

**MINNETONKA ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES**

**Tuesday, February 8, 2005
7:00 p.m.**

**Boards and Commission Room
Minnetonka City Hall, Lower Level**

1. CALL TO ORDER.

EDA President Peter St. Peter called the meeting to order at 7:08 p.m.

2. ROLL CALL.

EDA Commissioners present: Paula Chatterjee, Dan Duffy, Dave Larson, Bunny Robinson, Peter St. Peter, Al Thomas, Tony Wagner, and Bob Walker.

Staff present: Ron Rankin and Elise Souders.

Others present: Neil Hering.

BUSINESS ITEMS

4. FOLLOW-UP DISCUSSION ON JANUARY 25 AND FEBRUARY 7 JOINT STUDY SESSIONS AND THE FEBRUARY 8 SHADY OAK ROAD KICK-OFF MEETING. (This item taken up out of sequence).

Rankin began by providing a recap of the Shady Oak Road meeting. He explained it was a kick-off meeting for the start of the project. Rankin said in addition to the engineering component for the roadway project that there will also be a land use analysis component.

Duffy asked if there were city officials in attendance. St. Peter replied there were Minnetonka officials and Commissioner Koblick present.

St. Peter said the EDA will have a level of interest in the project because of the economic development impacts for the area.

Rankin previewed the March 8 meeting and said staff will be meeting soon with the developer proposing the Williston Road Senior Housing. He also explained at the March EDA meeting the EDA will be asked to set up a redevelopment project area for the Deephaven Cove project. Rankin explained more in-depth about the Transit Oriented Development grant application the cities of Minnetonka and Deephaven will be submitting for this project.

St. Peter added there will be joint Hopkins-Minnetonka City Council study session on March 8 after the EDA meeting.

Rankin asked for the EDA's reflection on the February 7 Joint Study Session with the City Council, EDA, and Planning Commission regarding the Gateway development proposal.

Larson asked if staff will be meeting with both developers. Rankin said staff will be.

Wagner said since the city may be contributing money to the project, the city should have some input on what retail goes in. He said he is also concerned about the makeup of the affordable units.

Thomas said a recommendation should be made to Mr. Bader to buy the southern property, as it may be difficult for the developer of the southern property to have their project become cohesive with the rest of the area.

Rankin clarified with Wagner that the city should have input on what goes into the retail for both of the developers. Wagner replied it should have input if they are asking for city funds. Wagner also recommended the park board should assess the needs of the area.

Walker asked what size development it would take to have an RFP done for the development. Wagner commented the city does not own the land. St. Peter added with the RFP, in order to get more out of it, there would need to be more density.

Robinson asked if more views of the project area are drawn if one could be from Highway 169 when traveling south to see how the buildings compare to the edge of the wetland. Rankin mentioned the buildings will not intrude into the wetlands.

Duffy said because of the scale he would like to see the entire area, both the north and the south sides, develop comprehensively. He also commented he would like the EDA to look at the architecture of the buildings as well.

St. Peter directed staff to work with the city attorney on the ability to have a Minnetonka resident preference in the senior housing component, and also see if there is the flexibility to create a land trust for owning the land under the condominiums or the rental building. He also commented he would like to see more affordability in the mixed-use building, and he agrees with Councilmember Callison's comments from the previous evening that the 20 percent affordability is for a project without city funding, and if city funding is expected, then the percent affordable should be great than 20 percent.

St. Peter also said he had concerns about tying the area together. He said the developer should remember that Minnetonka Boulevard should have a baseline of four lanes, and they should not assume it can go down to less than four lanes. Rankin said the concern with keeping a four-lane design is if there is space for incorporating a boulevard median. St. Peter said the developer should incorporate the additional space needed into the plans.

Larson said with the existing number of affordable units on the land currently, the developer is not adding many more. Rankin said to be cautious about saying all of the units on the site currently are affordable.

Wagner said as the project continues to go forth that the EDA should continue to look at the city's housing goals and see how the project fits into those goals.

St. Peter asked in previous projects where the city has used TIF, how much of the developer's financial statements has the city been able to see. Rankin replied it has been quite a lot. He also reminded the EDA of the look-back provision Mark Ruff had explained for possible corrective action if it is needed. Rankin said Minnetonka has not used the look back provision before, but will make sure it is included from now on.

Rankin noted the developer is concerned how the retail component may go over. Wagner explained that is another way the city can get involved. St. Peter mentioned the best place for the retail in the project area is the southwest corner of Oak Ridge Road and Minnetonka Boulevard.

Duffy asked how far the city limits are. Rankin replied the Hopkins-Minnetonka border is just west of the Belgrove Apartments.

Rankin also asked for feedback or questions concerning the January 25 study session on TIF and Abatement basics. He said more information can be provided if requested.

Thomas requested when a request to use TIF or abatement come forward that Mark Ruff be invited to attend the meeting to help answer questions. Rankin said that will happen, and he wanted to make sure Commissioners understand the basic background information.

Duffy asked if Mark Ruff was involved in the Ridgebury project. Rankin replied both Mark Ruff and Steve Bubul from Kennedy and Graven have been involved in projects since the early 1990's for Minnetonka.

Duffy asked if Ruff could review previous Minnetonka projects and explain what worked and what did not work. St. Peter said one answer would be to add the look-back provision. He also mentioned the time frame of the TIF with the city

and the developer to add more flexibility may be another change. Rankin added that typically Minnetonka has been conservative to help eliminate problems.

3. APPROVE MINUTES OF JANUARY 11, 2005 EDA MEETING (This item taken up out of sequence).

Wagner moved, Thomas seconded a motion to approve the minutes of the January 11, 2005 EDA meeting. All voted yes. Motion passed.

5. STAFF REPORT.

Rankin reviewed the staff report items, including an update on the Policy Advisory Committee for the Southwest Rail Study, Glen Lake redevelopment plans, and The Sanctuary.

6. OTHER BUSINESS.

The next regular EDA meeting was announced as Tuesday, March 8 at 6:00 p.m.

7. ADJOURN.

Larson moved, Walker seconded a motion to adjourn the meeting. All voted yes. Motion passed. The meeting adjourned at 8:06 p.m.