



Agenda
Minnetonka Economic Development Authority
Monday, January 25, 2021
Following the regular meeting
WebEx

1. Call to Order
2. Roll Call: Coakley-Kirk-Schack-Carter-Calvert-Schaeppi-Wiersum
3. Approval of Agenda
4. Approval of Minutes:
 - A. December 21, 2020 EDA minutes
5. Business Items:
 - A. Emergency Rental Housing Assistance

Recommendation: Approve the agreement with Intercongregation Communities Association (ICA) (4 votes)
6. Adjourn

Minutes
Minnetonka Economic Development Authority
Monday, December 21, 2020

1. Call to Order

Wiersum called the meeting to order at 9:14 p.m.

2. Roll Call

Commissioners Deb Calvert, Bradley Schaeppi, Kissy Coakley, Brian Kirk, Rebecca Schack, and President Brad Wiersum were present.

Commissioner Susan Carter was excused from the meeting.

3. Approval of Agenda

Barone noted that the addenda included an amendment to the staff recommendation for Item 5A.

Schack moved, Calvert seconded a motion to accept the agenda as amended by the addenda.

All voted "yes." Motion carried.

4. Approval of Minutes:

A. December 7, 2020 EDA meeting

Calvert moved, Kirk seconded a motion to accept the minutes, as presented.

All voted "yes." Motion carried.

5. Business Items:

A. Items related to a multi-family residential development by Dominion, at 11001 Bren Road East

Wischnack stated this item was on the preceding regular City Council agenda, and explained why the applicant is requesting an extension.

Calvert noted the agenda packet stated the Tax Increment Financing (TIF) district in which this project is located was not certified by Hennepin County, and asked what financial impact this has on the city. Wischnack indicated this does not affect the city's bottom line, and explained what it means for the developer to receive a "pay as you go" note in relation to TIF financing. She stated the TIF process is still ongoing for this district, but the developer has not taken issue with its progress.

Schack moved, Calvert seconded a motion to adopt EDA Res. 2020-009 and EDA Res. 2020-010.

All voted “yes.” Motion carried.

6. Adjournment

Kirk moved, Calvert seconded a motion to adjourn the meeting at 9:23 p.m.

All voted “yes.” Motion carried.

Respectfully submitted,

Kyle Salage
Elections Specialist

**EDA Agenda Item #5A
Meeting of Jan. 25, 2021**

Brief Description	Emergency Rental Housing Assistance
Recommendation	Approve the agreement with Intercongregation Communities Association (ICA)

Background

On April 20, 2020, the city council approved a temporary Affordable Housing Trust Fund and authorized \$150,000 in funding for a temporary rental housing assistance program to prevent the displacement of households impacted by COVID-19. The city partnered with ICA to distribute the funds to Minnetonka Households. To date, ICA has distributed \$105,860 of the Minnetonka funds to 75 households needing assistance. In 2020, there were 45 Minnetonka households that received \$151,462 in rental, utility, and mortgage assistance through other COVID-19 relief programs.

Emergency Rental Assistance 2021

On Nov. 23, 2020, the city council adopted an ordinance establishing a permanent Affordable Housing Trust Fund. The city council also approved an additional \$50,000 in HRA funding for emergency rental assistance in 2021. Staff is proposing that the city council allocate \$25,000 of the approved \$50,000 to ICA to continue emergency rental assistance through June 30, 2021. Staff will monitor spend down and provide an update to the city council if the funds are expended prior to June 30.

Staff is anticipating additional federal relief will be provided in 2021, but the details of the proposed funding are not yet finalized.

Recommendation

Approve the agreement with Intercongregation Communities Association (ICA)

Submitted through:

Geraldyn Barone, City Manager
Julie Wischnack, AICP, Community Development Director
Darin Nelson, Finance Director

Originated by:

Alisha Gray, EDFP, Economic Development and Housing Manager

Attachment

Agreement for Professional Services

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement is made as of _____, 2021 between the Economic Development Authority in and for the City of Minnetonka, 14600 Minnetonka Boulevard, Minnetonka, Minnesota 55345 ("EDA") and Intercongregation Communities Association, Inc. ("Consultant") whose business address is 12990 St. David Road, Minnetonka, Minnesota 55305.

The purpose of this agreement is to set forth terms and conditions for the provision of certain services by the Consultant for the EDA.

The EDA and the Consultant agree as follows:

1. **Consultant's Services.** The Consultant agrees to provide professional services consisting of administration and oversight of an Emergency Rental Housing Assistance Program (the "Program") as described in Exhibits A and B, attached and made a part of this Agreement ("the Work"). If there is any conflict between the language of this document and the language of Exhibit A, the language of this document prevails.
2. **Project Manager and Staffing.** The Consultant has designated its Executive Director as the Consultant's point of contact regarding this Agreement. He will oversee and supervise other staff members as necessary to facilitate the completion of the Work in accordance with the terms of this Agreement. The Consultant may not remove or replace the designated point of contact without the EDA's prior approval.
3. **Time for Performance of Services.** The Consultant must perform the Work by June 30, 2021 or within such other time period as the parties may agree to in writing. If Consultant is delayed in performance due to any cause beyond its reasonable control, such as strikes, riots, fires, acts of God, governmental actions, actions of a third party, or actions or inactions of EDA, the time for performance will be extended by the period of time lost by reason of the delay.
4. **Program Funds.** Within 14 days after execution of this Agreement, EDA will pay Consultant the sum of \$25,000 (the "Program Funds") through the Affordable Housing Trust Fund established by the City of Minnetonka and administered by the EDA, which funds must be used exclusively for providing temporary rental assistance to Minnetonka residents in accordance with the Program guidelines. EDA has the right, in its sole discretion, to terminate the Program at any time and to notify Consultant in writing of the Program termination. The EDA may make the termination of the Program effective immediately, and Consultant may not process any new applications after the effective date of Program termination but may continue to process payments for applications approved prior to the effective date of Program termination. The EDA's notice of termination of the Program will operate as termination of this Agreement as provided in section 11 of this Agreement. Within 14 days after termination of the Agreement based upon this section 4, Consultant must return any remaining Program Funds that have not been allocated to an approved application.
5. **Reports.** Consultant must maintain records of the receipt and expenditures of all Program Funds; such records are to be maintained in accordance with Community Development Block Grant requirements. Consultant shall provide monthly reports to EDA regarding the number of applications received in the preceding month, the number of applications

approved, the identities of applicants on behalf of whom payments were made from Program Funds, the amounts paid on behalf of each approved applicant, and the remaining balance of uncommitted Program Funds.

6. **Compensation for Services.** EDA agrees to pay the Consultant at a rate of \$25 per staff hour to review and process applications received from Minnetonka residents for the Program, up to a maximum of \$825. The hourly rate paid is inclusive of all out-of-pocket or overhead costs that Consultant may incur, including but not limited to postage and copies, and Consultant is solely responsible for all overhead and out-of-pocket expenses incurred in connection with the performance of this Agreement.
7. **Method of Payment.** The Consultant must submit itemized invoices for services provided to the EDA on a monthly basis, unless otherwise provided in the attached Exhibit A. Consultant is encouraged, but not required, to submit invoices electronically by emailing a copy of the invoice and any supporting documentation, in a PDF format, to payables@minnetonkamn.gov. Invoices submitted will be paid in the same manner as other claims made to the EDA. Consultant may request that the EDA make electronic (ACH) payments to Consultant, by contacting the EDA's accounts payable officer. For work reimbursed on an hourly basis, the Consultant must indicate for each employee, his or her name, job title, the number of hours worked, rate of pay, a computation of amounts due for each employee, and the total amount due. By making the claim for payment, the Consultant declares that the account, claim or demand is just and correct and that no part of it has been paid.
8. **Audit Disclosure.** Under Minn. Stat. § 16C.05, subd. 5, the Consultant's books, records, documents, and accounting procedures and practices relevant to this Agreement, including books and records of any approved subcontractors, are subject to examination by the EDA and/or the State Auditor or Legislative Auditor, as appropriate for a minimum of six years after the termination of this Agreement.
9. **Document Ownership.** All finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant will become the property of the EDA upon termination of this Agreement, but Consultant may retain copies of such documents as records of the services provided. Except to the extent that Minnesota Statutes Chapter 466 limits the EDA's liability, the EDA agrees to defend and indemnify the Consultant for any claims or losses resulting from the EDA's use of the documents in a manner not approved by the Consultant or not contemplated by the parties at the time of the preparation.
10. **Term.** The initial term of this Agreement is from January __, 2021 through June 30, 2021, the date of signature by the parties notwithstanding. At the EDA's sole discretion, the EDA may extend the term of this Agreement for an additional six month term ending December 31, 2021 by providing notice of the extension to Consultant and an additional contribution of \$25,000 (for a total of \$50,000) in Program Funds under paragraph 4. In the event of an extension, the maximum compensation under paragraph 6 shall be increased by \$825 (for a total of \$1,650), but all other terms and conditions of this Agreement will remain unchanged. This Agreement may be further extended upon the written mutual consent of the parties for such additional period as they deem appropriate, and upon the terms and conditions as stated in this Agreement.

11. **Termination.** This Agreement may be terminated by either party by seven days' advance written notice delivered to the other party at the address written above. Upon termination under this provision if there is no fault of the Consultant, the Consultant will be paid for services rendered until the effective date of termination. If however, the EDA terminates the Agreement because the Consultant has failed to perform in accordance with this Agreement, no further payment will be made to the Consultant, and the EDA may retain another Consultant to undertake or complete the Work.
12. **Subcontractor.** The Consultant may not enter into subcontracts for services provided in this Agreement except as noted in Exhibit A, without the express written consent of the EDA. The Consultant agrees to pay any subcontractor within ten days of the Consultant's receipt of payment from the EDA for undisputed services provided by the subcontractor. The Consultant must pay interest of 1.5% per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For any unpaid balance of less than \$100, the Consultant must pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from the Consultant must be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action. This paragraph is inserted in this Agreement pursuant to Minn. Stat. §471.425, Subd. 4a.
13. **Independent Contractor.** At all times and for all purposes under this Agreement, the Consultant is an independent contractor and not an employee of the EDA. No statement in this Agreement may be construed to find the Consultant an employee of the EDA.
14. **Assignment.** Neither party may assign this Agreement without the written consent of the other party.
15. **Services Outside Contract.** The EDA will not honor claims for services furnished by the Consultant unless this Agreement specifically provides for those services.
16. **Worker's Compensation.** This paragraph is inserted in this Agreement pursuant to Minn. Stat. § 176.182. Consultant certifies that Consultant is in compliance with Minn. Stat. chapter 176, pertaining to workers' compensation insurance coverage. Prior to executing this Agreement, Consultant agrees to provide EDA with evidence of Consultant's compliance with the workers' compensation insurance coverage required by Minn. Stat. §176.181, subd. 2, in the form of either a certificate of insurance or written order of the Commissioner of Commerce permitting self-insurance ("Evidence of Insurance"). Consultant warrants that it will maintain the required workers' compensation insurance coverage at all times during the performance of this Agreement and that the Evidence of Insurance provided to the EDA is current and in force and effect.
17. **Severability.** The provisions of this Agreement are severable. If any portion is held by a court of competent jurisdiction to be contrary to law, that decision will not affect the remaining provisions of the Agreement.
18. **Entire Agreement.** The entire agreement of the parties is contained in this Agreement. This Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter of this Agreement as well as any previous agreements

presently in effect between the parties relating to the same subject matter. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement will be valid only when expressed in writing and signed by the parties, unless otherwise provided in this Agreement.

19. **Compliance with Laws and Regulations.** In providing services under this Agreement, the Consultant must abide by all statutes, ordinances, rules, and regulations pertaining to the provision of services to be provided. Any violation constitutes a material breach of this Agreement and entitles the EDA to immediately terminate this Agreement.
20. **Government Data.** Contractor acknowledges that, to the extent this Agreement requires Contractor to perform a government function, all of the data created, collected, received, stored, used, maintained or disseminated by Contractor in performing government functions is subject to the requirements of the Minnesota Government Data Practices Act (Minn. Stat. ch. 13, the "MGDPA"), and that Contractor must comply with the MGDPA as if Contractor were a government entity, including the remedies in Minn. Stat. §13.08. Contractor agrees to promptly notify EDA of any request for data that Contractor receives related to this Agreement.
21. **Equal Opportunity.** During the performance of this contract, the Consultant must not discriminate against any employee or applicant for employment, or participant in a program provided under this Agreement, by reason of any characteristic or classification protected by state or federal law. The Consultant must post in places available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause and stating that all qualified applicants will receive consideration for employment. The Consultant must incorporate the foregoing requirements of this paragraph in all of its subcontracts for program work, and will require all of its subcontractors for such work to incorporate such requirements in all subcontracts for program work.
22. **Waiver.** Any waiver by either party of a breach of any provisions of this Agreement will not affect, in any respect, the validity of the remainder of this Agreement.
23. **Governing Law.** This Agreement will be controlled by the laws of the State of Minnesota, without regard to conflict of law provisions.
24. **Disputes.** In an effort to resolve any conflicts that arise during or following the completion of the services described in this Agreement, the dispute will first be submitted to non-binding mediation unless the parties mutually agree otherwise. The cost of mediation will be shared equally by the parties. If the parties are unable to resolve the dispute through mediation, the parties may pursue all remedies available under law.

[remainder of this page left blank intentionally]

Signature Page – EDA

ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF MINNETONKA:

By: _____
Geraldyn Barone, Executive Director

APPROVED AS TO FORM AND LEGALITY:
Corrine A. Heine, City Attorney (2021)
14600 Minnetonka Boulevard
Minnetonka, MN 55345

Signature Page - Consultant

INTERCONGREGATION COMMUNITIES ASSOCIATION, INC.

By: _____

Daniel Narr

Its: Executive Director

Exhibit A

Description of work: Consultant will administer the Minnetonka Emergency Rental Assistance Program as detailed in the Program Guidelines attached as Exhibit B. The parties acknowledge that, outside the scope of this Agreement, Consultant separately administers programs that provide funds for residents of the city of Minnetonka. Consultant agrees that Program Funds may not be used to substitute, replace or diminish the funds provided to Minnetonka residents through those separate programs; it is the intent of this Agreement that Program Funds are to be an additional source of financial assistance for Minnetonka resident above and beyond what would otherwise be available from any other programs that Consultant may administer.

Consultant must maintain records of the receipt and expenditures of all Program Funds; such records are to be maintained in accordance with Community Development Block Grant requirements. ICA shall provide monthly reporting to the City of Minnetonka with information on the clients served and the fund balance.

Exhibit B – Minnetonka Emergency Rental Assistance Program Guidelines



Minnetonka Emergency Rental Assistance Program Guidelines (For households impacted by COVID-19)

Purpose

The Minnetonka City Council approved temporary funding to establish an emergency rental housing assistance program for Minnetonka residents. The purpose of the program is to prevent the displacement of households impacted by COVID-19.

The emergency funds will be distributed by [Intercongregation Communities Association \(ICA\)](#), a local organization that has partnered with the city for more than 15 years to provide food shelf services, employment and emergency rent assistance to Minnetonka residents.

Eligibility

Minnetonka residents earning up to 120 percent of the area median income may apply for assistance.

- Eligible household income limits* include:
 - One person: up to \$84,000
 - Two people: up to \$96,000
 - Three people: up to \$108,000
 - Four people: up to \$120,000

** 2019 Hennepin County Housing and Urban Development income limits*

- Qualified households may receive a one-time payment of up to \$1,500 to assist with rent and utility expenses.
- Households must provide evidence of financial hardship related to COVID-19. Examples include medical bills, bank statements, letters of job termination or late rent notices.
- Households must provide evidence of job loss or lost wages due to COVID-19.
- Households must provide evidence of an application for unemployment benefits and/or emergency assistance through Hennepin County.
- Before receiving consideration for this program, households currently receiving ongoing housing assistance, such as Section 8, or public housing assistance must first be denied assistance or rent reduction from the existing program.

Ineligible Applicants

Assistance will not be provided to households that:

- Do not meet eligibility requirements.
- Have previously received Minnetonka Emergency Rental Assistance Program funds from the city.

Application and Review Process

Emergency Rental Housing Assistance application information will be available on the City of Minnetonka website at minnetonkamn.gov/coronavirus, and applications will be distributed by ICA.

ICA case management staff and volunteers will assist residents requesting emergency assistance via email or phone. In some instances, ICA case managers will complete intake questionnaires over the phone to determine resident eligibility.

During the application process, ICA's case management staff will:

- Request documentation from applicants that support the request for emergency rental housing assistance due to COVID-19 related impacts.
- Contact applicants to discuss current household budgets for rent, healthcare, transportation, food, utilities and more.
- Assist families with prioritizing budgets and provide information on other available resources.
- Help households determine how much assistance is necessary to ensure the current or following month's rent is paid.

Rental assistance is provided directly to the landlord/property manager.

How to apply?

Contact ICA to learn more about the program and apply for assistance.

- General Questions: 952-938-0729