

## AGENDA

### MINNETONKA ECONOMIC DEVELOPMENT AUTHORITY

Tuesday, September 16, 2003  
6:00 PM

Gray's Bay Room  
Minnetonka Community Center, Upper Level

1. Call to Order.
2. Roll Call:            Paula Chatterjee                            Peter St. Peter  
                              Dan Duffy                                        Ken Tauer  
                              Dave Larson                                        Al Thomas  
                              Bunny Robinson                                    Bob Walker
3. Approve minutes of June 10, 2003 EDA meeting.
4. Staff Report.

### BUSINESS ITEMS

5. CommonBond funding request for Crown Ridge Advantage Center.  
  
Action recommended is to approve the request.
6. Resolution approving a redevelopment plan and a housing development plan for the Minnetonka Boulevard/101 housing development and redevelopment project.  
  
Action recommended is to adopt the resolution.
7. Other Business.  
  
The next regular EDA meetings are: Tuesday, October 14  
(All meetings start at 6:00 PM)      Tuesday, November 18
8. Adjourn.

**MINNETONKA ECONOMIC DEVELOPMENT AUTHORITY  
MEETING MINUTES**

**June 10, 2003  
6:00 P.M.**

**\*\*Gray's Bay Room\*\*  
Minnetonka Community Center, Upper Level**

(The EDA toured the Public Works facility and Marketplace Lofts in downtown Hopkins before returning to discuss the remaining business items).

**1. CALL TO ORDER**

EDA President Peter St. Peter called the meeting to order at 8:00 p.m.

**2. ROLL CALL**

EDA Commissioners present: Paula Chatterjee, Dan Duffy, Dave Larson, Bunny Robinson, Peter St. Peter, Ken Tauer, and Al Thomas.

EDA Commissioners absent: Bob Walker.

Staff present: Ron Rankin and Elise Souders.

Others present: Resident Winnie White Scherber.

**3. APPROVE MINUTES**

Larson moved, Thomas seconded a motion to approve the minutes of the May 13, 2003 EDA meeting. All voted "yes." Motion passed.

**4. STAFF REPORT**

Souders reviewed the staff report items, including Minnetonka Boulevard/County Road 101, the Southwest Rail Study, Dial-a-Ride, Crown Ridge, and upcoming events and meetings.

There was discussion on what the outcome of the Southwest Rail Study would be and how current policy makers may focus more on funding for highways than transit. Duffy, who is a member of the study's Policy Advisory Committee, stated even if the work done now is not used immediately, it would be helpful in the future.

Tauer asked if the ridership numbers shown for Dial-a-Ride were considered to be good. Souders replied the morning and afternoon rush hour times are always booked, but the middle of the day times are slower. Thomas inquired about how the service is being advertised. Discussion followed on possible ways to advertise Dial-a-Ride and how to connect up with services in Wayzata.

Several EDA Commissioners said they did not want Crown Ridge to have a negative reputation and they would still like to support the positive things that are happening there. Robinson asked what the average rents are. Staff responded they would find out this information and get back to the EDA at the next meeting.

During the tour, the EDA Commissioners discussed how the electronic packet worked this month. Some noted they could not receive it because it was too large for their inbox. Rankin mentioned there are requests from the public to place the agenda and minutes on the web. Commissioners said this could be a way to receive their packets and they could then print out the information they desired.

Commissioners also discussed what times would work to tour Clover Ridge in Chaska, since the August meeting date would not work with Chaska staff. Staff said they would try for either July 22<sup>nd</sup> or July 29<sup>th</sup> and get back to Commissioners on the exact date.

## **BUSINESS ITEMS**

### **5. RESIDENTIAL OVER OFFICE/RETAIL DISCUSSION FOLLOW-UP: TOUR MARKETPLACE LOFTS IN HOPKINS**

Prior to reconvening at the Community Center, the EDA Commissioners toured Marketplace Lofts in Hopkins. Colleen Carey of the Cornerstone Group met on site with the Commissioners and briefed the group about how the project is going before touring the inside of the building.

### **6. DISCUSSION REGARDING PROACTIVE APPROACHES TO DEVELOPMENT**

Rankin gave the background and said there were two ways to approach redevelopment, either through a traditional, proactive approach or through a passive, reactive approach. In addition, there is also the involvement of the community through visioning sessions or other ways to gather public input on how redevelopment should occur. Rankin said this discussion was to see what the initial reactions to proactive redevelopment are, and if there is interest then staff can arrange to have guest speakers come in and talk to the EDA.

St. Peter asked how the Parkers Lake Condominium project fits into these approaches to redevelopment. Rankin explained the Parkers Lake Road

Condominium proposal for those not familiar with it and said that this site was one of the few isolated places for higher density. Discussion followed on where other potential sites for redevelopment could occur.

Tauer said he would be in favor of the City taking a more proactive approach if it was not so controversial. He said he felt that lately with new redevelopment projects, things seem to be getting more intense. Rankin said the controversy will always be there, but the education and community input seem to be important too. He gave the example of St. Louis Park and their community visioning sessions for the Excelsior and Grand project.

Duffy said there were two key points. The first is workforce housing—the need for it in the community and how to educate the public on the issue. The second point, he said, is density and helping people understand the benefits it can have in the community. Duffy gave the example of The Sanctuary and how people believe there is too much density for the project, even though it is relatively low compared to other projects.

Scherber said one of the arguments with The Sanctuary is that it was originally discussed to be guided medium density; however, it was actually guided low density, and now the developer is coming back asking to reguide it to medium density. Tauer thought this project was a good application of reguiding, and he said not every neighborhood will be happy with change. Larson said similar issues were heard at Glen Lake.

Thomas said density and traffic are always two issues that will be brought up. He said he was in favor at looking at some of the approaches to proactive redevelopment. Thomas said in addition to looking at redevelopment opportunities for affordable housing that commercial redevelopment should also be looked at.

Discussion followed on redevelopment for housing and for commercial purposes.

Robinson said that she would lean towards looking at residential redevelopment rather than commercial because of the need for affordable housing and the already large base of commercial in Minnetonka. She said that although residential should be the focus, it does not mean that commercial should not be looked at.

Robinson talked about what happened in Golden Valley with one redevelopment project, and how they did not get the commercial businesses that they wanted. St. Peter added that Golden Valley staff said they did not do enough on the development agreement to control it. Tauer said the prices of rents also limit what retail can go into where.

St. Peter agreed both housing and commercial redevelopment should be looked at, as well as mixed uses. Thomas agreed that Minnetonka cannot be just a community of housing, but that it needs to continue to have commercial uses as well.

Duffy said the Minnetonka Boulevard and County Road 101 intersection would be the best place to have a residential over retail development, incorporating a style that fits with the area. He thought there also needs to be a change in mindset about densities.

Rankin said staff would bring to the EDA more resources on redevelopment and find out what is happening in other cities. Robinson said it would be good to find out about how other communities are educating their citizens on density and how Minnetonka can do this.

## **7. OTHER BUSINESS**

The July 8<sup>th</sup> EDA meeting has been cancelled, and the next regularly scheduled meeting is Tuesday, August 12<sup>th</sup>. Staff said they would work on scheduling the Clover Ridge tour and notify all EDA Commissioners of the date.

## **8. ADJOURN**

Robinson motioned, Larson seconded a motion to adjourn the meeting. All voted "yes." Motion passed. The meeting adjourned at 9:10 p.m.



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TO: EDA Commissioners

FROM: Ron Rankin, Community Development Director  
Elise Souders, Community Development Coordinator

DATE: September 8, 2003

SUBJECT: Staff Report for September 16 meeting

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### **1. Minnetonka Boulevard/County Road 101**

With the City Council approval of the preliminary layout for the reconstruction of County Road 101 occurring back in April, Hennepin County and their consultant have moved forward and are now designing the right-of-way and roadway plans. With these final plans, all access points for the businesses at the Minnetonka Boulevard and County Road 101 intersection will need to be finalized. This mainly affects the Northeast and Southeast businesses, as the Northwest and Southwest business accesses are okay as they are now. Staff and our consultant, Hoisington Kogler Group, met with the Northeast and Southeast businesses on Wednesday, September 10<sup>th</sup> to plan where the accesses should be and discuss how parking will work with these new accesses. A follow-up meeting is set for September 24. Once the access points are confirmed and cross-access agreements are drafted, then landscaping and streetscaping will be discussed later this fall. Staff will provide an update of the Business Association meetings at the EDA meeting.

### **2. WHAHLT**

Over the summer, WHAHLT has acquired three new properties. Two of the properties are in Minnetonka, and one is in New Hope. This now brings their total to twelve properties: ten in Minnetonka, one in Richfield, and one in New Hope. WHAHLT also continues to work with Eden Prairie and Wayzata to expand their efforts.

### **3. Dial-a-Ride**

Dial-a-Ride completed its first full year of operation in July. Ridership throughout the first year increased and is now holding steady. The morning and evening peak times are normally booked every day, and group rides continue to be the focus in the mid-afternoon hours. Dial-a-Ride staff are continually looking at ways to improve their ridership through marketing efforts. Efforts this fall include creating a new flyer for

apartments and businesses, adding a brochure to the City’s new homeowner packets, submitting an article to the Block Club newsletter published by the Police Department, and having a booth at the City’s Open House in October. Second year ridership numbers are:

<u>Month</u>	<u>Service Days</u>	<u>Total Rides</u>	<u>Average Daily Ridership</u>
July 2003	22	700	31.81

#### **4. Southwest Rail Study**

Hennepin County staff reported the recommendations of the Policy Advisory Committee to the HCRRRA Commissioners at their July 22<sup>nd</sup> meeting as information with no formal actions being taken. Since the July 22<sup>nd</sup> meeting, Hennepin County staff has been presenting the findings of the study to the City Councils of the involved cities. The Minnetonka City Council was presented the study findings at their August 25<sup>th</sup> meeting. Also, one of the Policy Advisory Committee recommendations was to revise the 169/212 alignment that had been originally proposed. It was felt that a modified alignment could be prepared to better serve downtown Hopkins, Opus, and the Golden Triangle areas. The study to revise this alignment is set to begin, and a technical workgroup will start meeting on September 17.

#### **5. Proposed Developments**

The City Council took up the Meadowwoods and The Sanctuary development proposals at their August 11<sup>th</sup> meeting. Both items were tabled and are to be reviewed again at the September 15<sup>th</sup> Council meeting. Staff will provide an update at the EDA meeting on September 16<sup>th</sup>.

#### **Upcoming Meetings/Events**

Wednesday, September 24—Sensible Land Use Coalition Program  
 “Summit on Civic Leadership”  
 7:15 AM—11:30 AM  
 DoubleTree Park Place (St. Louis Park)

Tuesday, October 7—City-wide Open House  
 5:00 PM—8:00 PM

Tuesday, October 14—Regular EDA Meeting  
 6:00 PM  
 Gray’s Bay Room

Wednesday, October 22—Sensible Land Use Coalition Program  
 “Impact Fees”  
 11:15 AM—2:00 PM  
 DoubleTree Park Place (St. Louis Park)

## Attachments

- Sensible Land Use Coalition September 24<sup>th</sup> program information
- “Compact Development for More Livable Communities” from the Local Government Commission
- *Livable Places Update*, August 2003
- “Median Price of Twin Cities homes tops \$200,000” By: Neal Gendler  
*Star Tribune* July 16, 2003

## Upcoming EDA Meetings

Updated September 8, 2003

<b>Meeting Date</b> All meetings at 6pm unless otherwise noted	<b>Item Description</b>	<b>Room/Special Notes</b>
Tuesday, September 16	Regular EDA Meeting	Gray's Bay Room <ul style="list-style-type: none"><li>• Crown Ridge Funding</li><li>• 5/101 Redevelopment Plan</li></ul>
Tuesday, October 14	Regular EDA Meeting	Gray's Bay Room
Tuesday, November 18 <i>(Please note the date)</i>	Regular EDA Meeting	Gray's Bay Room
Tuesday, December 9	Regular EDA Meeting	Gray's Bay Room



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TO: EDA Commissioners

THROUGH: Ron Rankin, Community Development Director

FROM: Elise Souders, Community Development Coordinator

DATE: September 9, 2003

SUBJECT: CommonBond funding request for Crown Ridge Advantage Center

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## **Background**

Crown Ridge is a 64-unit apartment building located in the West Ridge Market development, just west of County Road 73 and north of I-394. Of the 64 units, 46 are affordable and Section 8 certificates and vouchers are also accepted. Crown Ridge has one, two, and three bedroom units with rents ranging from \$750 to \$1250.

In order to provide social service programs to those families who may not be able to normally access such services, the EDA recommended and the City Council approved in 2001 funding to help provide social service programs at both Crown Ridge and Minnetonka Heights. Since then, the Ridgedale YMCA has been sponsoring the program at Minnetonka Heights, while CommonBond has set up their Advantage Center program at Crown Ridge. Both programs established an on-site center to host the services and both have also hired coordinators to organize the programs. In addition to the City funds provided in 2001 at the onset of these programs, funding from Hennepin County and other private sources were also provided.

## **Crown Ridge Advantage Center**

After receiving funds, CommonBond, who owns and operates Crown Ridge, established their Advantage Center program, similar to what is at other CommonBond properties. The Advantage Center at Crown Ridge is staffed 32 hours per week by a coordinator who is in charge of arranging programming for adults and children. The majority of the programming is provided on-site in the Advantage Center Room. The Advantage Center Room includes tables, a kitchen, two computers, and office space for the coordinator.

There have been concerns in the past about the size of the Advantage Center. Because the space is not always large enough for all programs, some off-site locations, such as Oberlin Park, Oak Knoll Church, and the West Ridge Pavilion have also been utilized. In addition to using other space, the coordinator has revised her programming to make sure that the specific group for the program is small enough to use the current Advantage Center space. To try and relieve the space problem, it was suggested that a one-bedroom apartment could be converted to give extra space; however, CommonBond said that was not a feasible option.

The Advantage Center has established three goals that have provided the basis for their programming in 2002-2003:

- Work in partnership with residents to create a safe, peaceful community.
- Improve academic achievement for youth.
- Increase economic self-sufficiency in adults.

#### *Work in partnership with residents to create a safe, peaceful community*

The Resident Association began in July 2002 and has been meeting monthly since then. Activities coordinated by the Resident Council have included such events as: National Night Out, ice cream socials, open houses, and community potlucks. With the recent interest in the Resident Association and increased attendance, meetings are now being held at the West Ridge Pavilion to accommodate all of those interested in attending.

Crime watch has been another targeted program at Crown Ridge. One resident has attended the Crime-Free Multi Housing program, which is the neighborhood watch program for apartment complexes. Monitoring of the building and individual floors by residents, and reporting to management, has also recently been implemented.

#### *Improve Academic Achievement of Youth*

The Study Buddies academic mentoring program was one of the focuses for youth programming during the 2002-2003 school year, and continues to be a focus for 2003-2004. The Study Buddies program meets twice per week and provides one-on-one mentoring between students and the adult volunteer mentors. This year, the Advantage Center coordinator and Hopkins schools are working together for a more collaborated effort for not only the Study Buddies program, but also other academic programming.

While the Study Buddies program focuses on academic achievement for elementary school aged children, there are also hours set aside in the Advantage Center Room for teenagers. During these hours the internet-accessible computers are available for research and writing papers, along with the other resources on hand in the Advantage Center.

This past summer academic achievement remained a goal. Summer school was a priority this summer and thirteen students attended the entire session. Two students also attended ESL classes for the entire summer, and one youth was enrolled in the gifted student program. In addition, at the end of August, Hopkins school officials hosted a student registration evening on-site to prepare for the school year. Beyond academics, over the summer, trips to the library were made via Dial-a-Ride, sports nights in partnership with Oak Knoll Church were arranged, two youth attended summer camp, and "Just Kid-ing Around" an activities program was also held.

### *Increase Economic Self-Sufficiency in Adults*

While the major focus of the Advantage Center is on youth, programs are also geared for adults. The Advantage Center has set aside "open hours" a time that allows adults to access the Advantage Center Room and its resources, including the coordinator who helps to connect residents to community resources.

Career Advantage, a new program for adults, has also just been implemented this fall. Career Advantage is an on-site program, which will provide one-on-one assistance to help residents develop job skills and to help find and keep jobs.

### **Funding Request**

The request by CommonBond is for \$10,000 for continued support of the Advantage Center. On page four of the May 5, 2003 attached letter, a breakdown of projected revenue and expenses can be found. Other revenue sources include HUD resident service fees, intercompany funds which are the development and management fees allocated by CommonBond, and the SCIP grant from the Hopkins School District. Currently, Crown Ridge has only received half of the SCIP grant that they expected to receive this past spring; however, they will be requesting the remaining funds in the 2003 fall grant cycle. Even with these revenue sources, there will still be a \$24,600 gap in funding. Therefore, CommonBond is requesting \$10,000 from the city and is expecting to cover the remaining \$14,600 through other fundraising efforts.

### **Recommendation**

With the recent turnover in Crown Ridge staff over the past nine months, staff has had several concerns about the management of the building. Concerns have included cleanliness, the number of vacancies, and the frequency of calls to the police. However, with a new manager living on-site, and the continued commitment to create a positive environment at Crown Ridge by the Advantage Center Coordinator, there have been a number of positive changes that have occurred in the past three months. Staff recommends the EDA approve the \$10,000 funding request for continued support of the Crown Ridge Advantage Center.



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TO: EDA Commissioners

FROM: Ron Rankin, Community Development Director

DATE: September 12, 2003

SUBJECT: Resolution approving a redevelopment plan and a housing development plan for the Minnetonka Boulevard/101 housing development and redevelopment project

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## **Background**

As Commissioners know, the city has been working to include affordable housing in The Sanctuary development proposed at the northeast quadrant of Minnetonka Boulevard and County Road 101. A proposal for twenty-three owner-occupied townhouse units, including nineteen market-rate units and four affordable 3-bedroom units, is scheduled for City Council consideration on September 15, 2003.

Staff has worked to identify sources of funds that could be used to write-down the cost of the affordable units from the development cost to the city of \$178,000 to an affordable re-sale price of \$120,000. It is planned that the affordable homes will be conveyed to qualifying households by the West Hennepin Affordable Housing Land Trust (WHAHLT). Because the Minnetonka Boulevard and County Road 101 area has very good transit service, the affordable homes qualify for a grant program offered by Hennepin County to assist transit-oriented development. Staff applied for these funds, and preliminary approval has been received from Hennepin County.

Under the program, the area where the funds are to be spent needs to be in a redevelopment and housing development project set up by the EDA and City Council. If approved by the EDA, as now requested by staff, the City Council will hold a public hearing and take action. The Planning Commission will also need to make a finding that the redevelopment and housing development project is consistent with the Comprehensive Plan for the city.

## **Redevelopment Plan**

The enclosed redevelopment plan includes only the three parcels that make up The Sanctuary development property (please see the enclosed plan and map). As noted above, the primary purpose of creating the redevelopment and housing development project is to help provide funding for the affordable homes to be included in The Sanctuary development.

Approving the redevelopment plan also involves making a finding that the properties included in the plan have “blight or blighting conditions” as defined by state law. Staff has prepared the accompanying “Report on Existing Conditions of Redevelopment Property” which supports such a finding by the EDA.

## **Recommendation**

Staff recommends the EDA adopt the enclosed resolution.

## REPORT ON EXISTING CONDITIONS OF REDEVELOPMENT PROPERTY

Enclosed are reports prepared from information gathered during on-site inspections conducted on August 4, 5, and 6, 2003, and other dates to determine the status and condition of property located at:

- 3305 County Road 101  
PID: 17-117-22-23-0031
- 3230 Groveland School Road  
PID: 17-117-22-23-0017
- 3306 Groveland School Road  
PID: 17-117-22-23-0037

The three properties listed above constitute those proposed to be included in a redevelopment plan and housing development plan being considered by the Economic Development Authority and the City.

In staff's opinion, the information provided in these reports supports a finding that these properties present "blight or blighting conditions" as defined by state law. This opinion is based on state law's definition of blight or blighting conditions as:

"Buildings or improvements which are detrimental to the safety, health, morals or welfare of the community by reason of:

- dilapidation
- obsolescence
- overcrowding
- faulty arrangement or design
- lack of ventilation, light, or sanitary facilities
- excessive land coverage
- deleterious land use
- obsolete layout
- or a combination of these or other factors"

Based on the information presented in the reports, staff concludes that a combination of the factors listed above; specifically dilapidation, obsolescence, faulty arrangement and design, and obsolete layout, exist on these properties and meet the definition of "blight or blighting conditions" provided by state law.

September 12, 2003

Ronald S. Rankin  
Community Development Director

**3305 County Road 101**

PID 17-117-22-23-0031

Year built: 1907

Gross building area: 1,832 square feet

Acreage: 1.24 acres

**Building status:**

This two-story house has four bedrooms and one bathroom, along with living, dining, kitchen, and family rooms. Walls are of masonry construction, with an exterior stucco finish. The house has a wood-framed hip roof, with asphalt shingles. A detached two-car garage is also on the property.

**Building structure/systems:**

**Structure:** Exterior walls are built with ceramic block construction and shows some cracks. Rafters, floor joists, and beams are over spanned per current building code.

Estimated cost to meet code: \$60,000 to \$70,000.

**Electrical:** Wiring does not meet current National Electric Code requirements. Sizing and rating of much wiring is inadequate.

Estimated cost to meet code: \$15,000 to \$20,000.

**Plumbing:** System does not meet current code, with venting, drains, and some materials being deficient.

Estimated cost to meet code: \$10,000 to \$20,000.

**Mechanical:** The hot water heat system does not meet current energy code requirements.

Estimated cost to meet code: \$5,000 to \$10,000

**Energy:** This house does not have adequate insulation, vapor/air barriers, nor ventilation.

Estimated cost to meet code: \$30,000 to \$35,000

**Health and Safety Issues:**

Stairs, landings, and handrails don't meet current code requirements. Further, smoke detectors and bedroom egress do not meet current code.

The house shows evidence of mold and mildew, indicating moisture intrusion. Also, the age of the house would indicate the likely presence of lead-based paint.

Estimated cost to cure: \$20,000 to \$30,000\*

\*more if lead-based paint is present

**TOTAL ESTIMATED COSTS to meet requirements: \$140,000 to \$185,000, or more.**

**Other Information:**

Due primarily to age, the building shows a general dilapidation, and the floor plan is an obsolete layout compared to newer homes. The 1.24-acre lot is oversized when compared to the city's one-half acre lot standard. However, the location of the existing house in the middle of the lot would make it difficult, if not impossible, to divide the lot and create two conforming single-family lots. The result is an obsolete and ineffective management of house and buildings on this lot.

### **3230 Groveland School Road**

PID 17-117-22-23-0017

Year built: 1946

Gross building area: 1,634 square feet

Acreage: 1.16 acres

#### **Building status:**

This one-and-three-quarters story house has three bedrooms and one and one-half bathrooms, along with living, dining, kitchen, and family rooms. This house has wood-frame construction, with an asphalt-shingled gable roof. There is an attached one-car garage and a detached three-car.

#### **Building structure/systems:**

**Structure:** Exterior walls are built with ceramic block construction and shows some cracks. Rafters, floor joists, and beams are over spanned per current building code.

Estimated cost to meet code: \$60,000 to \$65,000.

**Electrical:** Wiring does not meet current National Electric Code requirements. Sizing and rating of much wiring is inadequate.

Estimated cost to meet code: \$15,000 to \$20,000.

**Plumbing:** System does not meet current code, with venting, drains, and some materials being deficient.

Estimated cost to meet code: \$10,000 to \$15,000.

**Mechanical:** The mechanical system does not meet current energy code requirements.

Estimated cost to meet code: \$5,000 to \$10,000.

**Energy:** This house does not have adequate insulation, vapor/air barriers, nor ventilation.

Estimated cost to meet code: \$30,000 to \$40,000.

#### **Health and Safety Issues:**

Stairs, landings, and handrails don't meet current code requirements. Further, smoke detectors and bedroom egress do not meet current code.

The house shows some evidence of mold and mildew, indicating moisture intrusion. Also, the age of the house would indicate the likely presence of lead-based paint.

Estimated cost to cure: \$20,000 to \$30,000\*

\*more if lead-based paint is present

**TOTAL ESTIMATED COSTS to meet requirements: \$140,000 to \$180,000, or more.**

**Other Information:**

Due primarily to age, the building shows a general dilapidation, and the floor plan is an obsolete layout compared to newer homes. The 1.16-acre lot is oversized when compared to the city's one-half acre lot standard. However, the location of the existing house in the middle of the lot would make it difficult, if not impossible, to divide the lot and create two conforming single-family lots. The result is an obsolete and ineffective management of house and buildings on this lot.

**3306 Groveland School Road**

PID 17-117-22-23-0037

Year built: 1940

Gross building area: 1,382 square feet

Acreage: 1.16 acres

**Building status:**

This one-and-three quarters story house has two bedrooms and one bathroom, along with living, kitchen, and family rooms. The house is of wood-frame construction, with an asphalt-shingled gable roof. There is an attached two-car garage.

**Building structure/systems:**

**Structure:** Exterior walls are built with wood-frame construction. Rafters, floor joists, and beams are over-spanned per current building code.

Estimated cost to meet code: \$60,000 to \$75,000.

**Electrical:** Wiring does not meet current National Electric Code requirements. Sizing and rating of much wiring is inadequate.

Estimated cost to meet code: \$10,000 to \$15,000.

**Plumbing:** System does not meet current code, with venting, drains, and some materials being deficient.

Estimated cost to meet code: \$10,000 to \$20,000.

**Mechanical:** The mechanical system does not meet current energy code requirements.

Estimated cost to meet code: \$5,000 to \$10,000.

**Energy:** This house does not have adequate insulation, vapor/air barriers, nor ventilation.

Estimated cost to meet code: \$30,000 to \$40,000.

**Health and Safety Issues:**

Stairs, landings, and handrails don't meet current code requirements. Further, smoke detectors and bedroom egress do not meet current code.

The house shows evidence of significant mold and mildew, indicating moisture intrusion. The age of this house indicates the likely presence of lead-based paint.

Estimated cost to cure: \$20,000 to \$40,000\*

\*more if lead-based paint is present

**TOTAL ESTIMATED COSTS to meet requirements: \$135,000 to \$200,000, or more.**

**Other Information:**

This house was found to be in poor condition due to a significant mold problem dating to at least early 2002. The mold problem is noted in assessing records and in reports from the previous owner as being present in the ceiling, crawl space, and heating/cooling system.

In addition, the building shows some dilapidation, and the floor plan has an obsolete layout. The 1.16 acre lot is oversized when compared to the city's one-half acre lot standard. However, the location of the existing house would make it extremely difficult to divide the lot and create two conforming single-family lots. The result is an obsolete and ineffective arrangement of housing and buildings on this lot.

**September 12, 2003**

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**HOUSING DEVELOPMENT AND REDEVELOPMENT PLAN**

**FOR**

**THE MINNETONKA BOULEVARD/ 101  
HOUSING DEVELOPMENT AND REDEVELOPMENT PROJECT**

**ECONOMIC DEVELOPMENT AUTHORITY  
IN AND FOR THE CITY OF MINNETONKA, MINNESOTA**

**Adopted: October 27, 2003**

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Drafted By:

KENNEDY & GRAVEN, CHARTERED  
470 Pillsbury Center  
Minneapolis, Minnesota 55402  
(612) 337-9300

## I. DEFINITIONS

The terms defined below have, for purposes of this Redevelopment Plan, the meanings herein specified, unless the context specifically requires otherwise:

"Act" means Minnesota Statutes, Sections 469.001 to 469.047 and Sections 469.101 to 469.108.

"Authority" means the Economic Development Authority in and for the City of Minnetonka, Minnesota.

"City" means the City of Minnetonka.

"City Council" means the City Council of the City.

"County" means Hennepin County, Minnesota.

"Developer" means the private developer of a 23 owner-occupied housing unit project, of which 4 units will be conveyed to the Authority.

"Governing Body" means the duly elected City Council.

"Owner" means West Hennepin Affordable Housing Land Trust (WHAHLT), a successor entity, or any similar entity with a primary goal of providing affordable housing in the City of Minnetonka.

"Project" means the Minnetonka Boulevard/ 101 Housing Development and Redevelopment Project., the boundaries of which are legally described herein in Section II and are generally illustrated in the map attached as Exhibit A.

"Project Area" means the area within the boundaries of the Project.

"Public Redevelopment Costs" means all legally permissible costs incurred or to be incurred by or on behalf of the Authority in carrying out the Redevelopment Plan, including but not limited to: (a) the costs of creating at least 4 units of affordable owner-occupied housing and (b) costs of administering the Redevelopment Project.

"Redevelopment Plan" means the Minnetonka Boulevard/ 101 Housing Development and Redevelopment Plan for the Redevelopment Project, dated September 12, 2003, and as it may be amended or supplemented from time to time.

"State" means the State of Minnesota.

## II. STATEMENT OF NEED AND PUBLIC PURPOSE

The Authority finds that there is a need for redevelopment within the City and the Project Area to remedy blight and blighting conditions, prevent the spread of blight, promote the health, safety and welfare of City residents, and encourage related development and redevelopment in order to protect and improve the tax base and general economic vitality of the City. The Authority further finds that the Project is necessary to alleviate a shortage of decent, safe, and sanitary housing for persons of low or moderate income and their families.

More specifically, the Authority has identified that redevelopment of three parcels of land within the Project is necessary to further redevelopment and affordable housing goals, and that the conveyance or sale of some portion of these parcels for uses in accordance with the affordable housing goals of the Redevelopment Plan is also necessary. There are currently three housing units on these parcels, which will be redeveloped. These three parcels are:

- PID 17-117-22-23-0031      Lot 46, The Herzog Deephaven Acres, plus that part of Lot 45 lying south of the northerly 151 feet thereof.
- PID 17-117-22-23-0037      Lot 27, The Herzog Deephaven Acres
- PID 17-117-22-23-0017      Lot 28, The Herzog Deephaven Acres

The Authority specifically finds that: (a) the land within the Project Area would not be available for redevelopment and affordable housing purpose without the financial aid to be sought under this Redevelopment Plan; (b) the Redevelopment Plan will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Project by private enterprise; and (c) that the Redevelopment Plan conforms to the general plan for the development of the City as a whole.

The blight and blighting conditions within the Project Area are more fully described in a report by the Community Development Director at the City of Minnetonka, dated September 12, 2003 and entitled Existing Conditions of Redevelopment Property, which is hereby incorporated by reference into this Redevelopment Plan.

The Authority further finds that the Project is a "redevelopment project" within the meaning of Minnesota Statutes, Section 469.001, subd. 14 and is a "housing development project" within the meaning of Minnesota Statutes, 469.001 subd. 15.

## III. STATUTORY AUTHORITY

The Authority is authorized under the Act to undertake and administer the Redevelopment Plan and the Project, and to pay for the Public Redevelopment Costs through a grant received from Hennepin County or any other source of funds which the Act permits the Authority to use for such purposes.

#### IV. STATEMENT OF OBJECTIVES

The Authority seeks to accomplish the following general objectives within the Redevelopment Project:

A. Promote the prompt redevelopment of the property within the Project Area in a manner consistent with the City comprehensive plan, which property is blighted for the reasons described in Section II above and in the memo referenced therein.

B. Promote the development of affordable housing to serve the Project Area and the City as whole, including without limitation the development of 23 units of owner occupied housing, at least 4 of which will be affordable to families of low and moderate income. The Authority will purchase the 4 units of affordable housing from the Developer for \$178,000 each, and convey them to the Owner for \$120,000 each.

C. Employ any powers of the Authority under the Act for the benefit of the Project in such cases and upon such terms as the Authority may deem appropriate.

#### V. PROJECT AREA

The Project boundaries are described in Section II herein and illustrated in the map attached as Exhibit A.

#### VI. PROPERTY ACQUISITION

The Authority intends to acquire 4 units of the 23 units of owner occupied housing that the Developer will construct within the Project Area. The Authority will then convey these 4 units to the Owner for use as affordable housing for low and moderate income housing. The Authority reserves the right to acquire such portion of the Project as the Authority may deem necessary or desirable to carry out the objectives of the Redevelopment Plan.

#### VII. REDEVELOPMENT PROJECT FINANCING

The Authority's initial financing plans relate to Public Redevelopment Costs in connection with the acquisition of the 4 units of owner occupied housing. These costs are anticipated to be financed primarily through a grant from Hennepin County. The Authority does not contemplate issuance of any bonds at this time.

The Authority may also use revenues from any other source available to it to pay any Public Redevelopment Costs.

**EXHIBIT A**

**Map of Project Area**

**September 12, 2003**

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**HOUSING DEVELOPMENT AND REDEVELOPMENT PLAN**

**FOR**

**THE MINNETONKA BOULEVARD/ 101  
HOUSING DEVELOPMENT AND REDEVELOPMENT PROJECT**

**ECONOMIC DEVELOPMENT AUTHORITY  
IN AND FOR THE CITY OF MINNETONKA, MINNESOTA**

**Adopted: \_\_\_\_\_, 2003**

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Drafted By:

KENNEDY & GRAVEN, CHARTERED  
470 Pillsbury Center  
Minneapolis, Minnesota 55402  
(612) 337-9300

## I. DEFINITIONS

The terms defined below have, for purposes of this Redevelopment Plan, the meanings herein specified, unless the context specifically requires otherwise:

"Act" means Minnesota Statutes, Sections 469.001 to 469.047 and Sections 469.101 to 469.108.

"Authority" means the Economic Development Authority in and for the City of Minnetonka, Minnesota.

"City" means the City of Minnetonka.

"City Council" means the City Council of the City.

"County" means Hennepin County, Minnesota.

"Developer" means the private developer of a 23 owner-occupied housing unit project, of which 4 units will be conveyed to the Authority.

"Governing Body" means the duly elected City Council.

"Owner" means West Hennepin Affordable Housing Land Trust (WHAHLT), a successor entity, or any similar entity with a primary goal of providing affordable housing in the City of Minnetonka.

"Project" means the Minnetonka Boulevard/ 101 Housing Development and Redevelopment Project., the boundaries of which are legally described herein in Section II and are generally illustrated in the map attached as Exhibit A.

"Project Area" means the area within the boundaries of the Project.

"Public Redevelopment Costs" means all legally permissible costs incurred or to be incurred by or on behalf of the Authority in carrying out the Redevelopment Plan, including but not limited to: (a) the costs of creating at least 4 units of affordable owner-occupied housing and (b) costs of administering the Redevelopment Project.

"Redevelopment Plan" means the Minnetonka Boulevard/ 101 Housing Development and Redevelopment Plan for the Redevelopment Project, dated September 12, 2003, and as it may be amended or supplemented from time to time.

"State" means the State of Minnesota.

## II. STATEMENT OF NEED AND PUBLIC PURPOSE

The Authority finds that there is a need for redevelopment within the City and the Project Area to remedy blight and blighting conditions, prevent the spread of blight, promote the health, safety and welfare of City residents, and encourage related development and redevelopment in order to protect and improve the tax base and general economic vitality of the City. The Authority further finds that the Project is necessary to alleviate a shortage of decent, safe, and sanitary housing for persons of low or moderate income and their families.

More specifically, the Authority has identified that redevelopment of three parcels of land within the Project is necessary to further redevelopment and affordable housing goals, and that the conveyance or sale of some portion of these parcels for uses in accordance with the affordable housing goals of the Redevelopment Plan is also necessary. There are currently three housing units on these parcels, which will be redeveloped. These three parcels are:

- PID 17-117-22-23-0031      Lot 46, The Herzog Deephaven Acres, plus that part of Lot 45 lying south of the northerly 151 feet thereof.
- PID 17-117-22-23-0037      Lot 27, The Herzog Deephaven Acres
- PID 17-117-22-23-0017      Lot 28, The Herzog Deephaven Acres

The Authority specifically finds that: (a) the land within the Project Area would not be available for redevelopment and affordable housing purpose without the financial aid to be sought under this Redevelopment Plan; (b) the Redevelopment Plan will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Project by private enterprise; and (c) that the Redevelopment Plan conforms to the general plan for the development of the City as a whole.

The blight and blighting conditions within the Project Area are more fully described in a report by the Community Development Director at the City of Minnetonka, dated September 12, 2003 and entitled Existing Conditions of Redevelopment Property, which is hereby incorporated by reference into this Redevelopment Plan.

The Authority further finds that the Project is a "redevelopment project" within the meaning of Minnesota Statutes, Section 469.001, subd. 14 and is a "housing development project" within the meaning of Minnesota Statutes, 469.001 subd. 15.

## III. STATUTORY AUTHORITY

The Authority is authorized under the Act to undertake and administer the Redevelopment Plan and the Project, and to pay for the Public Redevelopment Costs through a grant received from Hennepin County or any other source of funds which the Act permits the Authority to use for such purposes.

#### IV. STATEMENT OF OBJECTIVES

The Authority seeks to accomplish the following general objectives within the Redevelopment Project:

A. Promote the prompt redevelopment of the property within the Project Area in a manner consistent with the City comprehensive plan, which property is blighted for the reasons described in Section II above and in the memo referenced therein.

B. Promote the development of affordable housing to serve the Project Area and the City as whole, including without limitation the development of 23 units of owner occupied housing, at least 4 of which will be affordable to families of low and moderate income. The Authority will purchase the 4 units of affordable housing from the Developer for \$178,000 each, and convey them to the Owner for \$120,000 each.

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The Project boundaries are described in Section II herein and illustrated in the map attached as Exhibit A.

#### VI. PROPERTY ACQUISITION

The Authority intends to acquire 4 units of the 23 units of owner occupied housing that the Developer will construct within the Project Area. The Authority will then convey these 4 units to the Owner for use as affordable housing for low and moderate income housing. The Authority reserves the right to acquire such portion of the Project as the Authority may deem necessary or desirable to carry out the objectives of the Redevelopment Plan.

#### VII. REDEVELOPMENT PROJECT FINANCING

The Authority's initial financing plans relate to Public Redevelopment Costs in connection with the acquisition of the 4 units of owner occupied housing. These costs are anticipated to be financed primarily through a grant from Hennepin County. The Authority does not contemplate issuance of any bonds at this time.

The Authority may also use revenues from any other source available to it to pay any Public Redevelopment Costs.

**EXHIBIT A**

**Map of Project Area**

ECONOMIC DEVELOPMENT AUTHORITY  
IN AND FOR THE CITY OF MINNETONKA

RESOLUTION NO. 2003-001

RESOLUTION APPROVING A REDEVELOPMENT PLAN AND A HOUSING  
DEVELOPMENT PLAN FOR THE MINNETONKA BOULEVARD/ 101 HOUSING  
DEVELOPMENT AND REDEVELOPMENT PROJECT

BE IT RESOLVED By the Board of Commissioners ("Board") of the Economic Development Authority in and for the City of Minnetonka ("Authority") as follows:

Section 1. Recitals.

1.01. The Authority has proposed the established of the Minnetonka Boulevard/ 101 Housing Development and Redevelopment Project (the "Project") and a Housing Development and Redevelopment Plan ("Plan") therefore, pursuant to Minnesota Statutes, Sections 469.001 to 469.047 and Sections 469.101 to 469.108. (the "Act").

1.02. The Authority has caused to be prepared a document titled "Housing Development and Redevelopment Plan for Minnetonka Boulevard/ 101 Housing Development and Redevelopment Project, Economic Development Authority in and for the City of Minnetonka" (the "Redevelopment Plan").

1.04. The Authority has requested that the City hold a public hearing regarding the Plan duly noticed in accordance with the Act.

Section 2. Plan Adopted; Further Proceedings.

2.01. The Plan is hereby approved and adopted, subject to the City Planning Commission's written determination that the Redevelopment Plan is consistent with the comprehensive City plan.

2.02. The Board hereby makes all the findings set forth in the Plan, which document incorporated herein by reference.

2.03. The Board hereby transmits the Plan to the Council and recommends that the Council hold the required public hearing and adopt the Plan.

2.04. Upon approval of the Plan by the Council, Authority staff and consultants are authorized to take all actions necessary to implement the Plan.

Approved by the Board of Commissioners of the Economic Development Authority in and for the City of Minnetonka this 16th day of September, 2003.

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Executive Director

ECONOMIC DEVELOPMENT AUTHORITY  
IN AND FOR THE CITY OF MINNETONKA

RESOLUTION NO.

RESOLUTION APPROVING A REDEVELOPMENT PLAN AND A HOUSING  
DEVELOPMENT PLAN FOR THE MINNETONKA BOULEVARD/ 101 HOUSING  
DEVELOPMENT AND REDEVELOPMENT PROJECT

BE IT RESOLVED By the Board of Commissioners ("Board") of the Economic Development Authority in and for the City of Minnetonka ("Authority") as follows:

Section 1. Recitals.

1.01. The Authority has proposed the established of the Minnetonka Boulevard/ 101 Housing Development and Redevelopment Project (the "Project") and a Housing Development and Redevelopment Plan ("Plan") therefor, pursuant to Minnesota Statutes, Sections 469.001 to 469.047 and Sections 469.101 to 469.108. (the "Act").

1.02. The Authority has caused to be prepared a document titled "Housing Development and Redevelopment Plan for Minnetonka Boulevard/ 101 Housing Development and Redevelopment Project, Economic Development Authority in and for the City of Minnetonka" (the "Redevelopment Plan").

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2.03. The Board hereby transmits the Plan to the Council and recommends that the Council hold the required public hearing and adopt the Plan.

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Approved by the Board of Commissioners of the Economic Development Authority in and for the City of Minnetonka this \_\_\_ day of \_\_\_\_\_, 2003.

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Executive Director