

**MINNETONKA ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES**

**Tuesday, July 12, 2005
6:00 p.m.**

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

1. CALL TO ORDER.

EDA President Peter St. Peter called the meeting to order at 6:06 p.m.

2. ROLL CALL.

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

EDA Commissioners absent: Tony Wagner.

Staff present: Ron Rankin and Elise Souders.

Others present: Patrick Connoy.

3. APPROVE MINUTES OF MAY 10, 2005 EDA MEETING.

Larson moved, Duffy seconded a motion to approve the May 10, 2005 EDA meeting minutes. All voted yes. Motion passed.

4. ELECTION OF OFFICERS.

Robinson moved, Walker seconded a motion to nominate Peter St. Peter for EDA President and Dan Duffy for EDA Vice President. All voted yes. Motion passed.

BUSINESS ITEMS

**5. PRESENTATION BY PATRICK CONNOY ON THE HENNEPIN COUNTY
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs).**

Rankin introduced Patrick Connoy and explained his role as a staff member of Hennepin County, and how Connoy has been involved in Minnetonka projects.

Connoy began by giving background information on prior documents to the CEDs. He said the Federal EDA requires a CEDs to be in place in order to receive planning grants, infrastructure funds, and revolving loan funds. An initial draft of the CEDs was done in 2004 and sent to the Federal EDA for review; however, their response was that

Hennepin County is too wealthy. Connoy said Hennepin County reviewed the CEDS and focused on target areas, areas which are distressed, and these were added to the 2005 version of the document. He said the document looks at coordinating economic development with environmental protection, a corridor assessment program, community works projects, transit oriented development program, and revolving loan fund.

St. Peter asked if the Glen Lake project is eligible for any funds. Connoy said there may be an opportunity for some transit oriented development funds, but will need to see how the project develops. He commented the county is not making significant investments in Excelsior Boulevard at this location.

Rankin said there is discussion about getting the county involved with projects related to Minnetonka Boulevard in both Minnetonka and St. Louis Park.

Connoy said the CEDS also looks at planning efforts, bioscience, and business finance. He reviewed the Hennepin County Land Use map and there was discussion on industrial areas in the county.

Connoy mentioned the Department of Employment and Economic Development (DEED) is talking to businesses to find out what their needs are.

Connoy discussed the opportunity metropolitan counties now have to set up an EDA. He said counties in the past have been able to set up HRAs, but not EDAs. The EDA authority allows the county to join with municipalities on projects or do projects in unincorporated areas. He said he is unsure whether Hennepin County will set-up an EDA. Connoy said if Commissioners have thoughts on what the county should do to let him know.

Rankin asked Connoy to review the demographic and job statistics information from the report. He said a large number of higher paying jobs have been lost; however, the overall job rate is good. Connoy said the trend is changing, and the manufacturing sector is not doing much; however, there is still a significant number of people employed in manufacturing. He said other job sectors are growing, but manufacturing is key.

Rankin said the city is seeing the immigrant influx in the housing sector. He asked what kind of job training there is available. Connoy said there is training in Brooklyn Park and many of the immigrants are using light rail to get from Minneapolis to the airport for jobs. He said language and clan issues are problems. Connoy said the Hispanic population is taking off, and the county is also working with American Indian groups. He mentioned many Somali immigrants are working at HCMC. Rankin asked if unemployment is higher in these populations. Connoy responded they are taking advantage of training and many run their own businesses; however general ESL is a need for employers.

St. Peter commented the business community side is finding it easier to hire Somali immigrants as they are more likely to be in the country legally, as compared to Hispanic immigrants. He said there needs to be training for supervisors on these issues.

Connoy said a goal of Hennepin County is to support municipalities. St. Peter asked Connoy when the appropriate time is to involve him. Connoy said he is involved on the Glen Lake and Shady Oak Road projects. He said in the Glen Lake project the developer is setting the pace.

Robinson said the demographic information is revealing and there is a need for a mechanism to deal with the language barriers. She said she is also concerned about the loss of jobs. Robinson said the job training seems like a basic program and wondered what types of jobs these people are going to get and how it will really impact the income levels. She said it seems like the county or government is not doing much for higher level jobs and it does not show how people are to move from low to moderate to high income. Robinson said this is a band-aid fix.

Connoy said the county is conservative and to get them to take this first step of preparing the CEDS was a challenge. He said the CEDS will need to be redone for the upcoming year. Connoy said the county is now putting in a lot of money for social services because they see the issues and are trying to deal with these people rather than send them elsewhere. He also mentioned some of the programs in the CEDS are in response to the funding stream.

Duffy inquired about what the EDA can do to work with the Glen Lake developer in order to be eligible for TOD funding. Connoy said the developer is proposing to have more parking than the county would like to see for TOD funds, additionally, safety and a reason to take the bus are ways to receive funds. Rankin said it is suggested to put a bus stop on the south side of Excelsior Boulevard, which may also help to get a light at Woodhill. Duffy asked if there needs to be a designated park and ride facility. Connoy said that is what they are doing in Mound, but the county looks at this as a 50-year investment and want to be responsive to the municipalities' needs.

St. Peter asked, when looking at the big picture, how does the city get the most bang for its buck, and if it does not have a project that fits exactly into a program should the city look at another project to have the county help with. Connoy said it works both ways, and the city needs to ask the county to become involved. He said the county board is interested in working in the suburban areas.

St. Peter asked what the pros and cons are of establishing a county EDA. Connoy said the county HRA can do a lot of what the EDA authority would give them to do, but an EDA may set up another expectation level. He said some pros are it would allow the county to establish business loans with county funds, and help in unincorporated areas or in multi-jurisdictional projects. He said a county EDA may also be able to take on more job training programs.

St. Peter asked where things are at with the Twin Cities Community Capital Fund. Rankin responded they have made their goal and are set to begin.

Commissioners thanked Connoy for coming in and meeting with them.

6. REVIEW OF WILLISTON ROAD SENIOR HOUSING RESTRICTIVE COVENANTS.

Rankin reviewed the report and said this is an intermediate step and there are still some details to work out. He distributed a floor plan for Sunrise Assisted Living in order to compare unit sizes. Rankin said at the May EDA meeting there was discussion on flexibility of unit sizes; however, the developer is saying the 1 bedroom units are worth three studios, and because they are similar size to the studios, staff feels that 15 studio units are better.

Duffy asked what the mix of unit sizes are at Sunrise. Rankin said there is more of a mix of unit sizes than compared to the Williston Road project.

St. Peter recommended, if it is not too late for this project and for the future, to look at the square footage of affordable units and compare it to the market-rate units.

Rankin reviewed the main points from the covenants, and said details are being worked out concerning enforcement and provisions to rent affordable units that may be vacant. St. Peter said there is a similar mechanism for the affordable units at Cedar Pointe and if there is no demand for the affordable unit then they can rent it market rate and the next available unit is an affordable unit.

Duffy said the 140 percent median income for recertification seems high. Rankin said it is 140 percent of the original 60 percent median income. Souders added the same figure is used in the documents for Beacon Hill.

There was discussion on the Glen Lake redevelopment project.

7. STAFF REPORT.

Souders reviewed the staff report items, including: Shady Oak Road, Minnetonka Boulevard/County Road 101, Minnetonka Heights, Homes Within Reach, Deephaven Cove, the community survey, and bus service cuts.

8. OTHER BUSINESS.

Rankin said there is a Shady Oak Road joint study session with the Hopkins and Minnetonka City Councils on July 25 at 5:00 p.m., an EDA/Planning Commission/City Council joint study session on the Glen Lake redevelopment project on August 1 at 6:30 p.m., and the next regular EDA meeting is Tuesday, August 9.

9. ADJOURN.

Thomas moved, Robinson seconded a motion to adjourn the meeting. All voted yes. Motion passed. The meeting adjourned at 7:53 p.m.