately 38% less than 80% rents and 60% rents are approximately 25% less. On a project of this size, the loss in revenue due to affordable units at

50% and 60% of AMI, makes the overall funding difficult in that the Developer would be required to invest more equity than a standard market rate deal, of which they would get a much lower return than market. We concur that it would place an undue burden and that no developer would move forward with a project of this size if the deeper level of affordability is required. As a compromise, the Developer is agreeable to providing 10% of the units affordable at 80% of AMI, which will still require a minimal investment up front from the City (approximately \$100,000). This seems to be a reasonable request by the Developer and appropriate use of the City's dollars committed to affordable housing projects.

Please contact me at 651-697-8506 with any questions.

Ms. Alisha Gray  
Economic Development and Housing Manager  
City of Minnetonka

Dear Ms. Gray and Members of the Minnetonka Economic Development Advisory Commission:


Ron Clark Construction is in the approval process for The Kinsel at Glen Lake apartment, a 58-unit three-story building. There has been discussion at both the Concept review meetings and at the Planning Commission about the potential for including affordable units into this project. As we have stated during the process, on a small boutique apartment of this size it is more difficult and expensive to integrate affordable units into. The cost to include them on a project of this size is much higher per unit than it is when you have a larger complex which could more feasibly absorb the lower operating income from the affordable set asides. Projects that are primarily affordable use different funding resources that take time to assemble, have additional design and use restrictions and result in the ability to be sustainable with lower operating income.

As you know our firm very much believes in providing quality affordable housing and we have dedicated significant resources over the past decade to accomplish this including our latest endeavor, Shady Oak Crossing which will provide 67 affordable units for families at or below 60% Area Median Income (AMI) in Minnetonka. [For a two-person household this is an annual income of \$48,000.] We know there are limited resources available to support affordable housing creation and we do our best to be good stewards of these public resources. For comparison, Shady Oak Crossing's annual City subsidy need is \$601.50/unit to create and operate each affordable unit delivering units with rents affordable at 50% AMI. To create this similar affordable unit at the Kinsel it would take \$4,531/unit. The competitive financing resources assembled for Shady Oak Crossing including 9% low income tax credit units are not available for the Kinsel.

After continued discussion with city staff we are proposing 6 units that are affordable at 80% AMI. This income level is not currently being supported in the Glen Lake area and feel it would be a good addition to both our project and the neighborhood. The funding gap resulting from the addition of these 80% AMI affordable units is \$209,600 (\$1,164/unit/year). [For a two-person household this is an annual income of \$64,000.] We are requesting this assistance from the City and would like the support of the EDAC with this revised structure and funding request.

The Kinsel will be a great addition to the Glen Lake area creating new housing opportunities, additional tax base, and households within walking distance to support local businesses. The addition of the new residents will continue to add to the vitality and long-term viability of the neighborhood commercial core the City has created. We appreciate your consideration of our request and your support of this new addition to Glen Lake community.

Respectfully:

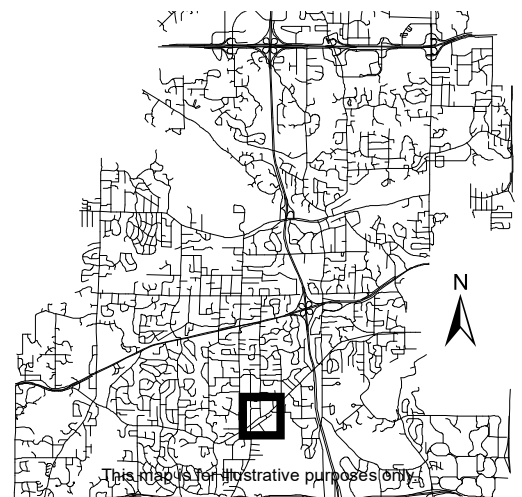
  
J. Michael Waldo  
CEO, Ron Clark Construction





### Location Map

Project: The Kinsel at Glen Lake  
Address: 14317 Excelsior Blvd



This map is for illustrative purposes only.





# SITE PLAN

SCALE: 1" = 30'

6.10.19



VIEW FROM EXCELSIOR BLVD.  
NO SCALE

6.10.19





VIEW FROM EXCELSIOR BLVD.  
NO SCALE

6.10.19





VIEW FROM STEWART LN.  
NO SCALE

6.11.19





VIEW FROM STEWART LN.  
NO SCALE

6.11.19



## WEST ELEVATION

SCALE: 3/64" = 1'-0"



## EAST ELEVATION

SCALE: 3/64" = 1'-0"

6.11.19





## WEST ELEVATION

SCALE: 3/64" = 1'-0"



## EAST ELEVATION

SCALE: 3/64" = 1'-0"

6.11.19





## NORTH ELEVATION

SCALE: 3/64" = 1'-0"



## SOUTH ELEVATION

SCALE: 3/64" = 1'-0"

6.11.19





## NORTH ELEVATION

SCALE: 3/64" = 1'-0"



## SOUTH ELEVATION

SCALE: 3/64" = 1'-0"

6.11.19

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**Policy Number 13.2  
Affordable Housing Policy**

**Purpose of Policy:** This policy establishes general procedures and requirements to govern the City’s commitment to affordable housing.

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**Introduction**

The City of Minnetonka has a long history of promoting diversity in the type and size of housing units in Minnetonka, including the production of new affordable rental and ownership opportunities.

This Policy recognizes the city’s commitment to provide affordable housing to households of a broad range of income levels in order to appeal to a diverse population and provide housing opportunities to those who live or work in the city. The goal of this policy is to ensure the continued commitment to a range of housing choices by requiring the inclusion of affordable housing for low and moderate-income households in new multifamily or for-sale developments.

The requirements in this policy further the Minnetonka Housing Action Plan and city’s Housing Goals and Strategies identified in the 2040 Comprehensive Plan.

**Applicability and Minimum Project Size**

This policy applies to all new multifamily rental developments with 10 or more dwelling units and all new for-sale common interest or attached community developments, (condominiums, townhomes, co-ops) with at least 10 dwelling units. This includes existing properties or mixed-use developments that add 10 or more units.

**Calculation of Units**

The number of Affordable Dwelling Units (ADUs) required shall be based on the total number of dwelling units approved by the city. If the final calculation includes a fraction, the fraction of a unit shall be rounded up to the nearest whole number.

If an occupied property with existing dwelling units is expanded by 10 or more units, the number of required ADUs shall be based on the total number of units following completion of expansion.

**Affordable Dwelling Unit (ADU)**

General Requirements.

For projects not requesting a zoning change and/or comprehensive plan amendment and not receiving city assistance.

- In multi-family rental developments, at least 5% of the units shall be affordable to and occupied by households with an income at or below 50% of

the AMI.

- In attached for-sale common interest or attached community developments (condominiums, townhomes, co-ops), at least 10% of the units shall be affordable to and occupied by households with an income at or below 80% AMI.

For projects requesting a zoning change or comprehensive plan amendment without city assistance.

- In multi-family rental developments, at least 10% of the units shall be affordable to and occupied by households with incomes at or below 60% AMI, with a minimum of 5% at 50% AMI.
- In attached for-sale common interest or attached community developments (condominiums townhomes, co-ops), at least 10% of the units shall be affordable to and occupied by households with an income at or below 80% AMI.

For projects receiving city assistance.

- For multi-family rental developments, at least 20% of the units shall be affordable to and occupied by households with an income at or below 50% of the AMI; or at least 40% of the units shall be affordable to and occupied by households with an income at or below 60% AMI.
- In attached for-sale common interest or attached community developments (condominiums, townhomes, co-ops), at least 10% of the units shall be affordable to and occupied by households with an income at or below 80% AMI.

### **Calculation of AMI**

For purposes of this policy, Area Median Income means the Area Median Income for the Twin Cities metropolitan area calculated annually by the Minnesota Housing Finance Agency for establishing rent limits for the Housing Tax Credit Program (multi-family ADU) and the Department of Housing and Urban Development (attached for-sale common interest or attached community developments, including: condominiums, townhomes, co-ops).

### **Rent Level Calculation (Multi- Family Rental Developments)**

The monthly rental price for an ADU receiving city assistance shall include rent and utility costs and shall be based on fifty percent (50%) or sixty percent (60%) for the metropolitan area that includes Minnetonka adjusted for bedroom size and calculated annually by Minnesota Housing Financing Agency for establishing rent limits for the Housing Tax Credit Program. This does not apply to units not receiving city assistance.



**For Sale Projects**

The qualifying sale price for an owner-occupied dwelling unit shall include property taxes, homeowner's insurance, principal payment and interest, private mortgage insurance, monthly ground lease, association dues, and shall be based upon eighty (80%) AMI for the metropolitan area that includes Minnetonka adjusted for bedroom size and calculated annually by the Department of Housing and Urban Development.

**Period of Affordability**

In developments subject to this policy, the period of affordability for the ADUs shall be thirty (30) years.

**Location, Standards, and Integration of ADUs**

Distribution of affordable housing units. Unless otherwise specifically authorized by this policy, the ADUs shall be integrated within the development and distributed throughout the building(s). The ADUs shall be incorporated into the overall project unless expressly allowed to be located in a separate building or a different location approved by the city council.

Number of bedrooms in the affordable units. The ADUs shall have a number of bedrooms proportional to the market rate units. The mix of unit types shall be approved by the city.

Size and Design of ADUs. The size and design of ADUs shall be consistent and comparable with the market rate units in the rest of the project.

Exterior/Interior Appearance of ADUs. The exterior/interior materials and design of the ADUs in any development subject to these regulations shall be indistinguishable in style and quality with the market rate units in the development.

**Non-Discrimination Based on Rent Subsidies**

Developments covered by this policy must not discriminate against tenants who would pay their rent with federal, state or local public assistance, including tenant based federal, state or local subsidies, but not limited to rental assistance, rent supplements, and Housing Choice Vouchers.

**Alternatives to On-Site Development of an ADU**

The city recognizes that it may not be economically feasible or practical in all circumstances to provide ADUs in all development projects due to site constraints resulting in extraordinary costs of development. The city reserves the right to waive this policy if the developer requests a waiver and can provide evidence of extraordinary costs prohibiting the inclusion of ADUs. The city will review on a case-by-case basis to determine if the waiver is justifiable and granted.

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**Recorded Agreements, Conditions and Restrictions**

A declaration of restrictive covenants shall be executed between the city, EDA and developer, in a form approved by the city's EDA attorney, which formally sets forth development approval and requirements to achieve affordable housing in accordance with this policy. The declaration shall identify:

- The location, number, type, and size of affordable units to be constructed;
- Sales and/or rental terms; occupancy requirements;
- A timetable for completion of the units; and
- Annual Tenant income and rent reporting requirements; and
- Restrictions to be placed on the units to ensure their affordability and any terms contained in the approval resolution by the city/EDA.

The applicant or owner shall execute all documents deemed necessary by the city manager, including, without limitation, restrictive covenants and other related instruments, to ensure affordability of the affordable housing unit within this policy.

The documents described above shall be recorded in the Hennepin County as appropriate.

**Definitions**

**Affordable Dwelling Unit:** A unit within a residential project subject to this policy that shall meet the income eligibility and rent affordability standards outlined in this policy.

**Financial Assistance:** Funds derived from the city or EDA, including but is not limited to fund from the following sources:

- City of Minnetonka
- Housing Redevelopment Authority (HRA) Funds
- Economic Development Authority (EDA) Funds
- Community Development Block Grant (CDBG)
- Reinvestment Assistant Program
- Revenue Bonds and/or Conduit Bonds
- Tax increment financing (TIF), TIF pooling, or tax abatement
- Land write downs
- Other government housing development sources

Adopted by Resolution 2019-060  
Council Meeting of July 8, 2019

**EDAC Agenda Item #5  
Meeting of July 25, 2019**

**Brief Description**

Staff Report

**Transit Updates**

*Green Line Extension (Southwest LRT)*

Construction updates:

Corridor wide:

- Field surveying
- Installation of construction site fencing
- Erosion control
- Utility relocations
- Clearing and grubbing, including tree removal

Minnetonka

- Demolition of building at Feltl Rd/Smetana Rd completed
- Staff outreach at Opus 2, Phase condo association on July 16
- Fencing along Bren Road West and TH 62
- Tree clearing and soil excavation along Bren Road West and TH 62
- Opus Business Outreach through July

Construction updates are available online at

<https://metro council.org/Transportation/Projects/Light-Rail-Projects/Southwest-LRT/Construction.aspx> or to sign up to receive construction updates every Friday, please visit [www.swlrt.org](http://www.swlrt.org)

*Metro Transit*

- Community Development staff continue to meet with Metro Transit quarterly. Most of the time has been devoted to new development connections and preparing for the LRT opening.
- In May, Met Council Transportation Committee voted to eliminate Route 614 due to continued low ridership. Since its implementation, Route 614 has consistently averaged below five riders per in-service hour, 32 rides per weekday and less than two rides per trip. The route had a subsidy of \$24 per passenger (the highest subsidy and lowest productivity route operated by Metro Transit. The last day of service will be Friday, August 16. Transit Link will be available to current riders as an alternative mode of transportation.

**Development Updates**

<b>Project</b>	<b>Description</b>	<b>Location</b>	<b>Plans</b>
Pollinator Ordinance	require pollinator-friendly plantings	city-wide	<a href="#">NA</a>
Conifer Heights	6-lot subdivision	5615 Conifer Tr / 5616 Mahoney Ave	<a href="#">Conifer Heights</a>
The Kinsel at Glen Lake	Apartment building	14317 Excelsior Blvd	<a href="#">The Kinsel at Glen Lake</a>
Bird Song	13-lot subdivision	5410 Oakland Rd	<a href="#">Bird Song</a>
Woodhaven Villas	Concept Plan	Concept plan for 11-unit villa project	<a href="#">not yet posted</a>
Shady Oak Crossing	Apartment building	4312 Shady Oak Rd	<a href="#">Shady Oak Crossing</a>
Highcroft Meadows	12-unit detached townhome development	14410 Orchard Rd	<a href="#">Highcroft Meadows</a>
Villas of Glen Lake	Multiple items for a five lot townhome development	5517/5525 Eden Prairie Rd	<a href="https://tinyurl.com/5517edenprairierd">https://tinyurl.com/5517edenprairierd</a>
The Luxe (Ridgedale Executive Apts)	Apartment building	12501 Ridgedale Drive	<a href="#">Ridgedale Executive Apts</a>
Avidor (Ridgedale Active Adult Apts - Trammel Crow)	Apartment building	12421 Wayzata Blvd	<a href="#">Ridgedale Active Adults Apts</a>
Solbekken Villas	Condo buildings	5740/5750 Shady Oak Rd	<a href="https://tinyurl.com/5740ShadyOakRd">https://tinyurl.com/5740ShadyOakRd</a>

Minnetonka Hills Apts	Apartment building	2828 & 2800 Jordan Ave	<a href="http://tinyurl.com/MtkaHillsApts2nd">http://tinyurl.com/MtkaHillsApts2nd</a>
RiZe at Opus	Apartment building	10101 Bren Road East	<a href="http://tinyurl.com/lecesse">http://tinyurl.com/lecesse</a>

## Redevelopment Updates

### *Opus Area Placemaking and Design Guidelines*

<https://eminnetonka.com/current-projects/planning-projects/2136-opus-public-space-study>

The Opus placemaking & urban design study will guide the transformation of the Opus area public into a cohesive mixed-use community positioned for future needs and enhance the area's identity. This effort will also reflect the areas agriculture & business park history to serve as a catalyst for building community and creating an environment supportive of development opportunities.

The consultant team is currently reviewing several existing studies and background material related to the Opus area, including transportation, SWLRT, development projects, sustainability, existing utilities, and other relevant documents. They are also collecting on the ground assessments, including desire paths, building front door locations, plant communities, and additional important project information. City staff is working with the consultants to determine dates, times, and types of public outreach & engagement opportunities. These opportunities may include in-person interviews, a survey, temporary pilot installations, and site activations. The purpose of the outreach & engagement effort is to determine how people currently use the space, how they want to be able to use the space and their values and preferences for a future community park within the area.

## Business Development Updates

### *Business Marketing Materials*

Staff is preparing information for the summer issue of Thrive Minnetonka that is expected to be published in July. There are currently 238 businesses that have signed up through the online portal to receive updates and issues.

Staff is currently working with communications on a business-focused brochure of the city. The brochures will be used for business attraction and retention efforts and promoting city business resources.

### *Thrive*

The Summer 2019 edition of the [Thrive Minnetonka](#) is now available online! This issue includes:

- CareerForce resources to assist with hiring
- Information about the Job Skills Partnership program

- A business spotlight on Sweet Jules Gifts
- Free resources to promote commuting
- And more!

[Thrive Minnetonka](#) is distributed to every business in Minnetonka bi-annually to share news, updates, helpful resources, and success stories with Minnetonka's business community.

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## Housing Updates

### *Center for Energy and Environment*

The Welcome to Minnetonka and Minnetonka Home Enhancement Programs are now administered through the Center for Energy and Environment. Minnetonka residents can apply online at [www.mnlendingcenter.org](http://www.mnlendingcenter.org) or call 612-335-5884 to receive a paper application.

There are currently nine loans in process and four loans issued in the first quarter of 2019!

### *CDBG*

Hennepin County continues to manage the home rehabilitation program on behalf of the city. The county began accepting applications in July 2018, and as of January two loans have been approved, and two applications are in process. There are currently 80+ residents on the waitlist.

The county has notified the city that the anticipated allocation for 2019 is \$131,750. This is a 17% increase from the direct allocation of 2018.

## Upcoming Meetings/Events

Thursday, Aug .22	Joint EDAC/PC/CC Tour Location TBD
Thursday, Sept. 12	EDAC Meeting City Council Chambers - 6:00 p.m.
Thursday, Sept. 24	Urban Land Institute Navigating Your Competitive Future Brooklyn Center, MN Details TBD

Originated by:  
Alisha Gray, EDFP, Economic Development and Housing Manager

Attachments:

*Thrive* - Summer 2019



## HIRING?

### CareerForce can help

CareerForce - formerly Minnesota WorkForce Center - assists employers to attract, hire and retain qualified workers. Through on-site hiring events, panel discussions and presentations for job seekers, recruiters can promote job openings, share industry trends and improve hiring practices.



Services provided by CareerForce include:

- Assistance with **MinnesotaWorks.net**, the state's largest free job posting resource.
- Matching recruiter needs with hiring events in a variety of industries.
- Networking groups to connect with career seekers.
- Informational sessions to help businesses thrive, including labor market information.
- Quarterly panel discussions and networking events to connect health care employers with potential hires.

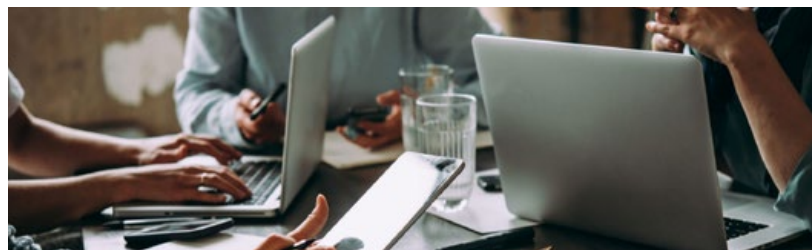
Visit **CareerForceMN.com** for more information about all CareerForce offers to local businesses. Contact Gina Meixner ([gina.meixner@state.mn.us](mailto:gina.meixner@state.mn.us)) or Stephen Kolcinski ([stephen.kolcinski@state.mn.us](mailto:stephen.kolcinski@state.mn.us)) with questions or to learn more.

## Job Skills Partnership provides path to high-level training

Cybersecurity is an increasingly crucial challenge for businesses in the digital age. A subsidiary of Minnetonka-based UnitedHealth Group (UHG) recognized a growing demand for trained cybersecurity professionals, and they've taken a huge step toward meeting this important need thanks to a partnership with Metropolitan State University and a generous grant.

UHG's subsidiary is collaborating with Metro State on a program that will certify 50 employees in detecting, responding to and resolving computer security incidents. And this tremendous teamwork recently received a huge assist from a Minnesota Department of Employment and Economic Development program.

The Minnesota Job Skills Partnership program, which pairs businesses and educational institutions to train, retrain and expand opportunities, selected the UHG-Metro State partnership to receive a \$161,779 grant to cover the cost of developing the program and certifying 50 employees. Early returns are exceedingly positive and both hope to continue the partnership even after grant funds have been exhausted.



## Could this help your business?

Does your business have a need for new or additional training or certification? Consider following this blueprint! Metro State is eager to discuss similar partnerships with Minnetonka businesses. Also, the state's partnership program is open to any business to partner with any accredited Minnesota educational institution.

The City of Minnetonka is also here to help. Contact Rob Hanson at [rhanson@eminnetonka.com](mailto:rhanson@eminnetonka.com) or 952-939-8234 to learn more about the program, explore funding options or connect with an institution.



# Sweet Jules Gifts

Minnetonka businesses thrive in a variety of ways - from huge, global companies to small, independent operations. One recent success story is a proud family partnership that has found its "sweet spot" in Minnetonka.

Sisters Jule Vranian and Hope Klocker come from a family filled with exceptional culinary talent. That acumen inspired and fuels their business - Sweet Jules - which shares their family's delicious hand-made caramels and candies with the masses. The company now calls Minnetonka home, as Sweet Jules Gifts opened in 2017 after selling online and in others' stores since 2009.

"We chose Minnetonka because Jule lives [here]," Klocker said. "[We] love the positive community and the friendly people."

A fun family tradition of holiday caramels is now their work and passion, on full display in their Minnetonka storefront four days a week. Vranian and Klocker personally hand-make each batch of fresh caramels, made with all-natural ingredients highlighted by organic Minnesota cream and butter.



"Sweet Jules Caramels are the product of many years of testing, family critiquing, loving encouragement and high expectations," touts the company's website.

Sweet Jules offers a variety of specialty caramel flavors, including classic vanilla bean, Jules of Paris, Café Italiano, Fleur de Sel, Beer and Pretzel, Scilian Orange and Bananas Foster. There's also a boxed set of Pub Crawl Caramels, which includes flavors from Minnesota Breweries. Vranian's favorite is Jules of Paris, while Klocker leans toward Café Italiano.

The Minnetonka store also sells cookies and pastries. Currently about 70 percent of sales are online, with 30 percent in-store. Holiday seasons are their busy times, with Christmas orders typically sold out by Dec. 7.

"Customers tell us they enjoy shopping at our store because it's a small food business they feel good about supporting," Klocker said. "They love to learn about the things we make with fresh and unique ingredients."

Though success has been sweet, all small businesses face challenges. The sisters said staffing and equipment purchasing and maintenance are three they routinely face, as all current employees were found by word of mouth. Sweet Jules plans to work with the city to identify resources that will assist their continued growth.

Regardless of how Sweet Jules evolves, it's certain they'll continue to provide mouth-watering caramels that meet their family's sky-high criteria.

"Our standards are so high," Klocker said. "Nothing gets put out but the best."

## Sweet Jules Gifts

10902 Greenbrier Road  
952-545-0019

[sweetjulesgifts.com](http://sweetjulesgifts.com)

Open Wednesday to Friday  
from 10 a.m. to 5 p.m.,  
and Saturday from  
9 a.m. to 3 p.m.

The Thrive Minnetonka business spotlight showcases local businesses to foster a sense of pride in our thriving business community. For consideration, email Rob Hanson at [rhanson@eminnetonka.com](mailto:rhanson@eminnetonka.com). Include basic information, why you chose Minnetonka and how your business positively impacts the community.

# Emerald Ash Borer found in Minnetonka

City foresters have confirmed that two trees along Minnetonka's southeast border are infested with Emerald Ash Borer (EAB).

## EAB Management

The City of Minnetonka has been preparing for the arrival of EAB since 2010. As part of those preparations, the city has taken several important steps, including:

- The removal of approximately 1,500 ash trees from city property and the right-of-way
- Planting 850 new trees utilizing a wide variety of tree species
- Preventative treatment of 170 ash trees on city property

## Next Steps

Minnetonka's natural resources division will work to limit the spread of EAB and scout for other infested trees throughout the summer.

The city is developing a program to specifically educate businesses with ash tree management and will share details soon. Visit [eminnetonka.com/thrive](http://eminnetonka.com/thrive) and subscribe for email or text updates.

## More Information & FAQs

Visit [eminnetonka.com/eab](http://eminnetonka.com/eab) for answers to frequently asked questions about the signs and symptoms of EAB, what you can do to help mitigate the problem, and more.



# Construction begins on Southwest Light Rail

Construction is under way on the Southwest Light Rail Transit (SWLRT) project, which will extend the METRO Green Line to connect Minnetonka to Minneapolis, St. Paul, St. Louis Park, Hopkins and Eden Prairie.

The line is expected to open in 2023 with one station in Minnetonka and two just outside the city's borders.



Businesses will continue to see the following construction activity along the line:

- Removal of trees, vegetation, roots, shrubs and stumps; soil excavation; erosion control
- Fence installation and material delivery
- Surveying and staking
- Locating utilities and removal or relocation by utility companies

Portions of trails in Minneapolis, St. Louis Park and Hopkins are closed for up to four years.

## Stay informed

Metropolitan Council manages this project. Visit [SWLRT.org](http://SWLRT.org) to sign up for weekly construction updates and learn more. Call the project's 24-hour hotline, 612-373-3933, to report urgent construction issues.

# Free resources to promote commuting

Is your business looking to improve its sustainability and impact on the environment? Contact Commuter Services for free resources to encourage employees to commute sustainably, including carpool ride matching, personalized transit itineraries (and two free ride passes), bike trail maps and tips for biking to work.

Commuter Services can also host commuter fairs at worksites, provide a starter bicycle rack at no cost, help enroll in discounted transit pass programs, provide commute information for new hires and much more.

Learn more at [494corridor.org](http://494corridor.org) or contact Kate Meredith at [Kate@494corridor.org](mailto:Kate@494corridor.org) or 952-405-9425.





## Summer 2019

A business publication from the City of Minnetonka to help businesses start, grow and thrive.

### City Council

- Brad Wiersum  
*Mayor*
- Deb Calvert  
*At-Large*
- Susan Carter  
*At-Large*
- Bob Ellingson  
*Ward 1*
- Rebecca Schack  
*Ward 2*
- Mike Happe  
*Ward 3*
- Tim Bergstedt  
*Ward 4*

### Economic Development Advisory Commission

- Charlie Yunker, *Chair*
- Melissa Johnston, *Vice Chair*
- Ann Duginske Cibulka
- Jay Hromatka
- Lee Jacobsohn
- Jacob Johnson
- Jerry Knickerbocker
- Alisha Gray  
*Staff Liaison*
- Deb Calvert  
*Council Liaison*
- Tim Bergstedt  
*Alternate Council Liaison*

### Contact us

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- Environmental Health.....952-939-8272
- Assessing.....952-939-8220
- Engineering.....952-939-8206



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## A closer look at Minnetonka



**53,394** people live in Minnetonka, a seven percent increase since 2010.



Minnetonka has **2,400** businesses with more than **46,000** employees. Since 2010, Minnetonka employment has increased by 4.5 percent.



**68** percent of residents have a college degree.



Minnetonka's median household income is **\$83,500**.



Only **2.6** percent of Minnetonka residents are unemployed.

- Finance and Insurance **15%**
- Retail and Trade **13%**
- Health Care and Social Assistance **10%**
- Manufacturing **9%**
- Professional and Technical Services **7%**
- Management of Companies and Enterprises **7%**
- Accommodation and Food Services **6%**
- Administrative and Waste Services **5%**
- Educational Services **5%**
- Information **5%**
- Wholesale Trade **5%**
- Real Estate and Rental and Leasing **4%**



- Other Services, Ex. Public Adm. **3%**
- Construction **3%**
- Arts, Entertainment and Recreation **1%**
- Public Administration **1%**