

**MINNETONKA ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES**

**DECEMBER 9, 2008
6:00 P.M.**

1. CALL TO ORDER

EDA President Peter St. Peter called the meeting to order at 6:00 p.m.

2. ROLL CALL

EDA commissioners present: Peter St. Peter, Dan Duffy, Bunny Robinson, Ellen Cousins, and Brad Wiersum.

EDA commissioners absent: Tony Wagner and Bill Yaeger.

Staff Present: Julie Wischnack and Elise Durbin.

3. APPROVE MINUTES OF OCTOBER 22, 2008 AND NOVEMBER 12, 2008

Wiersum moved, Cousins seconded a motion to approve the October 22, 2008 meeting minutes. St. Peter, Duffy, Cousins, and Wiersum voted yes. Wagner and Yaeger were absent. Motion passed.

Wiersum moved, Duffy seconded a motion to approve the November 12, 2008 meeting minutes. St. Peter, Duffy, Cousins, and Wiersum voted yes. Wagner and Yaeger were absent. Motion passed.

BUSINESS ITEMS

4. AFFORDABLE HOUSING DISCUSSION FOR ST. THERESE IN GLEN LAKE AREA.

Wischnack reviewed the report. She discussed St. Therese's existing facility in Hopkins and highlighted the proposed project for Glen Lake. Wischnack then reviewed Minnetonka's existing housing stock, and the affordability of rental units within the city stating that less than one-quarter of rental properties are affordable to those at 60 percent area median income. She also went through the city's progress in reaching the livable communities housing goals set forth in 1995. Wischnack explained that the city is short in meeting its long-term rental housing goals, and she showed what affordable rents are at 60 percent, 70 percent and 80 percent of median income.

Wischnack recapped the affordable housing requirements under the 2006 and 2007 contracts for the Glen Lake project. She showed that in the original contract in 2006 there were 177 total units, with 31 affordable and 17 mid-priced units, and in 2007 with the change from owner-occupied to rental units at The Exchange, there were 197 total units planned with 33 affordable and 10 mid-priced. Wischnack then provided the affordable housing component associated with the St. Therese proposal. She said overall, the total number of units in the Glen Lake project would increase from 197 to 247 units; however, with the current proposal, the number of affordable housing units would decrease to 26 affordable units throughout the project, with 13 each in The Exchange and 13 in the St. Therese development.

Mike Pagh of St. Therese Southwest introduced himself. He went through renderings of the proposed building, including elevations and floor plans. Pagh explained the proposed breakdown of independent, assisted living, and memory care units as well as the proposed affordable housing component.

There were questions and discussion on the St. Therese proposal.

Wiersum said that it is easy to unbundle the rent and services for the independent affordable units, but there are some workability challenges if residents go from the affordable independent units to the assisted living.

Duffy stated that the project is now different with senior housing being proposed rather than condominiums. He said the focus should be on keeping people in the building when moving from independent to assisted living. Duffy suggested exploring rent support policies.

St. Peter said he would like to see St. Therese on the site, but that the original redeveloper, Mr. Wartman, should be a part of the discussion because he is getting the financial benefit of the tax increment financing.

Wiersum said the proposal of senior housing is positive, but the overall Glen Lake project is now different than it was originally proposed.

Wischnack said the purpose of the evening's meeting is to get from the EDA the amount of affordability that is acceptable for the project.

Cousins stated there should be more affordable units than what is being proposed because of the tax increment financing going into the overall project.

Duffy suggested looking to see if there are other amenities that could be added to Glen Lake that would support the affordable housing.

Robinson said that it is important not to compromise the affordable housing component, and that the affordable housing needs to be accommodated.

Wiersum said he would like to see more affordable housing than what is shown and a minimum of 33 units throughout the entire Glen Lake redevelopment project.

St. Peter stated that 33 units throughout the entire Glen Lake redevelopment project is the floor. He said Mr. Wartman is part of this discussion and that the affordable units should be worked out between Mr. Wartman and St. Therese.

Wiersum said that he wants to make the St. Therese project work.

5. STAFF REPORT

Durbin provided the staff report items, including Glen Lake streetscaping and plaza, St. Therese proposal, DEIS and station area study, Minnetonka Boulevard/County Road 101, Homes Within Reach, 2009 EDA work plan, TIF districts update, 1707 Hopkins Crossroad, the 2009 budget, and upcoming events. Members also discussed having the meetings on Monday evenings. Staff stated they would come back with a possible schedule.

6. OTHER BUSINESS

The next regular meeting of the EDA was announced as Tuesday, January 13, 2009.

7. ADJOURN

Duffy moved, Cousins seconded a motion to adjourn the meeting. All voted yes. Motion passed. The meeting adjourned at 8:07 p.m.