

**MINUTES
MINNETONKA ECONOMIC DEVELOPMENT AUTHORITY
MONDAY, DECEMBER 20, 2010**

1. CALL TO ORDER.

President Schneider called the meeting to order at 6:30 p.m.

2. ROLL CALL

EDA Commissioners Amber Greves, Brad Wiersum, James Hiller, Tony Wagner, Bob Ellingson, Dick Allendorf, and Terry Schneider were present.

3. APPROVAL OF AGENDA

Greves moved, Wiersum seconded a motion to accept the agenda, as presented. All voted "yes." Motion carried.

4. APPROVAL OF MINUTES: November 8, 2010 minutes

Allendorf moved, Greves seconded a motion to approve the November 8, 2010 minutes. All voted "yes." Motion carried.

5. BUSINESS ITEMS

A. Development District No. 1 and Tax Increment Financing District No. 2 modifications

Community Development Director Julie Wischnack presented the staff report.

Greves moved, Wagner seconded a motion to adopt Resolution No. 2010-07 adopting the TIF Plan modification. All voted "yes." Motion carried.

President Schneider recessed to the city council meeting at 6:35 p.m.

President Schneider reconvened the EDA meeting at 8:12 p.m.

B. 2011 HRA Levy

Wischnack reviewed the 2011 HRA Levy with the EDA.

Allendorf requested clarification between options one and three. Gunyai reviewed the differences.

Allendorf indicated he was originally opposed to the increase from \$85,000 to \$175,000 as there were no defined programs for the funds.

However, staff has now provided detailed plans and programs for these funds.

Greves thanked staff for the detailed timeline. She questioned if further staff, EDAC, and council time would be needed to finalize the application process. Wischnack did not foresee a great deal of time involved. She said the EDAC members financial backgrounds would help in determining the right setup in spreading the funding out to assist the most people.

Greves asked if preference would be given to home renovation programs where the money might be applied to a larger addition or remodel as opposed to remodeling a bathroom. Wischnack said all the programming parameters would have to be established to decide how the money would be allocated. Greves noted if the HRA levy was not approved and the funds available were those carried over from last year, around ten homes could be provided with assistance. If the HRA levy was approved and added to the carry over amount, around 18 to 20 homes could be provided assistance. Wischnack said feedback from the banks would be a determining factor as well. Greves asked if a larger number of approvals would cause issues. Wischnack stated staff was meeting with Greater Minnesota Housing Coalition to discuss the process further. She noted for the CDBG program there is an attempt to spread the projects out over time. Greves indicated the programs were valuable and necessary, but wondered if this was the year to start with the larger amount given the programs were still being developed.

Schneider indicated the renovation and assistance program would be intense at first, but once established could be broadened. He noted many communities have similar programs in place and suggested looking at those communities' experiences to learn what worked and what did not work.

Wagner agreed that the city did not have to recreate the wheel and much could be learned from the other communities. He indicated one goal of this funding was to bring more young families to Minnetonka. He expressed concern that the EDAC meeting was canceled in December given the aggressive timeline. Wagner recommended the EDAC assign a study group that reviews this program in further detail to assure that the program was purposefully moving forward. He said he could support options one or three and was willing to support keeping the levy where it was at but reserving the council's right to allocate the balance after seeing the EDAC's final report.

Hiller thanked Wagner for his comments. He said when the HRA levy was passed in 2009 the goal was to get a significant amount of money coming to the Livable Communities Fund. He has concerns that the purpose has

drifted away from the goal and that the council was driving the discussion rather than getting input from the EDAC. He agreed there was a need for a more strategic or thought out process.

Wiersum acknowledged the HRA levy was challenging. He felt the city was on the right path and it was important to get the momentum going for the important programs. If the decision was to levy less to get things up and running, then there would be a need to levy more next year.

Schneider explained when the EDAC was established one of the benefits was to allow a subset of the committee to focus on specific tasks while allowing a process to bring in other resources. He acknowledged there was a huge learning curve for the members of the EDAC.

Wagner moved, Wiersum seconded a motion to adopt Resolution No. 2010-08 setting a 2011 HRA levy at \$175,000. All voted "yes." Motion carried.

6. STAFF REPORT

Wischnack indicated staff would call a subset of the EDAC members to discuss the levy and proposed programs in further detail.

7. ADJOURNMENT

Greves moved, Wiersum seconded a motion to adjourn the meeting at 8:31 p.m. All voted "yes." Motion carried.

Respectfully submitted,

David E. Maeda
City Clerk