Agenda
Minnetonka City Council
Regular Meeting, Monday, May 18, 2015
6:30 P.M.
Council Chambers

1. Call to Order
2. Pledge of Allegiance
3. Roll Call: Ellingson-Allendorf-Acomb-Wiersum-Bergstedt-Wagner-Schneider
4. Approval of Agenda
5. Approval of Minutes: May 4, 2015 LBAE meeting and May 4, 2015 council meeting
6. Special Matters:
   A. Recognition of former senior citizen advisory board members
      Recommendation: Recognize their service
   B. Retirement recognition for Park Maintenance Worker, Arlin McArthur
      Recommendation: Recognize Arlin McArthur
   C. Retirement recognition for Recycling Coordinator and Parks & Trails Field Inspector Dean Elstad
      Recommendation: Recognize Dean Elstad
   D. Retirement recognition for Legal Administrative Coordinator Juli Haviland Fick
      Recommendation: Recognize Juli Haviland Fick
   E. Retirement recognition for Human Resources Manager Sue Poulos
      Recommendation: Recognize Sue Poulos
   F. Retirement recognition for Director of Engineering Lee Gustafson
      Recommendation: Recognize Lee Gustafson

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Replays of this meeting can be seen during the following days and times: Mondays, 6:30 p.m., Wednesdays, 6:30 p.m.,
Fridays, 12:00 p.m., Saturdays, 12:00 p.m. The city’s web site also offers video streaming of the council meeting.
For more information, please call 952.939.8200 or visit eminnetonka.com
7. Reports from City Manager & Council Members

8. Citizens Wishing to Discuss Matters not on the Agenda

9. Bids and Purchases:
   A. Bids for Trunk Force Main Lining – Phase II
      Recommendation: Award contract to Visu-Sewer (4 Votes)

10. Consent Agenda - Items Requiring a Majority Vote:
    A. Agreement for Public Works maintenance services
    B. Orders for liquor license stipulations
    C. Resolution approving a conditional use permit, with lot area variance, for a
twelve-resident licensed residential care facility at 12401 Minnetonka Blvd
    D. Appointment of hearing officers for administrative citation hearing program
    E. Resolution approving a conditional use permit for an accessory structure at
1721 Oakland Road
    F. Twelve month extension of preliminary and final plat approval for a two-lot
subdivision at 11806 Cedar Lake Road

11. Consent Agenda - Items Requiring Five Votes: None

12. Introduction of Ordinances: None

13. Public Hearings:
    A. Items related to the granting of a cable communications franchise
       Recommendation: Open the public hearing (4 Votes)
    B. On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for LTF
Minnetonka Restaurant Company, LLC dba Life Cafe, 3310 Co Rd 101
       Recommendation: Close the public hearing (5 votes)
    C. Off-sale liquor license for Target Corporation, 4848 Co Rd 101
       Recommendation: Continue the public hearing and grant the license (5 votes)
14. Other Business:

A. Items concerning the Music Barn Apartments, at 5740 and 5750 Shady Oak Road

   1. Ordinance rezoning properties from R-1 to PUD;
   2. Master development plan; and
   3. Site and building plan review.

Recommendation: Adopt the ordinance and resolution approving the request (4 Votes)

B. 2016-2020 Capital Improvements Program (CIP)

Recommendation: Adopt the resolution (5 votes)

C. 2016-2020 Economic Improvement Program

Recommendation: Adopt the resolution (4 Votes)

15. Appointments and Reappointments:

A. Appointments to the senior citizen advisory board

Recommendation: Approve the recommended appointments (5 votes)

16. Adjournment
1. Call to Order.

Mayor Schneider called the meeting to order at 6:02 p.m.

2. Roll Call:

Council members Bob Ellingson, Patty Acomb, Brad Wiersum, Tim Bergstedt, Tony Wagner and Terry Schneider were present. Dick Allendorf was excused.


City Assessor Colin Schmidt gave the report.

4. Appeals to the board of review:

A. Valuation recommendations being brought by the city assessor to the Local Board of Appeal and Equalization for action:

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<tbody>
<tr>
<td>1) Chad Zeznanski, on behalf of Erik’s Bike and Board 12500 Wayzata Blvd Minnetonka, MN 55305 02-117-22-23-0030</td>
<td>$864,000</td>
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<td>2) John Harder Emily Iversen 16555 Meadowbrook La Wayzata, MN 55391 08-117-22-43-0006</td>
<td>$388,600</td>
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<td>3) Kenneth Schindler Jennie Schindler 16710 Danielle Dr Minnetonka, MN 55345 29-117-22-12-0077</td>
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<td>4) Steven Schmeichel Barbara Schmeichel 3101 Fairchild Ave Wayzata, MN 55391 17-117-22-11-0007</td>
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Kenneth Schindler, 16710 Danielle Drive, said the assessing staff was using sales data and he didn’t necessarily have an issue with that data. His issue was based on similar valuations of homes in the neighborhood. His assessed value from 2014-2016 increased by 42.8 percent with no improvements to the property. From 2014 to 2015 the value increased by 30.17 percent. He had a discussion with the city assessing staff that year and agreed that his home was undervalued. Staff indicated the neighborhood was undervalued. The increase this year was 9.71 percent increase. The properties in the cul-de-sac experienced a five and six percent increase. He said the gap of inequity with neighboring properties has grown further apart.

Schneider said the neighborhood affects the value but the comparison was more determined by the character, quality, and size of similar homes.

Schindler said he didn’t care that his home was overvalued, his concern was the city value similar homes in the same fashion and that he thought other homes in the neighborhood were undervalued and the gap was increasing.

Ben Bedard, residential appraiser, said he previously had addressed the concerns with Schindler. The neighborhood along Danielle Drive includes four split entry homes and two split level homes. Split entry homes typically have the same size on the first floor and the basement. The split entry homes have more square footage above the ground then they do in the basement. This property has 1,300 square feet above the ground and around 700 square feet below the ground. Four of the neighbors have 1,000 square feet above the ground and 1,000 square feet below ground. He said he doubled checked the model taking all the sales he could find of split level homes between 1,200 and 1,400 square feet and split entry homes between 1,000 and 1,200 square feet to get comparable sales of the different style of homes and to determine if the difference between this property and the neighbors was supported by other sales throughout the city. He said he thought the difference and the value was completely justified by the sales in the market.

Schindler said he thought his home’s fair market value should fall between the homes at 16730 Danielle Drive and 16733 Danielle Drive. There were some historical sales figures to support that. The Schindlers purchased their home in 2004 and the home on 16733 Danielle Drive was sold the same year. There was a $2,000 price difference. The home at 16733 Danielle Drive was sold again in 2013 for $279,000. The 2016 value for that home is $266,800.
Bedard said he had not seen the interior of the neighboring home. Given the data he thought the recommended value was fair.

Schindler said he was a builder and had been in his neighboring homes. The home at 16733 Danielle Drive has brand new roofing and siding. The home at 16730 Danielle Drive has new flooring.

Schmidt noted that Schindler declined the offer to have the realtors go through his house. The realtors could have provided another opinion.

Schindler said this supported the idea that sales price data was being used. He was not interested in an opinion about what his house could possibly be marketed for.

Schneider said anytime there was a mass appraisal system with a lot of factors involved it takes time to catch a lot of properties up. This was done with a physical inspection. The board’s duty was to determine the true fair market value.

Wagner said the board had to stay within parameters established by the state. This was why the annual assessment was done along with a physical inspection every four years.

Wiersum said Schindler made some fair points. However there was a process that had to be followed. There was an outside board of review made up of realtors. If Schindler chose not to take advantage of the extra opinion Wiersum said he was hard pressed to change the value. Further appeals were available to the Schindlers.

Schneider said over the years the board had voted to change the recommended value in a few situations. Usually this involved something coming up that had not been recognized such as mold. If the board decided to change a value because an argument sounded valid, this would add an arbitrary element to the process. This defeated the purpose of the system that was set up.

Schneider read each petition into the record. Each item was voted on separately with Wiersum moving, and Bergstedt seconding each motion to adopt the assessor’s recommended values. All voted “yes” on each individual motion. Motions carried.

B. Petitions to the Local Board of Appeal and Equalization requiring advisor’s recommendation:

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<td>1) Bradford Armitage</td>
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<td>Diann Armitage</td>
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<td>2) Jerry Heine, Patricia Heine</td>
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<td>3) Gary Applequist, Debra Carlson</td>
<td>$159,000</td>
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<td>4) Alexander Teplitski, Alexandra Teplitski</td>
<td>$200,600</td>
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<td>5) John Ford, Alice Rae Ford</td>
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<td>6) Robert Clifford III, Sandra Clifford</td>
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<td>7) Michael Sandler, Elena Sandler</td>
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<td>8) Vance Opperman, Darin Opperman</td>
<td>$3,776,300</td>
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<td>9) Charles Donley, Margaret Donley</td>
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<td>11) Richard Freeman</td>
<td>$784,100</td>
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<td>Linda Freeman</td>
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<td>12) Daniel Westmoreland</td>
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<td>Barbara Westmoreland</td>
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<td>13) Steven Savitz</td>
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<td>Jana Savitz</td>
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<td>15) Susan Michaletz</td>
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Alexandra Teplitski, 2916 Plymouth Road, said the 2016 value had increased by around 21 percent from last year. She purchased the house 16 years ago for $150,000. They have tried to improve the house over the years. They had hoped to add a family room in the basement but gave up because of water damage. Alexander Teplitski said the living space information was incorrect. He has been paying property taxes since 2000. At that time he paid around $600 in property taxes. The increase in property taxes were creating a hardship for many. Even with a disability he'll need to continue to work. Alexandra Teplitski provided sales information of similar houses that sold for less than $200,000.
Schneider said unfortunately the board could not address the concern about the ability to pay property taxes. There were programs available for those under a certain income threshold that would provide a break or a refund.

Schneider asked if confirming the actual square footage had been factored into the recommended value being lowered to $220,000. John Powers, one of the advisors, said the house was a very solid two bedroom, two bathroom house located on a very nice half acre lot in a nice part of the city. The home has significant deferred maintenance but fundamentally the home was very solid. The lower level was not significantly taken into consideration. Typically in these types of homes it was what was above grade that was where the value was. The value was determined by considering what someone would pay for the home.

Bergstedt noted the information in the report indicated the recommended value was $230,000 but the information in front of the council indicated the recommended value was $220,000. Schmidt clarified the correct recommended value was $220,000.

Schneider read each petition individually into the record. Each item was voted on separately with Wiersum moving, and Bergstedt seconding each motion to adopt the advisor’s recommended values. All voted “yes” on each individual motion. Motions carried.

5. Adjourn

Wiersum moved, Bergstedt seconded a motion to adjourn the meeting at 6:40 p.m. All voted “yes.” Motion carried.

Respectfully submitted,

David E. Maeda
City Clerk
Minutes
Minnetonka City Council
Monday, May 4, 2015

1. Call to Order

Schneider called the meeting to order at 6:45 p.m.

2. Pledge of Allegiance

All joined in the Pledge of Allegiance.

3. Roll Call

Council Members Bob Ellingson, Patty Acomb, Brad Wiersum, Tim Bergstedt, Tony Wagner and Terry Schneider were present. Dick Allendorf was excused.

4. Approval of Agenda

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

5. Approval of Minutes: April 20, 2015 minutes

Wagner moved, Acomb seconded a motion to approve the April 20, 2015 Local Board of Appeal and Equalization minutes. All voted "yes." Motion carried.

Wagner moved, Acomb seconded a motion to approve the April 20, 2015 regular meeting minutes. All voted "yes." Motion carried.

6. Special Matters: None

7. Reports from City Manager & Council Members

City Manager Geralyn Barone reported on the schedule for upcoming council meetings.

Schneider reported on an upcoming SWRLT Corridor Management Committee meeting.

8. Citizens Wishing to Discuss Matters not on the Agenda

No one appeared.

9. Bids and Purchases: None
10. Consent Agenda – Items Requiring a Majority Vote:

A. Resolution adding a council policy regarding the Parks for Tomorrow program

Acomb asked that the item be pulled from the consent agenda. She asked for more information about the program.

Natural Resources Manager Jo Colleran said the program has been in existence since the mid-1990’s. People can donate money to have a tree planting for a special occasion or a memorial. Money can also be donated to purchase a park bench or some other type of amenity. She said the item before the council dealt with the increase in costs over the past 20 years as well as changes to how the individuals who donate are acknowledged.

Acomb asked how many people participated in the program. Colleran said recently there have been more people purchasing benches. There have been three or four tree plantings.

Schneider said he thought it was a great program. Procedurally he said when the council adopts a resolution like this that sets fees, it can become outdated quickly. He asked if anything would limit the council from setting up procedures that would establish the price based on the cost and staff time instead of a fixed number. Barone said a council policy was easier to change than an ordinance and this policy did not set the dollar amounts. The park board would review it periodically. She clarified the resolution was about adopting the policy.

Wiersum said Colleran had indicated a plaque was included with the benches. This was not clear in the materials provided. He said this should be made clear in the communications about the program.

Bergstedt said he was involved with a memorial tree and a memorial bench. It was a way to recognize people who are still living as well as those that have passed away. He said the benches are located in very appropriate locations.

Barone said the intent was to promote the program in the Minnetonka Memo this fall.
Acomb moved, Wiersum seconded a motion to adopt resolution 2015-035. All voted “yes.” Motion carried.

B. Resolution designating Wayzata Boulevard as a Municipal State Aid street

Wagner moved, Wiersum seconded a motion to adopt resolution 2015-036. All voted “yes.” Motion carried.

11. Consent Agenda – Items requiring Five Votes: None

12. Introduction of Ordinances: None

13. Public Hearings:

A. On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for LTF Minnetonka Restaurant Company, LLC dba Life Café, 3310 Co Rd 101

Barone gave the staff report.

Wiersum moved, Acomb seconded a motion to continue the public hearing to May 18, 2015. All voted “yes.” Motion carried.

14. Other Business: None

15. Appointments and Reappointments: None

16. Adjournment

Acomb moved, Wiersum seconded a motion to adjourn the meeting at 6:57 p.m. All voted “yes.” Motion carried.

Respectfully submitted,

David E. Maeda
City Clerk
City Council Agenda Item #6A  
Meeting of May 18, 2015

**Brief Description:** Recognition of former senior citizen advisory board members

**Recommended Action:** Recognize their service

**Background**
The following senior advisory board members are recognized for 8 years of service:

**Donna Bloom**
Donna served on the Minnetonka Senior Citizen Advisory Board for the past eight years, from September 2007 to May 2015. Donna served as the Sunshine Chair, writing cards for participants and was active with special events.

**David Carroll**
David served on the Minnetonka Senior Citizen Advisory Board for the past eight years, from February 2007 to May 2015. Dave served as the Event Committee Chair and was active with Tonka Tale Tellers.

**Ann Dreier**
Ann served on the Minnetonka Senior Citizen Advisory Board for the past eight years, from June 2007 to May 2015. Ann served as Vice President and Craft Committee Chair.

**Wanda Griep**
Wanda served on the Minnetonka Senior Citizen Advisory Board for the past eight years, from September 2007 to May 2015. Wanda served as Vice President and was active in many special events.

All four individuals were very involved with working at special events such as, the CUB Brat Stand, City Open House, Kids’ Fest and promoting Minnetonka Senior programs.

On behalf of the city council and the Minnetonka residents you represented over the years, thank you for your outstanding service to the city of Minnetonka.

**Recommendation**

Recognize former senior citizen advisory board members.

Submitted through:  
Geralyn Barone, City Manager  
Dave Johnson, Recreation Services Director

Originated by:  
Steve Pieh, Senior Services and Activities Manager
City Council Agenda Item #6B  
Meeting of May 18, 2015

**Brief Description:** Retirement recognition for Park Maintenance Worker Arlin McArthur

**Recommended Action:** Recognize Arlin McArthur

**Background**

It is the practice of the city council to recognize the contributions of retiring city of Minnetonka employees.

**Arlin McArthur**

Arlin McArthur began his employment with the city as a parks maintenance worker in May 1984. After working in a foundry and as a seasonal employee for two metro cities, he had an opportunity for a full-time position with Minnetonka which was his employment goal.

As with most new hires, Arlin spent his first two winters running the resurfacer at the ice arena when summer mowing and park work were not available. The wide variety and number of jobs in park maintenance keeps his interest up and makes the days fly by very quickly. Most memorable for Arlin has been his involvement in the construction of the city’s trail system and maintaining the irrigation systems at city buildings and parks. In addition to his park duties, Arlin is assigned a permanent plow route in the street division during city-wide plowing events.

Thank you Arlin for your 31 years of dedicated service to the city of Minnetonka!

**Recommendation**

Recognize park maintenance worker, Arlin McArthur

Submitted through:
- Geralyn Barone, City Manager

Originated by:
- Brian Wagstrom, Public Works Director
City Council Agenda Item #6C
Meeting of May 18, 2015

**Brief Description:** Retirement recognition for Recycling Coordinator and Parks & Trails Field Inspector Dean Elstad

**Recommended Action:** Recognize Dean Elstad

**Background**

It is the practice of the city council to recognize the contributions of retiring city of Minnetonka employees.

**Dean Elstad**

In May of 1988, Dean Elstad began his employment with the city of Minnetonka in the community development department. He was the first recycling coordinator hired for the city. Dean’s initial task was to improve the recycling drop-off program and develop a residential curbside recycling.

Dean prepared contractor and recycling equipment RFPs and devised a public education plan to demonstrate the benefits of recycling. He made numerous presentations on recycling to community groups, church groups, school classes and talked to residents individually in order to encourage recycling. As the program evolved, Dean also coordinated a new brush and leaf drop-off program and started a special drop-off event in 1993 which continues today. He also secured a Hennepin County grant to encourage haulers to provide an organics collection system for residents.

Dean has always been willing to do whatever needs to be done. A city reorganization in 2005 moved Dean to public works from city hall. At that time, he assumed the duties of inspecting the city’s trails. In addition, he became a certified playground safety inspector in order to assure that the play structures in the park system were safe to use.

As a result of Dean’s outgoing personality, positive customer service attitude and willingness to take on any challenge, he was selected as the “2003 Spirit of Minnetonka” recipient which designates the city’s employee of the year.

Dean, the city of Minnetonka thanks you for your accomplishments and 27 years of dedicated service!

**Recommendation**

Recognize Recycling Coordinator and Parks & Trails Field Inspector Dean Elstad.

Submitted through:

Geralyn Barone, City Manager

Originated by:

Brian Wagstrom, Public Works Director
City Council Agenda Item #6D  
Meeting of May 18, 2015

**Brief Description:**  Retirement recognition for Legal Administrative Coordinator Juli Haviland Fick

**Recommended Action:** Recognize Juli Haviland Fick

**Background**

It is the practice of the city council to recognize the contributions of retiring city of Minnetonka employees.

**Juli Haviland Fick**

Juli Haviland Fick will be retiring May 31, 2015, after completing 35 years of service to the city – first as the senior planning secretary, then legal secretary, and, since 1991, as legal administrative coordinator. She is responsible for the office management of the legal department and has the primary responsibility for preparing formal complaints against criminal defendants.

Juli’s steady hand helped guide the legal department through the development of a new case management system. During the same time period, she often covered the work of three people, due to vacancies in two department support positions. For her extraordinary efforts, she received the 2010-2011 Leadership Award from the city. She played a key role in migrating the department’s records to the DocLocator record management system, for which she was a co-nominee for the 2012 Teamwork Award.

Her contributions as a leader and office manager are only magnified by the spark of passion and creative energy that Juli brings to the workplace. She thinks “outside the box” and brainstorms creative solutions to issues. She has turned the drudgery of cleaning the employee refrigerator into a re-enactment of the medieval call to “Bring out your dead!” For many years during the city’s annual open house, she astounded residents and city employees with her talents as a make-up artist and master of disguise. She has beautified the community center with displays of her basket-weaving, and she has amazed employees with her talents at sewing and quilting.

Above all that, she has generously shared her sense of humor and creative spirit with her co-workers. Juli, thank you for 35 years of dedicated service and fun.

**Recommendation**

Recognize Legal Administrative Coordinator Juli Haviland Fick.
Submitted through:
   Geralyn Barone, City Manager

Originated by:
   Corrine Heine, City Attorney
City Council Agenda Item #6E
Meeting of May 18, 2015

Brief Description: Retirement recognition for Human Resources Manager Sue Poulos

Recommended Action: Recognize Sue Poulos

Background
It is the practice of the city council to recognize the contributions of retiring city of Minnetonka employees.

Sue Poulos
Sue Poulos will be retiring May 31, 2015, after serving the city for 9 years as Human Resources Manager. Her tenure has been characterized by her commitment to the professionalism, development and engagement of our city staff. She has also raised awareness of the health and work-life balance issues our employees face, implementing and managing our award winning wellness program.

Sue’s leadership and innovation is embodied in the Insights Discovery model she promoted within our organization. The stacks of red, blue, yellow and green blocks across the organization has taken our communication and relationship building to a new level. She is known as an excellent, compassionate and objective listener who respects confidentiality, a vital skill in her position. She is approachable and has a wealth of knowledge about vital employee issues, such as employment law and benefits. Most importantly she has been the welcoming face of the city conducting the initial orientation meeting for over 90 new hires during her career in Minnetonka.

Sue has also embodied the city’s philosophy of being involved regionally by using her talents outside to give back to the community. Her role on the board of directors for HIRED, the largest workforce development organization in the Twin Cities allows her to use her skills and passion to provide guidance in organizational management and strategic direction. We thank Sue for her exemplary service to the community and wish her only the best as she retires.

Recommendation
Recognize Human Resources Manager Sue Poulos.

Submitted through:
Geralyn Barone, City Manager

Originated by:
Perry Vetter, Assistant City Manager
Brief Description: Retirement recognition for Director of Engineering Lee Gustafson

Recommended Action: Recognize Lee Gustafson

Background

It is the practice of the city council to recognize the contributions of retiring city of Minnetonka employees.

Lee Gustafson
Lee Gustafson will be retiring May 31, 2015, after serving the city for 20 years as Director of Engineering.

His tenure has been characterized by his creative and innovative approach to solving complex projects that often have challenging barriers. Some of the major projects Lee has been involved with include the widening of I-494, the newly constructed on ramp to I-394 in the Ridgedale area and the award winning 169/Bren interchange in the OPUS area. These projects are all in addition to the countless neighborhood street improvements occurring annually. Lee developed the Neighborhood Road Revitalization program that ensures our local street infrastructure is maintained at a high level.

Lee’s work is described by residents as “inventive”, “can do” and “refreshing”. He has served the community at hundreds of night meetings, neighborhood meetings and the ever popular mock city council meeting for the citizens academy. Lee’s positive personality provides a great connection to any of those who interact with him.

Lee’s leadership is also recognized outside of the city and his regional involvement has not gone unnoticed. At the 2014 American Public Works Association (APWA) Congress in Toronto, Lee was presented with the Harry S. Swearingen Award for Outstanding Chapter Achievement and Excellence in Chapter Service. The award recognizes outstanding individual achievement through chapter activity and achievement in support of APWA’s strategic plan, goals and objectives, as well as outstanding service to APWA as a public or private sector member at the chapter level.

In 2007 Lee was awarded the Engineer of the Year by the City Engineers Association of Minnesota. The description of the award is as true today as it was then: “During a time when government projects are often controversial, Lee offers his reasoned counsel, comes up with practical solutions, and brokers acceptable compromises. He engenders great respect from city residents, his employees, the contractors he oversees, and from his colleagues in the engineering field.”
We graciously thank Lee for his exemplary service and wish him the best as he retires from the city and begins the next phase of his career.

**Recommendation**
Recognize Director of Engineering Lee Gustafson

Submitted through:
   Geralyn Barone, City Manager

Originated by:
   Perry Vetter, Assistant City Manager
City Council Agenda Item #9A
Meeting of May 18, 2015

Brief Description:  Bids for Trunk Forcemain Lining – Phase II

Recommended Action:  Award contract to Visu-Sewer

Background

The city has two primary alignments of large diameter forcemain (pressure sewers). The first route is from the public works main lift station to Guilliam Field where 18-inch and 30-inch diameter pipes convey a majority of the city’s waste for treatment. The second route is from the Williston lift station located at Minnetonka Boulevard and Williston Road easterly down Minnetonka Drive to Guilliam Field, where the forcemains join and flow south to Cottage Lane and TH 7.

On July 14, 2013, the 30-inch forcemain ruptured near Prestige Lane and an emergency repair was made. On January 9, 2014, another break occurred in the area on the 18-inch forcemain and flow was diverted back to the 30-inch pipe while repairs were made on the small pipe.

An engineering consultant analyzed the condition of the forcemain pipes and determined that the most cost effective remedy was to line the pipes with a resin-impregnated liner installed inside of the host pipe. The first phase of system rehabilitation was completed last summer with 3,330 feet of 18- and 30-inch pipe that was lined from Arbor Circle to Minnetonka Mills Road.

Phase II Lining Project

Phase II of the multi-year lining project involves the lining of 3,460 feet of 18- and 30-inch forcemain located on a southerly alignment between Minnetonka Mills Road and TH7/Cottage Lane. Both pipes parallel the trail until it reaches TH 7 and it then turns westerly to Cottage Lane.

On May 6th, the city received bids for the planned repair of the 18-inch and 30-inch forcemains as noted on the attached map. The bids are tabulated as follows:

- Visu-Sewer: $931,325.00
- Lametti & Sons, Inc.: $994,775.00
- Insituform Technologies USA, Inc.: $998,980.00
- Michels Corporation: $1,124,353.00
Kenny Construction $1,768,888.00
Engineer's Estimate $1,202,130.00

Recommendation

Based on the recommendation of the consultant engineer and the references of the low-bidder, staff recommends that:

- The contract for this project be awarded to Visu-Sewer in the amount of $931,325.00.

Source of funding for the project is the 2015 – 2019 Capital Improvements Program – Utility Fund.

Submitted Through:
Geralyn Barone, City Manager
Merrill King, Finance Director

Originated by:
Brian Wagstrom, Public Works Director
Minnetonka Trunk Forcemain Lining Location

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
</tr>
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<tbody>
<tr>
<td>30&quot; C.I.P.P. Liner</td>
<td>1730 LF</td>
</tr>
<tr>
<td>18&quot; C.I.P.P. Liner</td>
<td>1730 LF</td>
</tr>
<tr>
<td>Remove 30&quot; Forcemain</td>
<td>120 LF</td>
</tr>
<tr>
<td>Install 30&quot; DIP</td>
<td>120 LF</td>
</tr>
<tr>
<td>Remove 18&quot; Forcemain</td>
<td>120 LF</td>
</tr>
<tr>
<td>Install 18&quot; DIP</td>
<td>120 LF</td>
</tr>
<tr>
<td>Couplers</td>
<td>24 EA</td>
</tr>
<tr>
<td>Alternate Bid</td>
<td>3950 LF</td>
</tr>
</tbody>
</table>

Legend
- Lift Station
- 24" Forcemain (~9,800 ft)
- 18" & 30" Forcemain (~6,600 ft each)

Project Limits
Phase
- 1 - 2014
- 2 - 2015
Brief Description: Agreement for Public Works maintenance services

Recommended Action: Approve the contract

Background

In 2004, the city of Minnetonka began utilizing a state program called the Institution Community Work Crew (ICWC) Program offered by the Minnesota Department of Corrections (DOC). This program provides up to ten minimum-security inmates, a DOC supervisor, transportation and some equipment to perform a variety of unskilled public works tasks. Crews work four 10-hour days throughout the year. The initial crew was focused on park maintenance in order to ensure well maintained facilities and grounds in the park system.

In 2007, the city was able to secure the services of a second crew to perform a variety of additional tasks such as: drainage maintenance; sidewalk/trail/building snow removal; natural resource restoration projects; landscaping and park maintenance; utility filter rehabilitation; daily custodial building maintenance at public works and vehicle washing and cleanup just to name a few. The task of removing some diseased trees and unhealthy ash trees in city parks has been expanded to include smaller trees that are normally contracted out. Crew members are assisting full-time staff with pothole patching during the spring street sweeping when early summer labor resources are scarce.

This relationship has been an overwhelming success in that work is a very reasonable cost. For example, costs saved by using one ICWC to remove and replace water plant filter media nearly pays for the full crew for one year. The department does continue to use seasonal employees but on a smaller scale. The annual cost of $82,511 for the next two-year contact is the same price as the previous four years. Funding for the crews is financed in the Street Maintenance and Utility Fund operating budgets.

Recommendation

Based on past experience, staff is again recommending the approval of a two-year State of Minnesota Income Contract for two ICWC crews for the public works department from June 1, 2015 until May 31, 2017.

Submitted through:
  Geralyn Barone, City Manager
  Merrill King, Finance Director

Originated by:
  Brian Wagstrom, Public Works Director
STATE OF MINNESOTA
INCOME CONTRACT

This contract is between the State of Minnesota, acting through its commissioner of corrections, Institution Community Work Crew Program ("State"), and the City of Minnetonka, 14600 Minnetonka Blvd., Minnetonka, Minnesota 55345 ("Purchaser").

Recitals

1. Under Minn. Stat. §241.278 the State is empowered to enter into income contracts.
2. The Purchaser is in need of an Institution Community Work Crew (ICWC).
3. The State represents that it is duly qualified and agrees to provide the services described in this contract.

Contract

1 Term of Contract
1.1 Effective date: June 1, 2015 or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
1.2 Expiration date: May 31, 2017, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2 State’s Duties
The State will:
A. Provide two (2) crew leader(s) who will individually supervise up to ten (10) offender crew members during four (4) 10-hour days per week, including the hours crew leaders spend for daily preparation, communication and travel. The crew leaders will take directions as to the location and nature of the work to be completed on a given day as requested by the Purchaser’s Authorized Representative or designee.
B. Train each work crew in safety principles and techniques set forth by applicable federal, state and local agency requirements. Purchaser agrees that the state has the authority to refuse selected projects if it considers the projects beyond the skill level of the crewmembers and/or unsafe to perform.
C. Provide required personal safety equipment and clothing needed for specific work.
D. Screen projects to ensure that appropriate staff are assigned.
E. Submit reports to the Purchaser upon request within sixty (60) days of the end of each quarter.

3 Payment
The Purchaser will pay the State for all services performed by the State under this contract as follows: Payment shall be made by the Purchaser to the State in the amount of eighty-two thousand five hundred eleven and 00/100 dollars ($82,511.00) on January 1, 2016, eighty-two thousand five hundred eleven and 00/100 dollars ($82,511.00) on April 1, 2016, eighty-two thousand five hundred eleven and 00/100 dollars ($82,511.00) on January 1, 2017 and, eighty-two thousand five hundred eleven and 00/100 dollars ($82,511.00) on April 1, 2017. Any overtime hours will be billed at the rate of sixty-seven and 50/100 dollars ($67.50) per hour.

The total obligation of the Purchaser for all compensation and reimbursements to the State under this contract is three hundred thirty thousand forty-four and 00/100 dollars ($330,044.00), plus any additional overtime hours, as its share of the cost of providing a crew leader and placing the work crews into service on the ICWC Program during the term of this agreement. The Purchaser’s share includes time scheduled for training, vacation, sick leave and holidays based on the terms and condition of the crew leaders AFSCME bargaining agreement.
4 Authorized Representatives
The State's Authorized Representative is Terry Byrne, District Supervisor, or his successor.

The Purchaser’s Authorized Representative is Brian Wagstrom, Director of Public Works, or his successor.

5 Amendments, Waiver, and Contract Complete

5.1 Amendments. Any amendment to this contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original contract, or their successors in office.

5.2 Waiver. If the State fails to enforce any provision of this contract, that failure does not waive the provision or its right to enforce it.

5.3 Contract Complete. This contract contains all negotiations and agreements between the State and the Purchaser. No other understanding regarding this contract, whether written or oral, may be used to bind either party.

6 Liability
Each party will be responsible for its own acts and behavior and the results thereof.

7 Government Data Practices
The Purchaser must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Purchaser or the State.

If the Purchaser receives a request to release the data referred to in this Clause, the Purchaser must immediately notify the State. The State will give the Purchaser instructions concerning the release of the data to the requesting party before the data is released.

8 Publicity
Any publicity regarding the subject matter of this contract must not be released without prior written approval from the State’s Authorized Representative.

9 Audit
Under Minn. Stat. § 16C.05, subd. 5, the Purchaser’s books, records, documents, and accounting procedures and practices relevant to this contract are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a total of six years.

10 Governing Law, Jurisdiction, and Venue
Minnesota law, without regard to its choice-of-law provisions, governs this contract. Venue for all legal proceedings out of this contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

11 Termination
Either party may terminate this Agreement at any time, with or without cause, upon 30 days’ written notice to the other party. Upon such termination, purchaser shall receive a refund of payments made to the State on a pro rata basis as of the date the termination becomes effective.
1. **PURCHASER**
The Purchaser certifies that the appropriate person(s) have executed the contract on behalf of the Purchaser as required by applicable articles, bylaws, resolutions, or ordinances.

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<thead>
<tr>
<th>By</th>
<th>Title</th>
<th>Date</th>
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2. **STATE AGENCY**
With delegated authority

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<th>Title</th>
<th>Date</th>
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3. **Commissioner of Administration**
As delegated to Materials Management Division

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<tr>
<th>By</th>
<th>Date</th>
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**Distribution**
DOC Financial Services Unit – Original (fully executed) contract
Purchaser
State’s Authorized Representative
Budget Officer of Authorized Representative
Department of Administration – Materials Management Division
City Council Agenda Item #10B  
Meeting of May 18, 2015

**Brief Description**  Orders for liquor license stipulations

**Recommendation**  Approve the orders

**Background**

The city council has adopted a schedule of presumptive penalties to be applied when certain liquor violations occur. Under the presumptive penalties schedule, liquor licensees are subject to a fine, or a fine plus a license suspension, after the conclusion of criminal proceedings brought by the legal department. A form stipulating the penalty is sent to the licensee, who may agree to the penalty or request an administrative hearing before the city council. When the licensee agrees to the penalty, it must be brought back and acknowledged through issuance of an order by the city council.

The following establishments are in violation of selling intoxicating liquor to a person who was under 21 years of age:

- Hurricane Grill
- Scoreboard Bar & Grill

Presumptive penalties are defined in city council policy 6.2 and are based on the type of liquor license, number of violations over a three year period, and participation in the Best Practices Program (see pages A1-A2). As the council is aware, the city offers the Best Practices Program. The program's purpose is to encourage liquor license holders to voluntarily undertake practices and provide additional training that will help avoid sales to underage buyers. Stipulation forms were sent to the licensees. The licensees have returned the stipulations forms agreeing to the penalties listed below:

<table>
<thead>
<tr>
<th>Establishment &amp; Type of License</th>
<th>Licensee</th>
<th>Date of Violation</th>
<th>Offense</th>
<th>Fine</th>
<th>Participant in Best Practices Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hurricane Grill 17790 State Highway 7 (On-Sale Intoxicating)</td>
<td>Torgerson and Torgerson 2 LLC</td>
<td>October 14, 2014</td>
<td>1st Violation</td>
<td>$500 &amp; 1 day suspension</td>
<td>No</td>
</tr>
<tr>
<td>Scoreboard Bar &amp; Grill 5765 Sanibel Drive (On-Sale Intoxicating)</td>
<td>Scoreboard, Inc.</td>
<td>October 14, 2014</td>
<td>1st Violation</td>
<td>$500 No suspension</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Recommendation**

Staff recommends the city council adopt a motion issuing the enclosed Findings of Fact, Conclusion, and Orders for Hurricane Grill and Scoreboard Bar. (See pages A3-A6).

Submitted through:  
Geralyn Barone, City Manager
Julie Wischnack, AICP, Community Development Director

Originated by:
  Kathy Leervig, Community Development Coordinator
Presumptive Penalties

The following are the presumptive penalties for the offenses listed.

Revocation on the first violation for the following types of offenses:

- Commission of a felony related to the licensed activity
- Sale of alcoholic beverages while license is under suspension

The following chart applies to these violations, to be counted over a three-year period:

- Sale to underage person
- Sale after/before hours
- Consumption after hours
- Illegal gambling, prostitution, adult entertainment on premises
- Sale to obviously intoxicated person
- Sale of liquor that is not permitted by the license

<table>
<thead>
<tr>
<th>License Type</th>
<th>1st Violation</th>
<th>2nd Violation</th>
<th>3rd Violation</th>
<th>4th Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-sale, full</td>
<td>$500 + 1 day</td>
<td>$1000 + 3 days</td>
<td>$2000 + 10 days</td>
<td>Revocation</td>
</tr>
<tr>
<td></td>
<td>suspension</td>
<td>suspension</td>
<td>suspension</td>
<td></td>
</tr>
<tr>
<td>Off-sale, full</td>
<td>$750</td>
<td>$1500 + 1 day</td>
<td>$2000 + 6 days</td>
<td>Revocation</td>
</tr>
<tr>
<td></td>
<td>suspension</td>
<td>suspension</td>
<td>suspension</td>
<td></td>
</tr>
<tr>
<td>On-sale, 3.2 &amp; beer/wine</td>
<td>$350 + 1 day</td>
<td>$700 + 3 days</td>
<td>$1500 + 10 days</td>
<td>Revocation</td>
</tr>
<tr>
<td></td>
<td>suspension</td>
<td>suspension</td>
<td>suspension</td>
<td></td>
</tr>
<tr>
<td>Off-sale, 3.2</td>
<td>$250 + 1 day</td>
<td>$500 + 3 days</td>
<td>$1000 + 10 days</td>
<td>Revocation</td>
</tr>
<tr>
<td></td>
<td>suspension</td>
<td>suspension</td>
<td>suspension</td>
<td></td>
</tr>
<tr>
<td>On-sale, taproom or Off-sale, brewery (growlers)</td>
<td>$350 + 1 day</td>
<td>$700 + 3 days</td>
<td>$1500 + 10 days</td>
<td>Revocation</td>
</tr>
</tbody>
</table>
For establishments in the Best Practices Program:

<table>
<thead>
<tr>
<th>License Type</th>
<th>1st Violation</th>
<th>2nd Violation</th>
<th>3rd Violation</th>
<th>4th Violation</th>
<th>5th Violation</th>
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</thead>
<tbody>
<tr>
<td>On-sale, full</td>
<td>$500</td>
<td>$500 + 1 day suspension</td>
<td>$1000 + 3 days suspension</td>
<td>$2000 + 10 days suspension</td>
<td>Revocation</td>
</tr>
<tr>
<td>Off-sale, full</td>
<td>$350</td>
<td>$750</td>
<td>$1500 + 1 day suspension</td>
<td>$2000 + 6 days suspension</td>
<td>Revocation</td>
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<td>$1500 + 10 days suspension</td>
<td>Revocation</td>
</tr>
</tbody>
</table>
BEFORE THE CITY COUNCIL
CITY OF MINNETONKA, MINNESOTA

In the Matter of:

The Liquor License of
Torgerson and Torgerson 2 LLC
DBA Hurricane Grill

FINDINGS OF FACT, CONCLUSION, AND ORDER

Pursuant to a Stipulation executed by Julie Wischnack, Community Development Director for the city of Minnetonka, and Torgerson and Torgerson 2 LLC DBA Hurricane Grill, the city council makes the following:

FINDINGS OF FACT

1. The licensee captioned above holds an On-sale Intoxicating and Sunday On-sale liquor license issued by the city council on December 15, 2014, and conducts its licensed activity at 17790 State Highway 7 within the city.

2. Pursuant to Minn. Stat. § 340A.503, Subd. 2(1) and Minnetonka City Code §600.75(1), no person may sell liquor to a minor, who is under the age of 21.

3. On October 14, 2014, Troy Dougherty, a person employed by the above-captioned licensee, sold intoxicating liquor to a person who was under 21 years old.
CONCLUSION

1. The liquor licensee sold an alcoholic beverage to an underage person on October 14, 2014, in violation of Minn. Stat. § 340A.503, Subd. 2(1) and Minnetonka City Code §600.75(1).

ORDER

IT IS HEREBY ORDERED, pursuant to Minn. Stat. §340A.415 and Minnetonka City Code §600.080 and Council Policy 6.2, that the licensee captioned above is subject to the following sanctions:

(1) a $500 civil penalty, and

(2) suspension of the license for one day, on a date to be selected by city staff.

By order of the city council of the City of Minnetonka, Minnesota, May 18, 2015.

__________________________________
Terry Schneider, Mayor

ATTEST:

__________________________________
David E. Maeda, City Clerk

ACTION ON THIS ORDER:

Motion for issuance:
Seconded by:
Voted in favor of:
Voted against:
Absent:
Abstained:
Order issued.

I certify that the above is an accurate copy of the Findings of Fact, Conclusion, and Order issued by the City Council of the City of Minnetonka, Minnesota, at an authorized meeting held on May 18, 2015.

__________________________________
David E. Maeda, City Clerk
BEFORE THE CITY COUNCIL
CITY OF MINNETONKA, MINNESOTA

In the Matter of:

The Liquor License of
Scoreboard Inc.

FINDINGS OF FACT, CONCLUSION, AND ORDER

Pursuant to a Stipulation executed by Julie Wischnack, Community Development Director for the city of Minnetonka, and Michael J. Jennings, owner of Scoreboard Bar & Grill, the city council makes the following:

FINDINGS OF FACT

1. The licensee captioned above holds an On-sale Intoxicating and Sunday On-sale liquor license issued by the city council on December 15, 2014, and conducts its licensed activity at 5765 Sanibel Drive within the city.

2. Pursuant to Minn. Stat. § 340A.503, Subd. 2(1) and Minnetonka City Code §600.75(1), no person may sell liquor to a minor, who is under the age of 21.

3. On October 14, 2014, Renee Samuelson, a person employed by the above-captioned licensee, sold intoxicating liquor to a person who was under 21 years old.
CONCLUSION

1. The liquor licensee sold an alcoholic beverage to an underage person on October 14, 2014, in violation of Minn. Stat. § 340A.503, Subd. 2(1) and Minnetonka City Code §600.75(1).

ORDER

IT IS HEREBY ORDERED, pursuant to Minn. Stat. §340A.415 and Minnetonka City Code §600.080 and Council Policy 6.2, that the licensee captioned above is subject to the following sanctions:

(1) a $500 civil penalty and no suspension date

By order of the city council of the City of Minnetonka, Minnesota, May 18, 2015.

________________________________
Terry Schneider, Mayor

ATTEST:

________________________________
David E. Maeda, City Clerk

ACTION ON THIS ORDER:

Motion for issuance:
Seconded by:
Voted in favor of:
Voted against:
Absent:
Abstained:
Order issued.

I certify that the above is an accurate copy of the Findings of Fact, Conclusion, and Order issued by the City Council of the City of Minnetonka, Minnesota, at an authorized meeting held on May 18, 2015.

________________________________
David E. Maeda, City Clerk

2
Resolution approving a conditional use permit, with lot area variance, for a twelve-resident licensed residential care facility at 12401 Minnetonka Boulevard

Adopt the resolution approving the conditional use permit, with lot area variance

By state law, licensed care facilities that serve six or fewer residents are permitted uses in all residential zoning districts. The city cannot place restrictions on such facilities above or beyond the restrictions placed on any other single-family home in the community. Further, as permitted uses, no special city zoning review or approval is required.

The state law is silent on licensed care facilities serving more than six residents. As such, individual communities have the authority to allow and regulate these larger facilities. Historically, the city of Minnetonka has held the view that licensed care facilities provide a valuable service to community residents and their family members. The city has chosen to allow, as conditional uses, facilities that serve between seven and twelve residents.

One Twelve Company currently operates three chemical dependency treatment facilities in Minnetonka. Each serves six, male residents; all are permitted. The organization is requesting to increase the number of residents at its 12401 Minnetonka Boulevard facility from six to twelve. The request requires approval of a conditional use permit with lot size variance.

The planning commission considered the proposal on May 7, 2015. The staff report from that meeting is attached and various plans and documents describing the proposed project may be found on pages A1–A9. Staff recommended approval of the proposal, noting that the intent of the lot area requirement is to ensure that larger facilities are located on larger sites that can accommodate or buffer the facilities' presumed higher levels of activity and exterior evidence of occupancy. The subject property meets this intent. Though smaller than required, the facility would be located with a building originally designed and constructed as an office building, served by a parking lot that has ample parking space, and situated on a major arterial roadway.

At the commission meeting a public hearing was opened to take comments; no comments were received. Following the public hearing, the commission discussed the proposal with
particular emphasis on the lot area variance request and implications for future similar requests. Ultimately, the commission determined that the property was very unique in that it was surrounded by parks and trails. Additionally they noted that it was located on Minnetonka Boulevard. On a 6-0 vote, they recommended the city council approve the request. (See pages A18-A22.)

Since the Planning Commission Review

There have been no changes to the proposal or recommendation since the planning commission review. However, the resolution has been updated to reflect specific staffing numbers presented at the commission meeting.

Staff Recommendation

Adopt the resolution approving a conditional use permit, with lot area variance, for a twelve-resident licensed residential care facility at 12401 Minnetonka Boulevard. See pages A10–A17.

Through: Geralyn Barone, City Manager
        Julie Wischnack, AICP, Community Development Director
        Loren Gordon, AICP, City Planner

Originators: Susan Thomas, AICP, Principal Planner
MINNETONKA PLANNING COMMISSION
May 7, 2015

Brief Description  Conditional use permit, with lot area variance, for a twelve-resident licensed residential care facility at 12401 Minnetonka Boulevard

Recommendation  Recommend the city council adopt the resolution approving the permit

Background

By state law, licensed care facilities that serve six or fewer residents are permitted uses in all residential zoning districts. The city cannot place restrictions on such facilities above or beyond the restrictions placed on any other single-family home in the community. Further, as permitted uses, no special city zoning review or approval is required.

The state law is silent on licensed care facilities serving more than six residents. As such, individual communities have the authority to allow and regulate these larger facilities. Historically, the city of Minnetonka has held the view that licensed care facilities provide a valuable service to community residents and their family members. The city has chosen to allow, as conditional uses, facilities that serve between seven and twelve residents.

Proposal

One Twelve currently operates three chemical dependency treatment facilities in Minnetonka. Each serves six, male residents; all are permitted. The organization is requesting to increase the number of residents at its 12401 Minnetonka Boulevard facility from six to twelve. Any increase to over six residents requires a conditional use permit. (See pages A1–A7.)

Staff Analysis

A land use proposal is comprised of many details. In evaluating a proposal, staff first reviews these details and then aggregates them into a few primary questions or issues. The following outlines both the primary questions associated with the applicant’s request and staff’s findings.

- **Are minimum conditional use permit standards met?**
  
  No. The applicant’s proposal does not meet one of the eleven conditional use permit standards outlined in the city code. Specifically the proposal does not meet the standard requiring “3,000 square feet of lot area for each overnight resident,
based on proposed capacity." Based on the proposed 12 residents 36,000 square feet is required; the subject property is 16,500 square feet in size.

- **Is a variance to the lot area requirement reasonable?**

Yes. By state law and city code, a variance “may be granted when an applicant establishes that there are practical difficulties in complying with [the] ordinance.” Practical difficulties mean that:

1) *Reasonable Use:* The applicant proposes to use the property in a reasonable manner is not permitted by the ordinance.

2) *Unique Circumstance:* The circumstances justifying the variance are unique to the property, are not caused by the landowner, and are not solely because of economic considerations; and

3) *Character of Neighborhood:* The variance would not adversely affect or alter the essential character of the surrounding area.

The One Twelve proposal meets the practical difficulties “test.”

1) There is a general presumption that the more people who occupy a residence the higher the level of activity and exterior evidence of that occupancy. The intent of the lot area requirement for conditionally permitted residential care facilities is to ensure that larger facilities are located on larger sites that can accommodate or buffer the facilities' presumed higher levels of activity and exterior evidence of occupancy. The subject property meets this intent. Though smaller than required, the facility would be located within a building originally designed and constructed as an office building, served by a parking lot with ample parking spaces, and situated on a major arterial roadway.

2) The subject property is unique. It is oddly-shaped and bordered on three sides by public rights-of-way. Further, it is located over 600 feet from the closest single-family home and screened from the residential area by significant topography and vegetation.

3) The requested variance would not alter the essential character of the area. Rather, it would allow for reasonable use of a long vacant building.

**Summary Comment**

The city’s residential care facility ordinance was re-written in 2013. The primary purpose of the re-write was to provide conditional use permit standards under which the valuable service care facilities provide is appropriately balance with the real and perceived impact such facilities may have on surrounding residential properties. The proposed One Twelve
facility does not meet one of the conditional use permit standards. However, in staff’s professional opinion the facility would achieve the purpose of the larger ordinance: a valuable service would be provided in a long vacant building, located on a major arterial roadway, over 600 feet away from the closest single-family home.

**Recommendation**

Recommend the city council approve a conditional use permit, with lot area variance, for a twelve-resident licensed residential care facility at 12401 Minnetonka Boulevard. See pages A10–A17.

Originator: Susan Thomas, AICP, Principal Planner  
Through: Loren Gordon, AICP, City Planner
### Supporting Information

| **Surrounding** | North: Minnetonka Boulevard; city park beyond |
| **Land Uses**   | South: regional trail; single-family homes beyond |
|                 | East: medical office building |
|                 | West: Minnetonka Boulevard |

| **Planning**       | Guide Plan designation: mixed use |
|                   | Zoning: R-1 |

| **Existing Building** | The existing, roughly 4,375 square foot building was constructed in 1963 as an “office building.” The upper level was converted to living space in 1973. |

| **Zoning** | A series of historical, hand-colored zoning maps indicate that the subject property was zoned B-1 at the time the existing building was constructed. In 1998, the city began using an “electronic” zoning map. This map draws information – zoning, lot size, ownership, etc. – from a large database. The electronic map indicates that the property is zoned R-1. Staff can find no record that the property was ever formally rezoned from B-1 to R-1, leading staff to believe the zoning information for this property was inaccurately entered into the database. |

Staff only discovered the difference between the historical and current zoning maps while doing research for the current application. As such, for over 10 years, city staff, potential buyers, and the current owner have been operating under the assumption that the property was zoned for residential development and that the office building and use were non-conforming. Further, this “electronic” map has been displayed on the city’s website and was published in 2008 as part of the Comprehensive Guide Plan.

Though the property was not rezoned from B-1 to R-1 through adoption of a rezoning ordinance, the long standing publication of the R-1 zoning served to technically rezone the site. Under State Statue §599.13, the publication of any “book, pamphlet, or other form ... which purport to be published by the authority of the council” serves as evidence of the adoption of that “book, pamphlet or other form”. After three years, the publication serves as conclusive proof of adoption.

In other words, because the city previously published – online and in the comprehensive guide plan – the R-1 zoning of the property, and that publication was well over three years ago, the property is zoned R-1.
Conditional Uses

A conditional use is use that is permitted so long as certain conditions – which are clearly outlined in city code – are met. A conditional use permit (CUP) is both the city’s acknowledgement that the code-defined conditions have been met and mechanism to outline various regulations to ensure the conditions continue to be met into the future. A conditional use permit “attaches” to the property for which it has been approved, not to the property owner who applied for the permit.

CUPs may be granted to general land uses. In other words, the city may grant a CUP for a fast food restaurant, but not a CUP for McDonalds. The city may grant a CUP for non-service station having gasoline pumps, not a CUP for Super America. This distinction between general and specific uses is because the conditions outlined in the zoning ordinance cover generalities of the land use. For instance, the conditions require a certain amount of parking for fast food restaurants and certain vehicle stacking area for gas stations. The zoning ordinance does not, and should not, concern itself with a whether a restaurant serves burgers or tacos or what type of gasoline is offered for sale at a station.

It is the same for residential care facilities. The conditions outlined in code look at building square-footage, on-street parking, and the like. The conditions do not distinguish between the type of care provided at a facility, the population residing at the facility, or the owner of the property on which the facility is located.

CUP Standards

By City Code §300.16 Subd.3(g) licensed residential care facilities or community based residential care facilities serving more than six residents must meet the following standards:

1) 3,000 square feet of lot area for each overnight resident, based on proposed capacity;

   Finding: The subject property is 16,500 square feet in size. As such a variance is required.

2) 300 square feet of residential building area for each overnight resident, based on proposed capacity;

   Finding: The existing building is 4,375 square feet in size, exceeding the 3,600 square feet required for 12 residents.
3) in R-1 and R-2 districts, for new construction including additions, a floor area ratio (FAR) that is no more than 100% of the highest FAR of the homes within 400 feet of the lot lines and within 1,000 feet of the lot along the street where it is located, including both sides of the street. The FAR applies to an existing structure only if it seeks to expand. The city may exclude a property that the city determines is not visually part of the applicant’s neighborhood and may add a property that the city determines is visually part of the applicant’s neighborhood. The city may waive or modify the floor area requirement where:

a. the proposed use would be relatively isolated from the rest of the neighborhood by slopes, trees, wetlands, undevelopable land, or other physical features; or

b. the applicant submits a specific building design and site plan, and the city determines that the proposed design would not adversely impact the neighborhood character because of such things as setbacks, building orientation, building height, or building mass. In this case, the approval is contingent upon implementation of the specific site and building plan.

Finding: No new construction is proposed.

4) no external building improvements undertaken in R-1 and R-2 districts which alter the original character of the home unless approved by the city council. In R-1 and R-2 districts, there must be no exterior evidence of any use or activity that is not customary for typical residential use, including no exterior storage, signs, and garbage and recycling containers;

Finding: No external building improvements are proposed.

5) traffic generation: a detailed documentation of anticipated traffic generation must be provided. In order to avoid unreasonable traffic impacts to a residential neighborhood, traffic limitations are established as follows:

a. in R-1 and R-2 districts, the use is not permitted on properties that gain access by private roads or driveways that are used by more than one lot;
b. the use must be located on, and have access only to, a collector or arterial roadway as identified in the comprehensive plan;

c. the use must prepare, and abide by, a plan for handling traffic and parking on high traffic days, such as holidays, that has been reviewed and approved by city staff.

Finding: The property is located on an arterial road and includes an 18-space parking lot. One Twelve indicates that no family gatherings, holidays, or parties take place on site. The only visitors allowed are those dropping off or picking up clients, guest speakers, and spiritual advisors.

6) no on-street parking to be allowed. Adequate off-street parking will be required by the city based on the staff and resident needs of each specific facility. In R-1 and R-2 districts, the parking area must be screened from the view from other R-1 and R-2 residential properties. Private driveways must be of adequate width to accommodate effective vehicle circulation and be equipped with a turnaround area to prevent backing maneuvers onto public streets. Driveways must be maintained in an open manner at all times and be wide enough for emergency vehicle access. Driveway slope must not exceed 8 percent unless the city determines that site characteristics or mitigative measures to ensure safe vehicular circulation are present. Adequate sight distance at the access point must be available;

Finding: The property includes an 18-space parking lot. The applicant indicates that drivers/parkers at the proposed twelve-resident facility would include:

- three day time staff members,
- one staff member during the evening/night,
- six to seven residents,
- an occasional guest speakers, and
- an occasional spiritual advisor.

The existing parking lot could accommodate all of these drivers/parkers even were all to be on site at the same time, which is not anticipated.
7) all facilities to conform to the requirements of the Minnesota state building code, fire code, health code, and all other applicable codes and city ordinances;

Finding: This has been included as a condition of approval.

8) landscape buffering from surrounding residential uses to be provided consistent with the requirements contained in section 300.27 of this ordinance. A privacy fence of appropriate residential design may be required to limit off-site impacts. Landscape screening from surrounding residential uses may be required by the city depending on the type, location and proximity of residential areas to a specific facility;

Finding: The subject property is bordered on three sides by public rights-of-way. Further, it is located over 600 feet from the closest single-family home and screened from the residential area by significant topography and vegetation.

9) submission of detailed program information including goals, policies, activity schedule, staffing patterns and targeted capacity which may result in the imposition of reasonable conditions to limit the off-site impacts;

Finding: This has been included as a condition of approval.

10) submission of a formal site and building plan review if a new building is being constructed, an existing building is being modified, or the city otherwise determines that there is a need for such review; and

Finding: No new construction or exterior building/site changes are proposed.

11) additional conditions may be required by the city in order to address the specific impacts of a proposed facility.

Variance Standard

By City Code §300.07, a variance may be granted from the requirements of the zoning ordinance when: (1) it is in harmony with the general purposes and intent of the ordinance; (2) it is consistent with the comprehensive plan; and (3) when an applicant establishes that there are practical difficulties in complying with the ordinance. Practical difficulties mean that the
applicant proposes to use a property in a reasonable manner not permitted by the ordinance, the plight of the landowner is due to circumstances unique to the property not created by the landowner, and, the variance if granted, would not alter the essential character of the locality.

1) **Purpose and Intent:** The intent of the lot area requirement for conditionally permitted residential care facilities is to ensure that larger facilities are located on larger sites that can accommodate or buffer the facilities’ presumed higher levels of activity and exterior evidence of occupancy. The subject property meets this intent. Though smaller than required, the facility would be located with a building originally designed and constructed as an office building, served by a parking lot that has ample parking spaces, and situated on a major arterial roadway.

2) **Consistency with Comprehensive Plan:** The subject property is guided for mixed-use development. The requested lot size variance would not result in a land use contrary to this designation.

3) **Practical Difficulties:**

   - **Reasonableness.** The requested variance is reasonable, as the intent of the ordinance standard is still met. Though smaller than required, the facility would be located with a building originally designed and constructed as an office building, served by a parking lot has ample parking spaces, and situated on a major arterial roadway.

   - **Unique Circumstance.** The subject property is unique. It is oddly-shaped, bordered on three sides by public rights-of-way. Further, it is located over 600 feet from the closest single-family home and screened from the residential area by significant topography and vegetation.

   - **Character of Locality.** The requested variance would not alter the essential character of the area. Rather, it would reasonable use of a long vacant building

**Motion Options**

The planning commission has three options:
1) Concur with the staff recommendation. In this case a motion should be made recommending the city council approve the request based on the findings outlined the staff-drafted resolution.

2) Disagree with staff’s variance analysis, and find that the proposal does meet the variance standard. In this case, a motion should be made recommending the city council deny the request. This motion must include findings outlining how the variance standard is met.

3) Table the request. In this case, a motion should be made to table the item. The motion should include a statement as to why the request is being tabled with direction to staff, the applicant, or both.

<table>
<thead>
<tr>
<th>Neighborhood Comments</th>
<th>The city sent notices to 78 area property owners and received no comments attached to date.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deadline for Decision</td>
<td>July 13, 2015</td>
</tr>
</tbody>
</table>
Location Map

Project: One Twelve
Address: 12401 Minnetonka Blvd
(15006.15a)
We are currently operating a long term six bed drug and alcohol recovery facility for clients in recovery from past addiction issues at this location. Our request is to add six more clients to this facility which is in compliance with the current guidelines set forth by the city of Minnetonka. The facility sits directly on a main arterial roadway (Minnetonka Boulevard) with 18 parking spaces for clients and staff. We do not accept clients with a history of sex or arson crimes. Neighborhood meeting was held on 1/2/2015 with a total of 5 in attendance.

OWNER'S STATEMENT
I am the owner of the above described property and I agree to this application. By signing this application, I certify that all fees, charges, utility bills, taxes, special assessments and other debts or obligations due to the city by me or for this property have been paid. I further certify that I am in compliance with all ordinance requirements and conditions regarding other city approvals that have been granted to me for any matter. (If the owner is a corporation or partnership, a resolution authorizing this action on behalf of the board or partnership must be attached.)

APPLICANT'S STATEMENT
This application should be processed in my name, and I am the party whom the city should contact about this application. I have completed all of the applicable filing requirements and, to the best of my knowledge, the documents and information I have submitted are true and correct.

Submitted by Applicant
RE: CUP & Variation Stipulations  May 7, 2015

To The City of MNTKA P&Z, Council & Staff

This letter is to serve and satisfy the questions brought forth by the City staff concerning day to day operations of One Twelve at 12401 Minnetonka Boulevard, Minnetonka Boulevard, Minnetonka, MN 55305.

Goal:
To assist individuals already stable in recovery from alcohol and drug addiction. Our program is designed to accept residents from a Primary Residential Treatment facility into our Medium Intensity Long Term Residential Facility and assist them in expounding on newly learned coping skills, job searches, living skills and integration back into the community so that may surpass their active addiction and become high functioning members of society.

Policies:
There are over 30 policies in the client handbook given to each client outlining behavior expectations, within the facility and most importantly outside the facility. Clients are required to follow 9:30pm curfew seven days a week with up three hour passes granted during each day and eight hours on the weekend. All clients are Breathalyzed and drug screened on a daily basis. Clients that are not staying clean & sober are referred to and taken to a higher level of care. There are no on-site visiting hours permitted at this location due to its size. Clients are required to participate in therapeutic recreation 2-4 times per week in addition to be taken to the grocery store. All clients participate in 20+ hours of group process with a licensed counselor in addition to 1-3 hours per week of 1:1 counseling with their Licensed counselor. Many clients are also engaged in secondary therapy to address manageable mental health issues.

Staffing:
During the day there are three-four staff members on site. In the evening hours, there are one-two staff members on-site at all times with emergency protocol in place to have an additional five staff members on-site within 3-5 minutes. Normal business hours are 8am-5p after which time the doors are locked except for emergency escape. We do not accept clients with arson or criminal sexual conduct charge on their record.

Best Regards,

Benjamin Palmby
Director of Operations
ben@onenetwelve.org
12401 Minnetonka Boulevard (TOP FLOOR)
Minnetonka, MN 55305
Parcel ID: 1411722230009

Total SF: 4376
Year Built 1963
Initial Build Use: Apartment Dwelling
Most Recent Use: Vacant
Current Use: 6 Resident Med. Intensity MN Rule 31 Licensed Treatment Facility

- Two 2nd Floor Stove
- One 2nd Floor Wash Basin 
  washer discharge
- Two 2nd Floor Stove
- Two 2nd Floor Washer & Dryer

13'6" Single Room
8'4" Double Room
9'10" Single Room
17'3" Double Room
17'3" Single Room
11'4" Double Room
11'4" Kitchen
26' Dining
4' Bathroom
9'6" Storage
6'9" Laundry Room

Egress 10'6" 11' Double Room
Common Area 13'2" 17'3" 11' 18'3" 11'9" 12'2"

One Twelve
12401 Minnetonka Boulevard
#15006.15a

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Egress 10'6" 11' Double Room
Common Area 13'2" 17'3" 11' 18'3" 11'9" 12'2"

One Twelve
12401 Minnetonka Boulevard
#15006.15a
12401 Minnetonka Boulevard (LOWER LEVEL)
Minnetonka, MN 55305
Parcel ID: 1411722230009

Total SF: 4376
Year Built: 1963
Initial Build Use: Apartment Dwelling
Most Recent Use: Vacant
Current Use: 6 Resident Med. Intensity MN Rule 31 Licensed Treatment Facility

- 1 1st Floor Shower
- 2 1st Floor Stove(s)
- 1 1st Floor Fridge
- 1 1st Floor Fridge(s)
- 1 1st Floor Kitchen Sink
- 2 1st Floor Sink
- 1 1st Floor Fridge(s)
- 1 1st Floor Toilet

Floor Plan:
- Bedroom
- Dining Room
- Kitchen
- Boiler Room
- Office
- Bathroom
- Hallway
- Main Exit/Lobby

Measurements:
- Triple Bedroom: 12' 7" x 20' 10"
- Dining: 12' 7" x 20' 10"
- Kitchen: 12' 3" x 20' 10"
- Boiler Room: 10' 2" x 22' 1"
ZONING

Legend

Parcels

Zoning

ZONING

B-1
B-2
B-3
I-1
PID
PURD
PUD
R-1
R-1 PURD
R-2
R-2 PURD
R-3
R-3 PURD
R-4
R-4 PURD
R-5

Subject Property

Minnetonka Blvd

One Twelve

12401 Minnetonka Boulevard

#15006.15a
Resolution No. 2015-

Resolution approving a conditional use permit, with lot area variance, for a twelve-resident licensed residential care facility at 12401 Minnetonka Boulevard

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 One Twelve has requested a conditional use permit, with lot area variance, to operate a twelve resident licensed residential care facility at 12401 Minnetonka Boulevard.

1.02 The property is legally described on EXHIBIT A of this resolution.

1.03 On May 7, 2015, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the planning commission. The planning commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council approve the permit.

Section 2. Standards.

2.01 City Code §300.16 Subd. 2 outlines the general standards that must be met for granting a conditional use permit. These standards are incorporated into this resolution by reference.

2.02 City Code §300.16 Subd. 3(g) outlines the following specific standards that must be met for granting a conditional use permit for such facilities:

1. 3,000 square feet of lot area for each overnight resident, based on proposed capacity;

2. 300 square feet of residential building area for each overnight resident, based on proposed capacity;
3. in R-1 and R-2 districts, for new construction including additions, a floor area ratio (FAR) that is no more than 100% of the highest FAR of the homes within 400 feet of the lot lines and within 1,000 feet of the lot along the street where it is located, including both sides of the street. The FAR applies to an existing structure only if it seeks to expand. The city may exclude a property that the city determines is not visually part of the applicant's neighborhood and may add a property that the city determines is visually part of the applicant's neighborhood. The city may waive or modify the floor area requirement where:

a) the proposed use would be relatively isolated from the rest of the neighborhood by slopes, trees, wetlands, undevelopable land, or other physical features; or

b) the applicant submits a specific building design and site plan, and the city determines that the proposed design would not adversely impact the neighborhood character because of such things as setbacks, building orientation, building height, or building mass. In this case, the approval is contingent upon implementation of the specific site and building plan.

4. no external building improvements undertaken in R-1 and R-2 districts which alter the original character of the home unless approved by the city council. In R-1 and R-2 districts, there must be no exterior evidence of any use or activity that is not customary for typical residential use, including no exterior storage, signs, and garbage and recycling containers;

5. traffic generation: a detailed documentation of anticipated traffic generation must be provided. In order to avoid unreasonable traffic impacts to a residential neighborhood, traffic limitations are established as follows:

a) in R-1 and R-2 districts, the use is not permitted on properties that gain access by private roads or driveways that are used by more than one lot;

b) the use must be located on, and have access only to, a collector or arterial roadway as identified in the comprehensive plan;
c) the use must prepare, and abide by, a plan for handling traffic and parking on high traffic days, such as holidays, that has been reviewed and approved by city staff.

6. no on-street parking to be allowed. Adequate off-street parking will be required by the city based on the staff and resident needs of each specific facility. In R-1 and R-2 districts, the parking area must be screened from the view from other R-1 and R-2 residential properties. Private driveways must be of adequate width to accommodate effective vehicle circulation and be equipped with a turnaround area to prevent backing maneuvers onto public streets. Driveways must be maintained in an open manner at all times and be wide enough for emergency vehicle access. Driveway slope must not exceed 8 percent unless the city determines that site characteristics or mitigative measures to ensure safe vehicular circulation are present. Adequate sight distance at the access point must be available;

7. all facilities to conform to the requirements of the Minnesota state building code, fire code, health code, and all other applicable codes and city ordinances;

8. landscape buffering from surrounding residential uses to be provided consistent with the requirements contained in section 300.27 of this ordinance. A privacy fence of appropriate residential design may be required to limit off-site impacts. Landscape screening from surrounding residential uses may be required by the city depending on the type, location and proximity of residential areas to a specific facility;

9. submission of detailed program information including goals, policies, activity schedule, staffing patterns and targeted capacity which may result in the imposition of reasonable conditions to limit the off-site impacts;

10. submission of a formal site and building plan review if a new building is being constructed, an existing building is being modified, or the city otherwise determines that there is a need for such review; and

11. additional conditions may be required by the city in order to address the specific impacts of a proposed facility.
2.03 By City Code §300.07 Subd. 1, a variance may be granted from the requirements of the zoning ordinance when: (1) the variance is in harmony with the general purposes and intent of this ordinance; (2) when the variance is consistent with the comprehensive plan; and (3) when the applicant establishes that there are practical difficulties in complying with the ordinance. Practical difficulties means: (1) The proposed use is reasonable; (2) the need for a variance is caused by circumstances unique to the property, not created by the property owner, and not solely based on economic considerations; and (3) the proposed use would not alter the essential character of the surrounding area.

Section 3. Findings.

3.01 The proposal meets the general conditional use permit standards outlined in City Code §300.16 Subd.2.

3.02 The proposal meets all but one of the specific conditional use permit standards outlined in City Code 300.16 Subd.3(g)

1. The subject property is 16,500 square feet in size. As such a variance is required.

2. The existing building is 4,375 square feet in size, exceeding the 3,600 square feet required for 12 residents.

3. No new construction is proposed.

4. No external building improvements are proposed.

5. The property is located on an arterial road and includes an 18 space parking lot. One Twelve indicates that no family gatherings, holidays, or parties take place on site. The only visitors allowed are those dropping off or picking up clients, guest speakers, and spiritual advisors.

6. The property includes an 18 space parking lot. The applicant indicates that drivers/parkers at the proposed twelve-resident facility would include:

- Three to four day time staff members,
- one to two staff member during the evening/night,
- six to seven residents,
- an occasional guest speaker, and
- an occasional spiritual advisor.
The existing parking lot could accommodate all of these drivers/parkers even if all were on site at the same time, which is not anticipated.

7. Per a condition of this resolution, the facility must conform to the requirements of the Minnesota state building code, fire code, health code, and all other applicable codes and city ordinances;

8. The subject property is bordered on three sides by public rights-of-way. Further, it is located over 600 feet from the closest single-family home and screened from the residential area by significant topography and vegetation.

3.03 The proposal meets the variance standard outlined in City Code §300.07 Subd. 1(a):

1. Purpose and Intent of the Ordinance: The intent of the lot area requirement for conditionally permitted residential care facilities is to ensure that larger facilities are located on larger sites that can accommodate or buffer the facilities’ presumed higher levels of activity and exterior evidence of occupancy. The subject property meets this intent. Though smaller than required, the facility would be located within a building originally designed and constructed as an office building, served by a parking lot with ample parking spaces, and situated on a major arterial roadway.

2. Consistency with Comprehensive Plan: The subject property is guided for mixed-use development. The requested lot size variance would not result in a land use contrary to this designation.

3. Practical Difficulties: There are practical difficulties in complying with the ordinance:

a) Reasonableness. The requested variance is reasonable, as the intent of the ordinance standard is met. Though smaller than required, the facility would be located within a building originally designed and constructed as an office building, served by a parking lot with ample parking spaces, and situated on a major arterial roadway.

b) Unique Circumstance. The subject property is unique. It is oddly-shaped, and bordered on three sides by public rights-of-way. Further, it is located over 600 feet from the closest
single-family home and screened from the residential area by significant topography and vegetation.

c) Character of Locality. The requested variance would not alter the essential character of the area. Rather, it would provide reasonable use of a long vacant building.

Section 4. City Council Action.

4.01 The above-described conditional use permit is approved, subject to the following conditions:

1. Prior to occupancy by more than six residents:
   a) This resolution must be recorded with Hennepin County.
   b) The facility must be brought into compliance with all requirements of the Minnesota state building code, fire code, and health code.
   c) Submit detailed program information including goals, policies, activity schedule, and staffing patterns.

2. The existing planters adjacent to Minnetonka Boulevard must be landscaped.

3. The city council may reasonably add or revise conditions to address any future unforeseen problems.

4. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 18, 2015.

Terry Schneider, Mayor

Attest:

David E. Maeda, City Clerk
Action on this resolution:

Motion for adoption:
Seconded by:
Voted in favor of
Voted against:
Abstained:
Absent:
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on May 18, 2015.

__________________________________
David E. Maeda, City Clerk
EXHIBIT A

That part of Lot 3 in Section 14, The Minnetonka Mill Company’s Subdivision Of Part Of Secs 14 & 15 T. 117 N R 22 W, described as
follows: Commencing at the intersection of the Northwesterly line of said Lot 3 with the West line of said Section 14, Township 117, Range 22; thence South along the West line to a point 247.5 feet North of the Southwest corner of the Northwest Quarter of said Section 14; thence Northwesterly at an interior angle of 60 degrees with said section line, 316.3 feet; thence South parallel with the West line of said section to the centerline of Minnetonka Boulevard, the actual point of beginning of the land to be described; thence Southwesterly along the centerline of said Minnetonka Boulevard to its intersection with the East and West quarter line of said section; thence East along said quarter line to its intersection with the Northerly line of the right-of-way of the Minneapolis and St. Louis Railroad Company; thence Easterly along said right-of-way to the East line of said Lot 3; thence North along said East line to its intersection with the centerline of Minnetonka Boulevard; thence Southwesterly along said centerline to the actual point of beginning.

Torrens Property. Certificate of Title No. 1305647
Cauley stated that the plans for the roof would be reviewed during the building permit process to make sure it would meet state code requirements. Chair Kirk noted that the grade could be lowered to make it more difficult for a child to climb onto the roof.

Gordon suggested that the condition of the road could be documented by residents prior to construction.

**Odland moved, second by Magney, to recommend that the city council adopt the resolution on pages A8-A11 of the staff report. This resolution approves a conditional use permit for an accessory structure with a gross floor area of 2,200 square feet.**

**Odland, Rettew, Calvert, Knight, Magney, and Kirk voted yes. O’Connell was absent. Motion carried.**

This item is tentatively scheduled to be reviewed by the city council at its meeting May 18, 2015.

**B. Conditional use permit with lot area variance for a 12-resident licensed residential care facility at 2401 Minnetonka Boulevard.**

Chair Kirk introduced the proposal and called for the staff report.

Thomas reported. She recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

Magney asked how close future development would be from the site. Thomas estimated that there would be 400 feet from the site to the proposed senior cooperative building. She did notify the senior cooperative representatives regarding the proposal. They did not provide any feedback.

Rettew asked if there are other 12-resident residential care facilities in Minnetonka. Thomas answered that there are 3 other residential care facilities in the city. She believed one has 11 residents, another has 15 residents, and another has 10 residents. Rettew asked if they meet the lot area requirement. Thomas recalled that they do.

Rettew asked if there is a requirement for the building size per resident. Thomas answered that the application would meet the requirement for 300 square feet of building space per resident.
Rettew asked if approval of the application would set a precedent. Thomas explained that staff is not concerned a precedent would be set. Each application is reviewed uniquely. If an application came forward on an oddly shaped property in office building on a collector road, then there may be precedent, but approval would not establish a legal precedent for a residential care facility in a single-family home in the middle of a single-family neighborhood.

Chair Kirk noted how a residential care facility can impact a single-family neighborhood when it exceeds six residents. He felt the 3,000 square-foot lot requirement would have been created to provide buffering to neighbors. He noted that the conditional use permit would allow another provider to have a 12-resident care facility on the site. Thomas agreed that, from a zoning perspective, staff and commissioners cannot make a determination on the type of resident who lives at a residential care facility. One of the conditions of approval requires that detailed information on programming, policies, and the activities schedule be provided to the city to anticipate the traffic and parking demands. Any change to the approved use that would result in a significant change in traffic or parking can require a review of the conditional use permit.

Odland asked if a change of owner or provider would require review of the conditional use permit. Thomas answered in the negative. The city does not review or regulate who the residents may be.

Benjamin Palmby, representing One Twelve, the applicant, stated that:

- The clientele that would be served at the site would be a medium-intensity residential program. A primary-intensity residential program would require a higher level of care. Residents are deemed stable and are working on coping skills.
- The program is 90 days. A typical stay is 75 days.
- The residents are screened for mental health issues.
- Less than half of the residents would have vehicles. There would be 18 parking spots. Three stalls would be used by staff members, so half of the 18 parking stalls would be empty.
- The site would be located on a major arterial road. There are currently 6 residents and it has been running well.
- There is an integrated security system with cameras outside and inside.
- Building code, fire code, and health codes need to be followed. Those requirements will be done before the city council meeting.
- Detailed program information and staffing patterns will be provided.
• There would be three staff members on site at a time. If there is a medical issue, an ambulance would be called.
• The care facility has kept a low profile because of the way the clients are screened.
• The planters are now landscaped on Minnetonka Boulevard to screen the parking lot.
• He is open to any questions and suggestions. He brought his whole staff. They are at the facility from 6 hours to 8 hours a day to make sure that everyone is doing what they are supposed to be doing.
• The primary goal is to extend each resident’s sobriety, get them on their feet, and integrate them back into the community. The staff help clients get back into the work force to become high-functioning members of the community.
• Right now, 65 percent of the residents are from Hennepin County.
• If a resident abuses alcohol or drugs, then the resident is transported to the nearest detoxification facility and moved to a higher level of care after that.
• He was available for questions.

Rettew asked how many square feet per resident the other facilities have. Mr. Palmby estimated 500 square feet per resident in one and 400 square feet per resident in another. The state requirement is 90 square feet for single person and 140 square feet for 2 residents in a room. Minnetonka’s requirement is well above that. No facility has more than 2 beds in each room.

Rettew asked if he considered expanding the building to accommodate 12 residents. Mr. Palmby answered that there is plenty of room available right now. If there are personality conflicts, then residents are moved to different care facilities.

In response to Rettew’s question, Mr. Palmby stated that internet use is monitored and certain sites are restricted. If there is an ongoing issue, the resident would be discharged. So far, no facility has had an issue with that.

Mr. Palmby thanked staff and commissioners for their service. Minnetonka has been the easiest city to work with. He especially appreciated working with Thomas.

The public hearing was opened. No testimony was submitted and the hearing was closed.
Rettew was sympathetic for the need of the use. He noted two other residential care facility applications to house more than 6 residents that were denied because of the location in a single-family neighborhood. He noted that the 3,000-square foot requirement would not be met, but the living requirement of 300 feet per person would be met.

Odland felt it would be a great use for the existing building and an odd-shaped lot. The long-term benefit would pay off.

Calvert concurred.

In response to Rettew’s question, Odland answered that the proposed senior facility that would be 400 feet down the road would be beneficial to both parties. There is ample room for traffic and parking which is the main issue for care facilities in single-family residential areas. This site would meet the need in a great way.

Calvert added that the facility would treat addiction for residents which is a health issue. Her concern was with parking, but those questions were answered in the staff report. She was concerned with the amount of traffic in general on Minnetonka Boulevard because there is no good way for her to get to work currently, but that is another issue. She has no concerns for the proposal whatsoever.

Rettew asked if the applicant owns the building. Mike Holmes answered affirmatively.

Knight felt that the location alone is enough reason to justify deviating from the lot-size requirement. Chair Kirk agreed. He supports the application. He would suspect that the future residents of Applewood would not realize the function of the use in the office building.

**Odland moved, second by Magney, to recommend that the city council adopt the resolution including modifications in the change memo dated May 7, 2015 approving a conditional use permit for a licensed residential care facility serving 12 residents at 12401 Minnetonka Boulevard. See pages A8-A14 of the staff report.**

**Odland, Rettew, Calvert, Knight, Magney, and Kirk voted yes. O'Connell was absent. Motion carried.**
This item is tentatively scheduled to be reviewed by the city council at its meeting May 18, 2015.

C. Items concerning the Music Barn Apartments at 5740 and 5750 Shady Oak Road.

Chair Kirk introduced the proposal and called for the staff report.

Thomas and Gordon reported. Thomas recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

Chair Kirk asked for information on the TIF part of the proposal. Wischnack explained that the applicant is not requesting to create a TIF district, but, instead, use the city's pooled tax increment funds. Tax increment pooling money refers to the tax increment funds created by existing TIF districts that may be used for affordable housing. The EDAC reviewed the proposal at its last meeting and agrees with using the tax increment funds. Chair Kirk noted that tax increment funds create an incentive for a developer to provide affordable housing.

Chair Kirk asked what the restrictions are for a steep slope and the site’s tree preservation requirements. Thomas explained that there is a steep slope ordinance that requires a development to meet certain findings outlined in the resolution. It does not restrict development, but gets to minimizing impact to the slope. Staff found that the application does minimize encroachment. The tree ordinance allows up to 35 percent of a woodland preservation area to be removed. Neither the tree or steep slope ordinances would restrict the proposal. It meets those ordinance requirements. Colleran explained the three types of tree classifications. There is a map in the packet that illustrates a woodland preservation area, but that map is not accurate. There is no woodland preservation area on the proposed site. Three high-priority trees of a total of 16 high-priority trees would be removed from the site.

Chair Kirk asked for the definition of medium-density. Thomas defined medium density as over 4 units per acre and up to 12 units per acre. The proposal is at the high end of medium-density. It would be just under 12 units per acre. The Beachside neighborhood across the road is at 9 units per acre. High-density is over 12 units per acre.

Jay Jensen, of Shelter Corporation, applicant, stated that:

- He appreciated the opportunity to present the proposal.
Brief Description: Appointment of hearing officers for administrative citation hearing program

Recommended Action: Approve the list of hearing officers

Background

In 1995 the city council approved an ordinance establishing an administrative citation hearing program. The administrative hearing process offers an alternative to the regular court system to review alleged violations of city ordinances. The process is intended to be more informal and less intimidating to alleged violators. Approximately five to ten hearings occur annually.

Section 1310.035 of the city code requires the council to periodically approve a list of attorneys to be used as hearing officers. This list has not been updated by the council for a number of years. Recently, Jeffrey H. Olson contacted staff indicating he wished to be added to the list of potential hearing officers. Staff met with Mr. Olson who serves as a hearing officer for the cities of Crystal and Brooklyn Center as well as a part time referee for the Ramsey County Conciliation Court, and found his qualifications satisfactory.

Included is the current list of hearing officers that staff is asking the council to approve with the addition of Mr. Olson.

Recommendation

Approve the attached list of hearing officers.

Submitted through:
    Geralyn Barone, City Manager
    Perry Vetter, Assistant City Manager

Originated by:
    David Maeda, City Clerk
Administrative Hearings Officers

John DeMoss (6950 France Ave S, Edina, MN 55435)

Timothy Dunn (1616 American Bank Building, St. Paul, MN 55101)

Robert Fine (PO Box 24192, Edina, MN 55424-0192)

Jeffrey Olson (5101 Thimsen Avenue, Minnetonka, MN 55345)

Robert Reutiman (PO Box 367, Wayzata, MN 55391)
Brief Description  Resolution approving a conditional use permit for an accessory structure at 1721 Oakland Road

Recommendation  Adopt the resolution approving the request

Proposal

The applicant is proposing to construct a 45-foot x 50-foot accessory structure at 1721 Oakland Road. The subject property is just over 50,000 square feet in size and is accessed via a shared driveway extension from a private road. The accessory structure would be architecturally consistent with the existing home. The garage would be screened from adjacent property owners by existing topography and proposed landscaping.

Planning Commission Review

The planning commission considered the request on May 7, 2015. The staff report from that meeting is attached and various plans and documents describing the proposed project may be found on pages A1-A7. Unapproved meeting minutes may be found on pages A12-A13. At that meeting, a public hearing was opened to take comment. Area residents expressed concern regarding the maintenance and protection of the existing private drive. Additional comments were received related to the screening of the proposed structure and the safety of children in the neighborhood.

Following the public hearing, the commission asked questions and discussed the proposal and generally commented:

- **Tree mitigation requirements.** The commission asked staff to elaborate on the tree mitigation requirements. Staff responded that as proposed no tree mitigation is required for two primary reasons: (1) the existing home has been constructed for more than two years; and (2) the trees being removed are located in the footprint of the proposed garage. The applicant added that the property owner is proposing additional landscaping to provide additional screening to adjacent properties.

- **Private drive maintenance.** The commission asked staff to comment on the city and residents responsibility in the maintenance of the private drive. Staff responded that the residents and the subject property owner would be responsible for protection and maintenance of the private drive.

- **Safety of the children.** The commission asked staff to respond to an area resident’s concern regarding measures to keep children from climbing on the roof of the proposed structure. Staff responded that at the time of a building permit, staff would review the proposal to ensure compliance with any building code
requirements. The commission added that additional safety precautions could be obtained through grade changes.

On a 6-0 vote, the commission recommended that the city council approve the conditional use permit.

**Since Planning Commission Hearing**

There have been no changes to the proposal or additional information received since the planning commission’s meeting on this item.

**Staff Recommendation**

Recommend the city council adopt the resolution on pages A8–A11, approving the request.

Through:    Geralyn Barone, City Manager
            Julie Wischnack, AICP, Community Development Director
            Loren Gordon, AICP, City Planner

Originator: Ashley Cauley, Planning Technician
MINNETONKA PLANNING COMMISSION
May 7, 2015

Brief Description
A conditional use permit for a 2,200 square foot accessory structure at 1721 Oakland Road

Recommendation
Recommend the city council adopt the resolution approving the request.

Project No. 15008.15a
Property 1721 Oakland Road
Applicant Arnold Zachman

Proposal
The applicant Arnold Zachman, on behalf of the property owner, is proposing to construct a 2,200 square foot detached garage. As proposed, the detached garage would be used to store the property owner’s extensive wine and classic car collection. (See narrative and plans on pages A1-A7.)

Proposal requirements:
This proposal requires:

- Conditional Use Permit: Accessory structures exceeding 1,000 square feet of gross floor area are conditionally permitted uses within residential districts.

Approving Body
The planning commission makes a recommendation to the city council, which has the final authority to approve or deny the request. (City Code §300.06.4)

Staff Analysis
Staff finds that the applicant’s proposal is reasonable:

1. The proposal would meet the general and specific conditional use permit standards for an accessory structure exceeding 1,000 square feet of gross floor area.

2. By ordinance, one detached garage is permitted as an accessory structure on residential properties.

3. The property is a lot-behind-lot and has access via a driveway off of a private road. As such, the proposed
garage would not be visible from adjacent public roadways.

4. The proposed garage would be “cut” into an existing knoll. As such, the structure would be screened from surrounding properties through existing topography and proposed landscaping.

Staff Recommendation

Recommend that the city council adopt the resolution on pages A8-A11. This resolution approves a conditional use permit for an accessory structure with a gross floor area of 2,200 square feet.

Originator: Ashley Cauley, Planning Technician
Through: Loren Gordon, AICP, City Planner
Supporting Information

**Surrounding Land Uses**
All surrounding properties are improved with single family residential homes, zoned R-1 and guided for low density residential.

**Planning**
Guide Plan designation: Low density residential
Zoning: R-1

**Site features**
The subject property has a property area of 53,614 square feet. The property is improved with a two-story home with an attached garage. According to city assessing records, the existing home has approximately 4,000 square feet of living area. Currently, no accessory structures exist on the property.

The property owner has landscaped a significant amount of the property. In addition to plantings, the landscaping includes several large stone retaining walls and sculptures. (See survey and grading plans on page A3.)

The highest point on the property is a knoll located in the northwest corner of the property. The property generally slopes downwards in all directions from the knoll. The property south of the knoll slopes towards a Manage 1 wetland complex. The proposed garage would comply with wetland and floodplain setback requirements.

**Proposal**
The proposed garage would be 2,200 square feet in size and would be used to store the property owner’s collections of automobiles, motorcycles and wine.

The proposed garage would be “cut” into the existing knoll. By doing so, the proposed garage would be primarily screened from adjacent properties by existing topography. Per the applicant, additional screening would be provided by proposed landscaping. To accommodate the proposed garage, 984 cubic yards of soil would be removed from the property. Based on the amount of disturbance, stormwater management would be required at the time of construction. This has been included as a condition of approval.

By ordinance, building height is measured in one of two ways. The method of measuring building height is dependent on the amount of grade change within a five foot horizontal
measurement from the structure’s wall. The methods of measuring building height are as follows:

1. The midpoint of the highest roof peak to the highest grade. This method is used when the change in grade is not more than 10 feet above the lowest grade; or

2. The midpoint of the highest roof peak to an elevation 10 feet higher than the lowest grade. This method is used when the grade change exceeds 10 feet.

As the grade change does not exceed ten feet, the measurement is taken from the mid-point to the highest grade. As proposed, the building height is four feet.

**CUP Standards**

The proposal would meet the general conditional use permit standards as outlined in City Code §300.16 Subd.2:

1. The use is consistent with the intent of this ordinance;

2. The use is consistent with the goals, policies and objectives of the comprehensive plan;

3. The use does not have an undue adverse impact on governmental facilities, utilities, services or existing or proposed improvements; and

4. The use does not have an undue adverse impact on the public health, safety or welfare.

The proposal would meet the general conditional use permit standards as outlined in City Code §300.16 Subd 3(f):

1. Side and rear setbacks equal to the height of the structure or 15 feet, whichever is greater;

   **Finding:** The proposed garage would be setback 53 feet from the north property line and 22 feet from the east property line.

2. No additional curb cuts to be permitted;

   **Finding:** The applicant is not proposing any additional curb cuts. Access to the property is via a shared driveway extension from Oakland Road, a private drive.

3. Not to be used for commercial activities;
Finding: The applicant is proposing to use the space to store his collections. Nonetheless, a condition of approval has been included to prohibit the use of the garage for commercial use.

4. Structure to be architecturally consistent with the principal structure;

Finding: The applicant is proposing the garage have architectural features similar to the existing home.

5. Landscaping to be required to buffer views when the structure is highly visible from adjoining properties;

Finding: A majority of the proposed garage's screening will be provided by existing topography. The applicant is proposing landscaping to provide additional screening.

6. Site and building plan subject to review pursuant to section 300.27 of this ordinance.

Finding: The proposed garage would meet the site and building plan standards outlined in City Code 300.27 Subd. 5 as noted below.

SBP Standards

The proposal would comply with all site and building standards as outlined in City Code 300.27 Subd.5.

1. Consistency with the elements and objectives of the city's development guides, including the comprehensive plan and water resources management plan;

Finding: Staff from the city’s community development, engineering, finance, fire and public works department have reviewed the proposal and found that it is consistent with the city’s comprehensive guide plan and water resource management plan.

2. Consistency with this ordinance;

Finding: The proposal meets all ordinance standards.

3. Preservation of the site in its natural state to the extent practicable by minimizing tree and soil removal and designing grade changes to be in keeping with the general appearance of neighboring developed or developing areas;
Finding: When selecting the most appropriate location for the detached garage, the applicant considered the wetland complex to the south and opportunities to “naturally” screen the proposed garage from adjacent properties.

4. Creation of a harmonious relationship of buildings and open spaces with natural site features and with existing and future buildings having a visual relationship to the development;

Finding: The applicant is proposing the detached garage be architecturally consistent with the existing home on the property. Additionally, the applicant is proposing to “cut” the garage into the knoll to allow for screening to adjacent properties. Additional landscaping is proposed for additional screening.

5. Creation of a functional and harmonious design for structures and site features, with special attention to the following:

a) an internal sense of order for the buildings and uses on the site and provision of a desirable environment for occupants, visitors and the general community;

b) the amount and location of open space and landscaping;

c) materials, textures, colors and details of construction as an expression of the design concept and the compatibility of the same with the adjacent and neighboring structures and uses; and

d) vehicular and pedestrian circulation, including walkways, interior drives and parking in terms of location and number of access points to the public streets, width of interior drives and access points, general interior circulation, separation of pedestrian and vehicular traffic and arrangement and amount of parking.

Finding: The property is a lot-behind-lot and is accessed via a shared driveway extension off of a private road. Internal to the property, the applicant is proposing access to the garage via an extension of the existing driveway. Additional landscaping is proposed to provide additional screening.

5. Promotion of energy conservation through design, location, orientation and elevation of structures, the use and location of
glass in structures and the use of landscape materials and site grading; and

Finding: The applicant is proposing additional landscaping for screening. The proposed grading is sensitive to the wetland complex to the south.

6. Protection of adjacent and neighboring properties through reasonable provision for surface water drainage, sound and sight buffers, preservation of views, light and air and those aspects of design not adequately covered by other regulations which may have substantial effects on neighboring land uses.

Finding: Screening is provided to the adjacent property through existing topography and proposed landscaping. The proposed structure would not be visible from a public roadway.

Natural Resources

Best management practices must be followed during the course of site preparation and construction activities. This would include installation and maintenance of a temporary rock driveway, erosion control, and tree protection fencing. As a condition of approval the applicant must submit a construction management plan detailing these management practices.

Motion Options

The planning commission has the following motion options:

1. Concur with staff’s recommendation. In this case, a motion should be made recommending the city council approve the proposal based on the findings outlined in the staff-drafted resolution.

2. Disagree with staff’s recommendation. In this case, a motion should be made recommending the city council deny the request. The motion should include findings for denial.

3. Table the request. In this case, a motion should be made to table the item. The motion should include a statement as to why the request is being tabled with direction to staff, the applicant or both.
Pyramid of Discretion

The city sent notices to 40 area property owners and received no comments to date.

**Deadline for Decision**: August 1, 2015
Location Map

Project: Zachman, Arnold
Address: 1721 Oakland Rd
(15008.15a)
# Conditional Use Permit

## PROPERTY INFORMATION

<table>
<thead>
<tr>
<th>Property Address</th>
<th>1721 Oakland Rd. MHK+</th>
</tr>
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<tbody>
<tr>
<td>Parcel ID Number</td>
<td>03-117-22-33-0021</td>
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## OWNER INFORMATION

<table>
<thead>
<tr>
<th>Owner Name</th>
<th>Randy Koch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Address</td>
<td>1721 Oakland Rd. MHK+ 55305</td>
</tr>
<tr>
<td>Owner Phone</td>
<td>(612) 884-7074</td>
</tr>
<tr>
<td>Owner Email</td>
<td><a href="mailto:Randy.Koch@KochCompanies.com">Randy.Koch@KochCompanies.com</a></td>
</tr>
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</table>

## APPLICANT INFORMATION

<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Arnold Zachman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>1721 Oakland Road 15007.15a</td>
</tr>
<tr>
<td>Applicant Phone</td>
<td>(952) 240-9468</td>
</tr>
<tr>
<td>Applicant Email</td>
<td><a href="mailto:GenesisRemodelingLLC@AOL.com">GenesisRemodelingLLC@AOL.com</a></td>
</tr>
</tbody>
</table>

## CONDITIONAL USE PERMIT REQUEST

In large Detach Garage to 2,200 sqft. from City Code of 1,080 sqft.

## OWNER'S STATEMENT

I am the owner of the above described property and I agree to the following: By signing this application, I certify that all fees, charges, utility bills, taxes, special assessments and other debts or obligations due to the city by me or for this property have been paid. I further certify that I am in compliance with all ordinance requirements and conditions regarding other city approvals that have been granted to me for any matter. (If the owner is a corporation or partnership, a resolution authorizing this action on behalf of the board or partnership must be attached.)

Signature: [Signature]  
Date: 4/3/2015

## APPLICANT'S STATEMENT

This application should be processed in my name, and I am the party whom the city should contact about this application. I have completed all of the applicable filing requirements and, to the best of my knowledge, the documents and information I have submitted are true and correct.

Signature: [Signature]  
Date: 4/3/15

Arnold Zachman  
1721 Oakland Road  
15007.15a
LEGAL DESCRIPTION:
Lot 3, Block 1, Oakland Woods, Hennepin County, Minnesota.

GENERAL NOTES:
1. The bearing system used is assumed.
2. The location of the underground utilities shown herein, if any, are approximate only. PURSUANT TO MSA 216D CONTACT GOPHER STATE ONE CALL AT (612) 454-0002 PRIOR TO ANY EXCAVATION.
3. Site area = 53,614 square feet = 1.23 acres.
4. This survey was made on the ground.
5. No current title work was furnished for the preparation of this survey, legal description, recorded or unrecorded easements and encumbrances are subject to revision upon receipt of current title work.
6. Elevation datum is based on assumed data H.S. Bench mark is located Top of Wall.
7. Verify dimensions and elevations per latest plan prior to construction, this survey relied upon plans from Living Space, Residential Planning and Design, last revision date March 05, 2015.
8. Computed volume (Composite Calculation) of material to be removed from site in 984 cu. yds. (includes area under garage and driveway).

CERTIFICATION:
I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

Date: April 28, 2015

Thomas E. Heidorn
Minn. Reg. No. 23577
Resolution No. 2015-
Resolution approving a conditional use permit for a 2,200 square foot detached garage at 1721 Oakland Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Arnold Zachman, on behalf of the property owner, has requested a conditional use permit for a 2,200 square foot detached garage. (Project 15008.15a).

1.02 The property is located at 1721 Oakland Road. It is legally described as:

Lot 3, Block 1, Oakland Woods, Hennepin County, Minnesota

1.03 On May 7, 2015, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the planning commission. The planning commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council approve the permit.

Section 2. General Standards.

2.01 City Code §300.16 Subd. 2 outlines the following general standards that must be met for granting a conditional use permit:

1. The use is consistent with the intent of this ordinance;

2. The use is consistent with the goals, policies and objectives of the comprehensive plan;

3. The use does not have an undue adverse impact on governmental facilities, utilities, services or existing or proposed improvements;
4. The use does not have an undue adverse impact on the public health, safety or welfare.

Section 3. Specific Standards.

3.01 City Code §300.16 Subd. 3(f) outlines the following specific standards that must be met for granting a conditional use permit for detached garages in excess of 1,000 square feet:

1. Side and rear setbacks equal to the height of the structure or 15 feet, whichever is greater;
2. No additional curb cuts to be permitted;
3. Not to be used for commercial activities;
4. Structure to be architecturally consistent with the principal structure;
5. Landscaping to be required to buffer views when the structure is highly visible from adjoining properties; and
6. Site and building plan subject to review pursuant to section 300.27 of this ordinance.

Section 4. Findings.

4.01 The proposal meets the general conditional use permit standards outlined in City Code §300.16 Subd. 2.

4.02 The proposal meets the specific conditional use permit standards outlined in City Code §300.16 Subd. 3(f).

1. The proposed garage would be setback 53 feet from the north property line and 22 feet from the east property line.
2. No additional curb cuts are proposed.
3. The applicant is not proposing to use the space for commercial activities. The property owner is proposing to use the detached structure to store his collections.
4. The applicant is proposing the garage have architectural features similar to the existing home.

5. A majority of the proposed garage would be screened by existing topography. The applicant is proposing landscaping to provide additional screening.

6. The proposed garage would meet the site and building plan standards as outlined in City Code Section 300.27 Subd. 5. and as outlined in the associated staff report.

Section 5. City Council Action.

5.01 The above-described conditional use permit is approved, subject to the following conditions:

1. Subject to staff approval, the property must be developed and maintained in substantial conformance with the following plans:
   - Survey dated April 28, 2015
   - Building plan and elevations March 5, 2015

2. Prior to issuance of a building permit:
   a) This resolution must be recorded with Hennepin County.
   b) Submit for staff review a stormwater management plan. This plan must provide for one-inch of infiltration off of all new impervious surface on the property.
   c) The applicant must confirm the location of the existing utility lines. The structure cannot be located over the utility lines.

3. No additional curb cuts are permitted on the property.

4. The accessory structure may not be used for commercial proposes.

5. The accessory structure cannot be converted into living space.

6. The city council may reasonably add or revise conditions to address any future unforeseen problems.
7. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 18, 2015.

_______________________________
Terry Schneider, Mayor

Attest:

_______________________________
David E. Maeda, City Clerk

**Action on this resolution:**

Motion for adoption:
Seconded by:
Voted in favor of
Voted against:
Abstained:
Absent:
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on May 18, 2015.

_______________________________
David E. Maeda, City Clerk
A. Conditional use permit for a 2,200-square-foot accessory structure at 1721 Oakland Road.

Chair Kirk introduced the proposal and called for the staff report.

Cauley reported. She recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

Arnold Zachman, applicant, stated that Cauley did a thorough job explaining the proposal. The exterior would be stucco with steel siding. The garage would be set into the hill.

Calvert asked how many trees would be removed. Mr. Zachman answered two of the three large trees. The owner wants to keep as much vegetation as possible.

The public hearing was opened.

Katie Damberg, 1717 Oakland Road, asked what would be done to protect the private road and how many phases the proposal would have.

Mathew Rain, 13930 Hill Ridge Drive, asked if there would be landscaping added to the back of the garage and the side opposite of the driveway.

Susan Kaufman, 13931 Hill Ridge Drive, asked what would be done to prevent children from climbing on the roof. Kids play in the woods.

No additional testimony was submitted and the hearing was closed.

Mr. Zachman explained that there would be one-inch plywood added for the trucks to drive out. If there would be damage, the property owner would take care of it. The trucking should take a week and the garage should be done within two months. He could get together with the surrounding property owners to discuss adding screening on the northeast corner. A fence may be added to deter kids. The east side of the roof would not be accessible without a ladder.

Mr. Zachman stated that the property owner has fixed damage done to a road in the past.

In answer to Chair Kirk’s question, Colleran explained that the proposal meets tree protection ordinance requirements. Trees are allowed to be removed within the building pad and its 20-foot perimeter. There would be 18 to 20 trees removed. There is no mitigation required.
Cauley stated that the plans for the roof would be reviewed during the building permit process to make sure it would meet state code requirements. Chair Kirk noted that the grade could be lowered to make it more difficult for a child to climb onto the roof.

Gordon suggested that the condition of the road could be documented by residents prior to construction.

**Odland moved, second by Magney, to recommend that the city council adopt the resolution on pages A8-A11 of the staff report. This resolution approves a conditional use permit for an accessory structure with a gross floor area of 2,200 square feet.**

**Odland, Rettew, Calvert, Knight, Magney, and Kirk voted yes. O’Connell was absent. Motion carried.**

This item is tentatively scheduled to be reviewed by the city council at its meeting May 18, 2015.

**B. Conditional use permit with lot area variance for a 12-resident licensed residential care facility at 2401 Minnetonka Boulevard.**

Chair Kirk introduced the proposal and called for the staff report.

Thomas reported. She recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

Magney asked how close future development would be from the site. Thomas estimated that there would be 400 feet from the site to the proposed senior cooperative building. She did notify the senior cooperative representatives regarding the proposal. They did not provide any feedback.

Rettew asked if there are other 12-resident residential care facilities in Minnetonka. Thomas answered that there are 3 other residential care facilities in the city. She believed one has 11 residents, another has 15 residents, and another has 10 residents. Rettew asked if they meet the lot area requirement. Thomas recalled that they do.

Rettew asked if there is a requirement for the building size per resident. Thomas answered that the application would meet the requirement for 300 square feet of building space per resident.
City Council Agenda Item #10F  
Meeting of May 18, 2015

**Brief Description**  Twelve month extension of preliminary and final plat approval for a two-lot subdivision at 11806 Cedar Lake Road

**Recommendation**  Approve the time extension

**Background**

In May 2014, the city council granted preliminary and final plat approval for a two-lot subdivision at 11806 Cedar Lake Road. As approved, the existing structures on the property would be removed and two new homes would be constructed, both accessing Meadow Lane to the north. (See attached 2014 report.)

**Extensions**

By city code, preliminary and final plat approvals are valid for one year from the date of approval. If a request for extension is not received within the one year time period or if a request for extension is not honored, all approvals are rendered null and void.

The ordinance does not include any specific conditions under which preliminary or final plat approvals may be extended. Nevertheless, the city has generally considered: (1) whether there have been changes to city code or policy that would affect the previous approvals; and (2) whether such extension would adversely affect the interests of neighboring property owners.

**Staff Analysis**

- There have been no changes to city code or policy that would affect the previous approvals.
- The extension would not adversely affect the interests of neighboring property owners.

**Staff Recommendation**

Approve the twelve-month time extension.

Submitted through:  
Geralyn Barone, City Manager  
Julie Wischnack, AICP, Community Development Director  
Loren Gordon, AICP, City Planner

Originated by:  
Susan Thomas, AICP, Principal Planner
City of Minnetonka

Resolution No. 2014

Property Lot 3 and 8 Block 3 Golden Acres, Hennepin County, Minnesota

To whom it may concern,

I, Jeff Martineau, formally request an extension of the approvals for the above identified plat. I request this extension for one year.

Sincerely,

Jeff Martineau
MINNETONKA PLANNING COMMISSION
April 23, 2014

Brief Description

Items concerning 11806 Cedar Lake Road:

- Floodplain alteration permit;
- Rezoning to remove area from the floodplain zoning district; and
- Preliminary and final plats.

Recommendation

Recommend the city council adopt the ordinance and resolutions approving the request

Introduction

Richard Lindberry owns the property located at 11806 Cedar Lake Road. The property is approximately 3.25-acres in size. Of this area, roughly 27,600 square feet is considered upland; the remainder of the site is encumbered by large areas of both wetland and floodplain. (See pages A1–A3.)

Mr. Lindberry proposes to remove the existing buildings on the site and subdivide the property into two, conforming, single-family residential parcels. To accomplish this, floodplain area would be filled and compensatory area would be provided on-site. The floodplain fill and compensation would essentially reallocate the property’s upland area. (See pages A3–A4.)

The proposal requires approval of:

- Floodplain alteration permit;
- Rezoning to remove area from the floodplain overlay zoning district; and
- Preliminary and final plat.

Staff Analysis

A land use proposal is comprised of many details. In evaluating a proposal, staff first reviews these details and then aggregates them into a few primary questions or issues. The following outlines both the primary questions associated with the applicant’s request and staff’s findings.

- Is the proposed floodplain alteration reasonable?

  Yes. The proposed floodplain alteration is reasonable for several reasons:
1. The property has over 0.5-acre of upland area, well over the area necessary for two buildable lots. The intent of the proposed alteration is not to increase the buildable area of the site. Rather, the intent is simply to reallocate buildable area to provide for a more orderly subdivision.

2. The proposed alteration would result in fill of roughly 30,000 cubic-feet of floodplain and creation of 32,000 cubic-feet of floodplain. Floodplain storage would be created by making existing floodplain areas “deeper.”

3. The alteration would not negatively impact adjacent properties or the hydrology of the floodplain.

4. The alteration would not negatively impact the surrounding wetland area.

- **Is the proposed plat appropriate?**

Yes. With floodplain alteration as proposed, the resulting lots would meet all minimum standards of the subdivision and zoning ordinances.

<table>
<thead>
<tr>
<th></th>
<th>Required</th>
<th>West Parcel</th>
<th>East Parcel</th>
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<tbody>
<tr>
<td>Lot Areas</td>
<td>22,000 sq.ft.</td>
<td>71,870 sq.ft.</td>
<td>69,260 sq.ft.</td>
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<td>Buildable Area</td>
<td>3,500 sq.ft.</td>
<td>5,600 sq.ft.</td>
<td>8,900 sq.ft.</td>
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<tr>
<td>Lot width at setback</td>
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</tr>
<tr>
<td>Lot depth</td>
<td>125 ft</td>
<td>&gt; 500 ft</td>
<td>&gt; 500 ft</td>
</tr>
</tbody>
</table>

**Staff Recommendation**

Recommend the city council adopt the following for the property at 11806 Cedar Lake Road:

1. An ordinance removing areas from the floodplain overlay zoning district. (See pages A7-A10.)

2. A resolution approving a floodplain alteration permit. (See pages A11-A17.)

3. A resolution approving preliminary and final plat. (See pages A18-A26.)

Originator: Susan Thomas, AICP, Principal Planner
Through: Julie Wischnack, AICP, Community Development Director
Supporting Information

Surrounding Land Uses
The subject property is surrounded by single-family homes.

Planning
Guide Plan designation: low-density residential
Zoning: R-1

Existing Site
The existing property contains three distinct natural resources: trees, wetland, and floodplain.

Trees. There are several mature trees on the site including, ash, elm, walnut, cottonwood, willow, spruce and oak. Of these, seven are classified as high-priority. This area is not considered a woodland protection area. (See page A2.)

Wetland. The southern half of the property is almost entirely wetland. The Manage 1 wetland is hydrologically connected to Minnehaha Creek. (See page A3.)

Floodplain. Over 80 percent of the property is considered 100-year floodplain area. Like the site’s wetland, this floodplain area is hydrologically connected to Minnehaha Creek. (See pages A3–A4.)

Proposed Sites
As proposed, there would be allowable impacts to two of the three natural resources:

Trees. The proposed grading would result in removal or significant impact to two of the high-priority trees on the site. This level of removal/impact is allowed under the tree protection ordinance for two reasons: (1) the property would be developed at a density of less than 1 lot per acre; and (2) the removal would be less than 35%.

Wetland. No wetland impact is proposed.

Floodplain. The proposed grading plan would result in fill of roughly 30,000 cubic-feet of floodplain; 32,000 cubic-feet would be created. Floodplain storage would be created by making existing floodplain areas “deeper.”

Stormwater
Under the city’s stormwater rule, stormwater management would be required given the site’s proximity to a wetland. Individual management plans would be required and reviewed
Meeting of April 23, 2014
Subject: Richard Lindberry, 11806 Cedar Lake Road

in conjunction with building permit applications for each of the new homes.

Previous Requests

In recent years the city has received floodplain alteration requests for which staff have recommended denial. These requests have included:

- Floodplain alteration to create a buildable lot.
- Floodplain alteration to create buildable area on an undeveloped lot which already contained twice the required buildable area.
- Floodplain alteration to allow for construction of a two-story addition nearly doubling the value of an existing home.

The applicant’s request is considerably different than these previous requests. The subject property has nearly 0.5-acre of upland area, well over the area necessary for two buildable lots. The intent of the proposed alteration is not to increase the buildable area of the site. Rather, the intent is simply to reallocate buildable area to provide for a more orderly subdivision.

Motion Options

The planning commission has three options:

(1) Concur with the staff recommendation. In this case a motion should be made recommending the city council approve the proposal based on the findings outlined the staff-drafted ordinance and resolutions.

(2) Disagree with staff’s recommendation. In this case a motion should be made recommending the city council deny the proposal. The motion should include findings for denial.

(3) Table the request. In this case, a motion should be made to table the item. The motion should include a statement as to why the request is being tabled with direction to staff, the applicant, or both.

Neighborhood Comments

The city sent notices to 67 area property owners and received no comments to date.

Deadline for Decision

June 23, 2014
LOCATION MAP

Project: Lindberry, Richard
Address: 11806 Cedar Lake Rd
Applicant: Jeff Martineau
(14005.14a)
PROPOSED LOT LINE REARRANGEMENT AND CERTIFICATE OF SURVEY FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

This survey shows the boundaries of the above described property, and the location of an existing house, two sheds, driveway and topography. It does not purport to show any other improvements or encroachments.

>: Iron marker
>= : Existing contour line
** = Denotes wetland delineation marker

Bearings shown are based upon an assumed datum

REVISIONS
DATE  REVISIONS
11-12-13 PRJ WETLAND DELINEATION ADDED
12-5-13 PROPOSED DIVIDING LINE

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

DATE  SCALEx JOB NO
8-23-13 1"=30 13-337

GRONBERG & ASSOCIATES, INC.
CIVIL ENGINEERS, LAND SURVEYORS, LAND PLANNERS
445 N. WILLOW DRIVE, LONG LAKE, MN 55356

EXISTING CONDITIONS

high-priority tree
PROPOSED LOT LINE REARRANGEMENT AND CERTIFICATE OF SURVEY FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

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DATE
8-23-13

SCALE
1"=30'

JOB NO
13-337

GRONBERG & ASSOCIATES, INC.
CIVIL ENGINEERS, LAND SURVEYORS, LAND PLANNERS
445 N. WILLOW DRIVE, LONG LAKE, MN 55356
PROPOSED GRADING PLAN FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, Golden Acres, Hennepin County, Minnesota

The survey shows the boundaries of the above described property, and the location of an existing house, two sheds, driveway and topography. It does not purport to show any other improvements or encroachments.

- Marker: Existing contour line
- Db: Proposed contour line
- C: Proposed spot elevation
- D: Denotes wetland delineation marker

Bearings shown are based upon an assumed datum.

PROPOSED CONDITIONS
floodplain

SCALE IN FEET
0 30 60 120

CEDAR LAKE RD (CO. RD. NO. 16)
PROPOSED GRADING PLAN FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

This survey shows the boundaries of the above described property, and the location of
an existing house, two sheds, driveway and topography. It does not purport to show
any other improvements or encroachments.

- Iron marker
- Existing contour line
- Proposed contour line
- Proposed spot elevation
- Denotes wetland delineation marker

Bearings shown are based upon an assumed datum.

PROPOSED ALTERATION AND MITIGATION LIMITS
PROPOSED GRADING PLAN FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:

Lots 3 and 8, Block 3, Golden Acres, Hennepin County, Minnesota

The survey shows the boundaries of the above described property, and the location of an existing house, two sheds, driveway and topography. It does not purport to show any other improvements or encroachments.

- Iron marker
- Existing contour line
- Proposed contour line
- Proposed spot elevation
- Denotes wetland delineation marker

Bearings shown are based upon an assumed datum

STAFF MODIFIED ALTERATION AND MITIGATION LIMITS
Ordinance No. 2014-13

An ordinance removing area from the floodplain overlay district at 11806 Cedar Lake Road.

The City Of Minnetonka Ordains:

Section 1.

1.01 Jeff Martineau, on behalf of property owner Richard Lindberry, has requested approval of a floodplain alteration in conjunction with a two-lot subdivision at 11806 Cedar Lake Road. (Project 14005.14a).

1.02 The property is legally described as:

Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

1.03 The proposed alteration would remove certain area from the floodplain overlay zoning district.

1.04 By City Code Section 300.24 Subd. 10(b), land may be removed from the floodplain overlay district only:

1. By zoning map amendment; and

2. If water storage will be provided in an amount compensatory to that removed or acceptable hydrologic engineering data must be presented which indicates how conditions have changed so that the floodplain characteristics can be maintained without compensation.

Section 2.

2.01 The proposed floodplain alteration would result in fill of roughly 30,000 cubic-feet of floodplain; 32,000 cubic-feet would be created.
2.02 The removal of the area from the overlay district would not compromise the public health, safety, and welfare.

Section 3.

3.01 Floodplain area on the property at 11806 Cedar Lake Road, and depicted on Exhibit A of this resolution, is hereby removed from the floodplain overlay district.

Section 4.

4.01 This ordinance is effective immediately.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 5, 2013.

Terry Schneider, Mayor

ATTEST:

David E. Maeda, City Clerk

ACTION ON THIS ORDINANCE:

Date of introduction: March 24, 2014
Date of adoption: May 5, 2014
Motion for adoption: Allendorf
Seconded by: Acomb
Voted in favor of: Acomb, Wiersum, Bergstedt, Ellingson, Allendorf, Schneider
Voted against:
Abstained:
Absent: Wagner
Ordinance adopted.

Date of publication: May 13, 2014
I certify that the foregoing is a correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota at a regular meeting held on May 5, 2013.

David E. Maeda, City Clerk
AREA REMOVED FROM FLOODPLAIN OVERLAY ZONING DISTRICT
Resolution No. 2014-042

Resolution approving a floodplain alteration permit at 11806 Cedar Lake Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Jeff Martineau, on behalf of property owner Richard Lindberry, has requested approval of a floodplain alteration in conjunction with a two-lot subdivision at 11806 Cedar Lake Road. (Project 14005.14a).

1.02 The property is legally described as follows:

Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

1.03 On April 23, 2014, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the planning commission. The planning commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The planning commission recommended the city council approve the permit.

Section 2. General Standards.

2.01 City Code §300.24 Subd. 9(c), states that in reviewing alteration permits, the city will consider whether the following general standards are met:

1. The magnitude of the alteration is appropriate relative to the size of the floodplain district.

2. The amount of any increase in buildable area is appropriate in comparison to the amount of buildable area before alteration.

3. The alteration will not negatively impact the hydrology of the...
floodplain.

4. Floodplain mitigation areas will not negatively impact adjacent properties.

5. The alteration will meet the intent of the city's water resources management plan and the subdivision and zoning ordinances;

6. The alteration will not adversely impact governmental facilities, utilities, services or existing or proposed public improvements; and

7. The alteration will not have an undue adverse impact on the public health, safety or welfare.

Section 3. Specific Standards.

3.01 City Code §300.24 Subd. 9(d), states that an alteration permit will not be granted unless the following specific standards are met.

1. Water storage must be maintained and provided in an amount at least equal to that filled unless acceptable hydrologic engineering data has been presented and approved by the city engineer indicating that conditions have changed such that the floodplain characteristics will be maintained even with proposed floodplain fill.

2. Floodplain fill area must be located no more than 20 feet from any existing or proposed structure, except where required by the city engineer to achieve a required evacuation route.

3. Where floodplain alteration is required for construction of a driveway, the driveway must be no wider than 12 feet and must be located to minimize impact to the floodplain.

4. Floodplain alteration, including the creation of compensatory water storage, must not result in removal of regulated trees, adversely impact wetlands or existing wetland buffers, or be located within public easements. The city council may waive this condition if the proposed alteration would improve existing site conditions.

Section 4. Findings.

4.01 The proposal would meet the general standards outlined in City Code §300.24, Subd. 9(c):
1. The property has over 0.5-acre of upland area, well over the area necessary for two buildable lots. The intent of the proposed alteration is not to increase the buildable area of the site. Rather, the intent is simply to reallocate buildable area to provide for a more orderly subdivision.

2. The alteration would not negatively impact adjacent properties or the hydrology of the floodplain.

3. The alteration would not negatively impact the surrounding wetland area.

4. The alteration would meet the intent of the city's water resources management plan and the subdivision and zoning ordinances.

5. The alteration would not adversely impact governmental facilities, utilities, services or existing or proposed public improvements.

6. The alteration would not have an undue adverse impact on the public health, safety or welfare.

4.02 The proposal would meet the specific standards outlined in City Code §300.24, Subd. 9(d):

1. The proposed alteration would result in fill of roughly 30,000 cubic-feet of floodplain; 32,000 cubic-feet would be created.

2. All proposed structures would be required to meet the minimum horizontal and vertical setbacks from the floodplain elevation.

3. The proposed alteration would result in removal of four significant trees. However, the alteration would improve existing site conditions. It would result in removal of existing non-conforming structures and in a development more characteristic of the surrounding area.

4. The proposed alteration would not adversely impact wetlands or existing wetland buffers, or be unnecessarily located within public easements.

Section 5. Council Action.

5.01 The city council hereby approves the above described floodplain alteration permit based on the findings outlined in section 4 of this resolution.
5.02 Approval is subject to the following conditions:

1. Floodplain alteration must be done on the entire site prior to issuance of any building permits. A grading permit is required for floodplain alteration work. Unless authorized by appropriate staff, no site work may begin until a complete grading permit application has been submitted, reviewed by staff, and approved.

   a) The following must be submitted for the grading permit to be considered complete.

      1) Evidence of filing the final plat at Hennepin County and copies of all recorded easements and documents as required in section 4.01(1)(a)(2) of this resolution.

      2) An electronic PDF copy of all required plans and specifications.

      3) Three full size sets of construction drawings and sets of project specifications.

      4) Final site, grading, drainage, utility, tree mitigation, and wetland buffer restoration plans, and a stormwater pollution prevention plan (SWPPP) for staff approval.

         a. Final grading plan must:

            • Illustrate all alteration and mitigation work occurring in substantial compliance with grading limitations outlined on Exhibit A of this resolution.

            • Minimize tree loss.

            • Show no wetland impact.

         b. Tree mitigation plan must meet minimum mitigation requirements as outlined in ordinance. However, at the sole discretion of natural resources staff, mitigation may be adjusted based on site conditions.
c. Wetland buffer restoration plans must:

- Show removal of the existing gravel driveway.
- Include native plantings in the required 25-foot buffer.

5) Individual letters of credit or cash escrow for 125% of a bid cost or 150% of an estimated cost to construct streets and utility improvements, comply with grading permit, tree mitigation requirements, wetland buffer restoration requirements and to restore the site. One itemized letter of credit is permissible, if approved by staff. The city will not fully release the letters of credit or cash escrow until: (1) an as-built survey of floodplain alteration and mitigation areas with associated calculations has been submitted; (2) vegetated ground cover has been established; and (3) required tree mitigation and buffer plantings have survived one full growing season.

6) A construction management plan. The plan must be in a city approved format and must outlined minimum site management practices and penalties for non-compliance.

7) A copy of the approved MPCA NPDES permit.

8) Evidence of closure/capping of any existing wells, septic systems, and removal of any existing fuel oil tanks.

9) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:
- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other
conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.

b) Prior to issuance of the grading permit, install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

c) Permits may be required from other outside agencies including, Hennepin County, the Minnehaha Creek Watershed District, and the MPCA. It is the applicant’s or property owner’s responsibility to obtain any necessary permits.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 5, 2014.

Terry Schneider, Mayor

ATTEST:

David E. Maeda, City Clerk

Action on this resolution:

Motion for adoption: Allendorf
Seconded by: Acomb
Voted in favor of: Acomb, Wiersum, Bergstedt, Ellingson, Allendorf, Schneider
Voted against:
Abstained:
Absent: Wagner
Resolution adopted.
I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on May 5, 2014.

David E. Maeda, City Clerk

EXHIBIT A

grading limitations for all floodplain alteration and mitigation
Resolution No. 2014-043

Resolution approving a preliminary and final plat at 11806 Cedar Lake Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Jeff Martineau, on behalf of property owner Richard Lindberry, has requested preliminary and final plat approval for a two-lot subdivision at 11806 Cedar Lake Road. (Project 14005.14a).

1.02 The property is legally described as follows:

Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

1.03 On April 23, 2014, the planning commission held a hearing on the proposed plat. The applicant was provided the opportunity to present information to the planning commission. The planning commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council grant preliminary and final plat approval.

Section 2. General Standards.

2.01 City Code §400.025 outlines general design requirements for residential subdivisions. These standards are incorporated by reference into this resolution.

Section 3. Findings.
3.01 The proposed plat meets the design requirements as outlined in City Code §400.025.


4.01 The above-described preliminary and final plats are hereby approved, subject to the following conditions:

1. Prior to release of the final plat:

   a) The following must be submitted:

      1) A final plat drawing that clearly illustrates the following:

         1. A minimum 10-foot wide drainage and utility easements adjacent to the public right-of-way(s) and minimum 7-foot wide drainage and utility easements along all other lot lines.

         2. Utility easements over existing or proposed public utilities, as determined by the city engineer.

         3. Drainage and utility easements over wetlands, floodplains, and stormwater management facilities, as determined by the city engineer.

      2) Documents for the city attorney’s review and approval. These documents must be prepared by an attorney knowledgeable in the area of real estate.

         1. Title evidence that current within thirty days before release of the final plat.

         2. Conservation easement over the Manage 1 wetland and required 25-foot wetland buffer and a drawing of the easement. The easement may allow removal of hazard, diseased, or invasive species, as well location of stormwater management facilities.

      3) Two sets of mylars for city signatures.
4) An electronic CAD file of the plat in microstation or DXF.

5) Park dedication fee of $5000

2. Subject to staff approval, the subdivision must be developed and maintained in substantial conformance with the following plans, except as modified by the conditions below:

- Site plan dated April 7, 2014
- Grading plan dated April 7, 2014

3. Floodplain alteration must be done on the entire site prior to issuance of any building permits. A grading permit is required for floodplain alteration work. Unless authorized by appropriate staff, no site work may begin until a complete grading permit application has been submitted, reviewed by staff, and approved.

   a) The following must be submitted for the grading permit to be considered complete.

      1) Evidence of filing the final plat at Hennepin County and copies of all recorded easements and documents as required in section 4.01(1)(a)(2) of this resolution.

      2) An electronic PDF copy of all required plans and specifications.

      3) Three full size sets of construction drawings and sets of project specifications.

      4) Final site, grading, drainage, utility, tree mitigation, and wetland buffer restoration plans, and a stormwater pollution prevention plan (SWPPP) for staff approval.

         a. Final grading plan must:

            • Illustrate all alteration and mitigation work occurring in substantial compliance with grading limitations outlined on Exhibit A of this resolution.

            • Minimize tree loss.
• Show no wetland impact.

b. Tree mitigation plan must meet minimum mitigation requirements as outlined in ordinance. However, at the sole discretion of natural resources staff, mitigation may be adjusted based on site conditions.

c. Wetland buffer restoration plans must:

• Show removal of the existing gravel driveway.

• Include native plantings in the required 25-foot buffer.

5) Individual letters of credit or cash escrow for 125% of a bid cost or 150% of an estimated cost to construct streets and utility improvements, comply with grading permit, tree mitigation requirements, wetland buffer restoration requirements and to restore the site. One itemized letter of credit is permissible, if approved by staff. The city will not fully release the letters of credit or cash escrow until: (1) an as-built survey of floodplain alteration and mitigation areas with associated calculations has been submitted; (2) vegetated ground cover has been established; and (3) required tree mitigation and buffer plantings have survived one full growing season.

6) A construction management plan. The plan must be in a city approved format and must outlined minimum site management practices and penalties for non-compliance.

7) A copy of the approved MPCA NPDES permit.

8) Evidence of closure/capping of any existing wells, septic systems, and removal of any existing fuel oil tanks.

9) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by
the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.

b) Prior to issuance of the grading permit, install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

c) Permits may be required from other outside agencies including, Hennepin County, the Minnehaha Creek Watershed District, and the MPCA. It is the applicant’s or property owner’s responsibility to obtain any necessary permits.

4. Prior to issuance of a building permit for the first new house within the development, submit the following documents:

a) A letter from the surveyor stating that boundary and lot stakes have been installed as required by ordinance.

b) Proof of subdivision registration and transfer of NPDES permit.

5. Prior to issuance of a building permit for any of the lots within the development:

a) Submit the following items for staff review and approval:

1) A stormwater management plan. The plan must include runoff rate and volume control, as well as water quality treatment. Additionally, the plan must include a narrative documenting conformance with the
2) A construction management plan. This plan must be in a city approved format and outline minimum site management practices and penalties for non-compliance. If the builder is the same entity doing grading work on the site, the construction management plan submitted at the time of grading permit may fulfill this requirement.

3) Final grading and tree preservation plan for the lot. The plan must:

a. Be in substantial conformance with Grading Plan dated April 7, 2014 as amended by Exhibit A.

b. Show sewer and water services to minimize impact to any significant or high-priority trees. No trees may be removed for installation of services.

4) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.
If the builder is the same entity doing grading work on the site, the cash escrow submitted at the time of grading permit may fulfill this requirement.

b) Install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

c) Install heavy duty fencing, which may include chain-link fencing, at the conservation easement. This fencing must be maintained throughout the course of construction.

d) Submit all required hook-up fees.

6. All lots and structures within the development are subject to the all R-1 zoning standards. In addition:

a) Minimum floor elevation is 918.0.

b) Minimum setback from floodplain elevation is 20 feet.

c) All lots within the development must meet all minimum access requirements as outlined in Minnesota State Fire Code Section 503. These access requirements include road dimension, surface, and grade standards. If access requirements are not met, houses must be protected with a 13D automatic fire sprinkler system or an approved alternative system.

7. The city may require installation and maintenance of signs which delineate the edge of any required conservation easement. This signage is subject to the review and approval of city staff.

8. During construction, the streets must be kept free of debris and sediment.

9. The property owner is responsible for replacing any required landscaping that dies.

10. The city must approve the final plat within one year of preliminary approval or receive a written application for a time extension or the preliminary approval will be void.
Adopted by the City Council of the City of Minnetonka, Minnesota, on May 5, 2014.

Terry Schneider, Mayor

ATTEST:

David E. Maeda, City Clerk

ACTION ON THIS RESOLUTION:

Motion for adoption: Allendorf
Seconded by: Acomb
Voted in favor of: Acomb, Wiersum, Bergstedt, Ellingson, Allendorf, Schneider
Voted against:
Abstained:
Absent: Wagner
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on May 5, 2014.

David E. Maeda, City Clerk
grading limitations for all floodplain alteration and mitigation
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8. Citizens Wishing to Discuss Matters not on the Agenda

No one appeared.

9. Bids and Purchases: None

10. Consent Agenda - Items Requiring a Majority Vote:

A. Resolution approving a conditional use permit, with setback variance, for a restaurant with outdoor eating area at 11056 Cedar Lake Road

Allendorf moved, Acomb seconded a motion to adopt Resolution No. 2014-041 approving the request. All voted “yes.” Motion carried.

B. Ordinance to remove area from the floodplain overlay district and resolutions approving a floodplain alteration permit and preliminary and final plats at 11806 Cedar Lake Road

Allendorf moved, Acomb seconded a motion to adopt:
1) Ordinance No. 2014-13 removing areas from the floodplain overlay zoning district.
2) Resolution No. 2014-042 approving a floodplain alteration permit.
3) Resolution No. 2014-043 approving preliminary and final plat.

All voted “yes.” Motion carried.

C. Resolution approving the final plat of GROVELAND POND at 17113 Minnetonka Blvd

Allendorf moved, Acomb seconded a motion to adopt Resolution No. 2014-044 which grants final plat approval of GROVELAND POND. Approval is subject to the following conditions:
b. Unless the city council approves a time extension, the final plat must be recorded within one year of council approval of the final plat.

All voted “yes.” Motion carried.

D. Ordinance amending Section 710 of the city code regarding a new fee for on-sale taprooms
Brief Description  Twelve month extension of preliminary and final plat approval for a two-lot subdivision at 11806 Cedar Lake Road

Recommendation  Approve the time extension

Background
In May 2014, the city council granted preliminary and final plat approval for a two-lot subdivision at 11806 Cedar Lake Road. As approved, the existing structures on the property would be removed and two new homes would be constructed, both accessing Meadow Lane to the north. (See attached 2014 report.)

Extensions
By city code, preliminary and final plat approvals are valid for one year from the date of approval. If a request for extension is not received within the one year time period or if a request for extension is not honored, all approvals are rendered null and void.

The ordinance does not include any specific conditions under which preliminary or final plat approvals may be extended. Nevertheless, the city has generally considered: (1) whether there have been changes to city code or policy that would affect the previous approvals; and (2) whether such extension would adversely affect the interests of neighboring property owners.

Staff Analysis
• There have been no changes to city code or policy that would affect the previous approvals.
• The extension would not adversely affect the interests of neighboring property owners.

Staff Recommendation
Approve the twelve-month time extension.

Submitted through:
Geralyn Barone, City Manager
Julie Wischnack, AICP, Community Development Director
Loren Gordon, AICP, City Planner

Originated by:
Susan Thomas, AICP, Principal Planner
City of Minnetonka

Resolution No. 2014

Property Lot 3 and 8 Block 3 Golden Acres, Hennepin County, Minnesota

To whom it may concern,

I, Jeff Martineau, formally request an extension of the approvals for the above identified plat. I request this extension for one year.

Sincerely,

Jeff Martineau
MINNETONKA PLANNING COMMISSION
April 23, 2014

Brief Description  Items concerning 11806 Cedar Lake Road:
• Floodplain alteration permit;
• Rezoning to remove area from the floodplain zoning district; and
• Preliminary and final plats.

Recommendation  Recommend the city council adopt the ordinance and resolutions approving the request

Introduction
Richard Lindberry owns the property located at 11806 Cedar Lake Road. The property is approximately 3.25-acres in size. Of this area, roughly 27,600 square feet is considered upland; the remainder of the site is encumbered by large areas of both wetland and floodplain. (See pages A1–A3.)

Mr. Lindberry proposes to remove the existing buildings on the site and subdivide the property into two, conforming, single-family residential parcels. To accomplish this, floodplain area would be filled and compensatory area would be provided on-site. The floodplain fill and compensation would essentially reallocate the property’s upland area. (See pages A3–A4.)

The proposal requires approval of:
• Floodplain alteration permit;
• Rezoning to remove area from the floodplain overlay zoning district; and
• Preliminary and final plat.

Staff Analysis
A land use proposal is comprised of many details. In evaluating a proposal, staff first reviews these details and then aggregates them into a few primary questions or issues. The following outlines both the primary questions associated with the applicant’s request and staff’s findings.

• Is the proposed floodplain alteration reasonable?

  Yes. The proposed floodplain alteration is reasonable for several reasons:
1. The property has over 0.5-acre of upland area, well over the area necessary for two buildable lots. The intent of the proposed alteration is not to increase the buildable area of the site. Rather, the intent is simply to reallocate buildable area to provide for a more orderly subdivision.

2. The proposed alteration would result in fill of roughly 30,000 cubic-feet of floodplain and creation of 32,000 cubic-feet of floodplain. Floodplain storage would be created by making existing floodplain areas “deeper.”

3. The alteration would not negatively impact adjacent properties or the hydrology of the floodplain.

4. The alteration would not negatively impact the surrounding wetland area.

- **Is the proposed plat appropriate?**

  Yes. With floodplain alteration as proposed, the resulting lots would meet all minimum standards of the subdivision and zoning ordinances.

<table>
<thead>
<tr>
<th></th>
<th>Required</th>
<th>West Parcel</th>
<th>East Parcel</th>
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<tbody>
<tr>
<td>Lot Areas</td>
<td>22,000 sq.ft.</td>
<td>71,870 sq.ft.</td>
<td>69,260 sq.ft.</td>
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<td>Buildable Area</td>
<td>3,500 sq.ft.</td>
<td>5,600 sq.ft.</td>
<td>8,900 sq.ft.</td>
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<td>Lot width at ROW</td>
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<tr>
<td>Lot width at setback</td>
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</tr>
<tr>
<td>Lot depth</td>
<td>125 ft</td>
<td>&gt; 500 ft</td>
<td>&gt; 500 ft</td>
</tr>
</tbody>
</table>

**Staff Recommendation**

Recommend the city council adopt the following for the property at 11806 Cedar Lake Road:

1. An ordinance removing areas from the floodplain overlay zoning district. (See pages A7-A10.)

2. A resolution approving a floodplain alteration permit. (See pages A11-A17.)

3. A resolution approving preliminary and final plat. (See pages A18-A26.)

Originator: Susan Thomas, AICP, Principal Planner
Through: Julie Wischnack, AICP, Community Development Director
### Supporting Information

**Surrounding Land Uses**
The subject property is surrounded by single-family homes.

**Planning**
- Guide Plan designation: low-density residential
- Zoning: R-1

**Existing Site**
The existing property contains three distinct natural resources: trees, wetland, and floodplain.

**Trees.** There are several mature trees on the site including, ash, elm, walnut, cottonwood, willow, spruce and oak. Of these, seven are classified as high-priority. This area is not considered a woodland protection area. (See page A2.)

**Wetland.** The southern half of the property is almost entirely wetland. The Manage 1 wetland is hydrologically connected to Minnehaha Creek. (See page A3.)

**Floodplain.** Over 80 percent of the property is considered 100-year floodplain area. Like the site's wetland, this floodplain area is hydrologically connected to Minnehaha Creek. (See pages A3–A4.)

**Proposed Sites**
As proposed, there would be allowable impacts to two of the three natural resources:

**Trees.** The proposed grading would result in removal or significant impact to two of the high-priority trees on the site. This level of removal/impact is allowed under the tree protection ordinance for two reasons: (1) the property would be developed at a density of less than 1 lot per acre; and (2) the removal would be less than 35%.

**Wetland.** No wetland impact is proposed.

**Floodplain.** The proposed grading plan would result in fill of roughly 30,000 cubic-feet of floodplain; 32,000 cubic-feet would be created. Floodplain storage would be created by making existing floodplain areas “deeper.”

**Stormwater**
Under the city's stormwater rule, stormwater management would be required given the site's proximity to a wetland. Individual management plans would be required and reviewed
in conjunction with building permit applications for each of the new homes.

**Previous Requests**

In recent years the city has received floodplain alteration requests for which staff have recommended denial. These requests have included:

- Floodplain alteration to create a buildable lot.
- Floodplain alteration to create buildable area on an undeveloped lot which already contained twice the required buildable area.
- Floodplain alteration to allow for construction of a two-story addition nearly doubling the value of an existing home.

The applicant’s request is considerably different than these previous requests. The subject property has nearly 0.5-acre of upland area, well over the area necessary for two buildable lots. The intent of the proposed alteration is not to increase the buildable area of the site. Rather, the intent is simply to reallocate buildable area to provide for a more orderly subdivision.

**Motion Options**

The planning commission has three options:

1. Concur with the staff recommendation. In this case a motion should be made recommending the city council approve the proposal based on the findings outlined in the staff-drafted ordinance and resolutions.

2. Disagree with staff’s recommendation. In this case a motion should be made recommending the city council deny the proposal. The motion should include findings for denial.

3. Table the request. In this case, a motion should be made to table the item. The motion should include a statement as to why the request is being tabled with direction to staff, the applicant, or both.

**Neighborhood Comments**

The city sent notices to 67 area property owners and received no comments to date.

**Deadline for Decision**

June 23, 2014
LOCATION MAP

Project: Lindberry, Richard
Address: 11806 Cedar Lake Rd
Applicant: Jeff Martineau
(14005.14a)
PROPOSED LOT LINE REARRANGEMENT AND CERTIFICATE OF SURVEY FOR RICHARD LINDBERRY OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

This survey shows the boundaries of the above described property, and the location of an existing house, two sheds, driveway and topography. It does not purport to show any other improvements or encroachments.

+ : Iron marker
- : Existing contour line
* : Denotes wetland delineation marker

Bearings shown are based upon an assumed datum

GROENBERG & ASSOCIATES, INC.
CIVIL ENGINEERS, LAND SURVEYORS, LAND PLANNERS
446 N. WILLOW DRIVE, LONG LAKE, MN 55356

EXISTING CONDITIONS

high-priority tree
PROPOSED LOT LINE REARRANGEMENT AND CERTIFICATE OF SURVEY FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

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Iron marker
Existing contour line
Denotes wetland delineation marker
Bearings shown are based upon an assumed datum

REVISIONS

11-12-13 PRJ WETLAND DELINEATION ADDED
12-5-13 PROPOSED DIVIDING LINE

DATE
8-23-13

SCALE
1"=30

JOB NO
13-337

GRONBERG & ASSOCIATES, INC.
CIVIL ENGINEERS, LAND SURVEYORS, PLANNERS
445 N. WILLOW DRIVE, LONG LAKE, MN 55356

Lindberry
11806 Cedar Lake Rd
14005.14a

EXISTING CONDITIONS
PROPOSED GRADING PLAN FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

The survey shows the boundaries of the above described property, and the location of an existing house, two sheds, driveway and topography. It does not purport to show any other improvements or encroachments.

- Iron marker
- Existing contour line
- Proposed contour line
- Proposed spot elevation
- Denotes wetland delineation marker

Bearings shown are based upon assumed datum.

PROPOSED CONDITIONS

GRONBERG & ASSOCIATES, INC.
CIVIL ENGINEERS, LAND SURVEYORS, LAND PLANNERS
445 N. WILLOW DRIVE, LONG LAKE, MN 55356
PHONE: 952-473-4141 FAX: 952-473-4435
PROPOSED GRADING PLAN FOR
RICHARD LINDBERRY
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

The survey shows the boundaries of the above described property, and the location of an existing house, two sheds, driveway and topography. It does not purport to show any other improvements or encroachments.

- Iron marker
- Existing contour line
- Proposed contour line
- Proposed spot elevation
- Denotes wetland delineation marker

Bearings shown are based upon an assumed datum.
PROPOSED GRADING PLAN FOR
RICHARD LINDBERG
OF LOTS 3 AND 8, BLOCK 3, GOLDEN ACRES
HENNEPIN COUNTY, MINNESOTA

LEGAL DESCRIPTION OF PREMISES SURVEYED:
Lots 3 and 8, Block 3, Golden Acres, Hennepin County, Minnesota

The survey shows the boundaries of the above described property, and the location of an existing house, two sheds, driveway and topography. It does not purport to show any other improvements or encroachments.

- Iron marker
- Existing contour line
- Proposed contour line
- Proposed spot elevation
- Denotes wetland delineation marker

Bearings shown are based upon an assumed datum.

STAFF MODIFIED ALTERATION AND MITIGATION LIMITS
Ordinance No. 2014-13

An ordinance removing area from the floodplain overlay district at 11806 Cedar Lake Road.

The City Of Minnetonka Ordains:

Section 1.

1.01 Jeff Martineau, on behalf of property owner Richard Lindberry, has requested approval of a floodplain alteration in conjunction with a two-lot subdivision at 11806 Cedar Lake Road. (Project 14005.14a).

1.02 The property is legally described as:

Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

1.03 The proposed alteration would remove certain area from the floodplain overlay zoning district.

1.04 By City Code Section 300.24 Subd. 10(b), land may be removed from the floodplain overlay district only:

1. By zoning map amendment; and

2. If water storage will be provided in an amount compensatory to that removed or acceptable hydrologic engineering data must be presented which indicates how conditions have changed so that the floodplain characteristics can be maintained without compensation.

Section 2.

2.01 The proposed floodplain alteration would result in fill of roughly 30,000 cubic-feet of floodplain; 32,000 cubic-feet would be created.
2.02 The removal of the area from the overlay district would not compromise the public health, safety, and welfare.

Section 3.

3.01 Floodplain area on the property at 11806 Cedar Lake Road, and depicted on Exhibit A of this resolution, is hereby removed from the floodplain overlay district.

Section 4.

4.01 This ordinance is effective immediately.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 5, 2013.

Terry Schneider, Mayor

ATTEST:

David E. Maeda, City Clerk

ACTION ON THIS ORDINANCE:

Date of introduction: March 24, 2014
Date of adoption: May 5, 2014
Motion for adoption: Allendorf
Seconded by: Acomb
Voted in favor of: Acomb, Wiersum, Bergstedt, Ellingson, Allendorf, Schneider
Voted against:
Abstained:
Absent: Wagner
Ordinance adopted.

Date of publication: May 13, 2014
I certify that the foregoing is a correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota at a regular meeting held on May 5, 2013.

David E. Maeda, City Clerk
EXHIBIT A

AREA REMOVED FROM FLOODPLAIN OVERLAY ZONING DISTRICT
Resolution No. 2014-042

Resolution approving a floodplain alteration permit at 11806 Cedar Lake Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Jeff Martineau, on behalf of property owner Richard Lindberry, has requested approval of a floodplain alteration in conjunction with a two-lot subdivision at 11806 Cedar Lake Road. (Project 14005.14a).

1.02 The property is legally described as follows:

Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

1.03 On April 23, 2014, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the planning commission. The planning commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The planning commission recommended the city council approve the permit.

Section 2. General Standards.

2.01 City Code §300.24 Subd. 9(c), states that in reviewing alteration permits, the city will consider whether the following general standards are met:

1. The magnitude of the alteration is appropriate relative to the size of the floodplain district.

2. The amount of any increase in buildable area is appropriate in comparison to the amount of buildable area before alteration.

3. The alteration will not negatively impact the hydrology of the

Lindberry
11806 Cedar Lake Rd
14005.14a
floodplain.

4. Floodplain mitigation areas will not negatively impact adjacent properties.

5. The alteration will meet the intent of the city's water resources management plan and the subdivision and zoning ordinances;

6. The alteration will not adversely impact governmental facilities, utilities, services or existing or proposed public improvements; and

7. The alteration will not have an undue adverse impact on the public health, safety or welfare.

Section 3. Specific Standards.

3.01 City Code §300.24 Subd. 9(d), states that an alteration permit will not be granted unless the following specific standards are met.

1. Water storage must be maintained and provided in an amount at least equal to that filled unless acceptable hydrologic engineering data has been presented and approved by the city engineer indicating that conditions have changed such that the floodplain characteristics will be maintained even with proposed floodplain fill.

2. Floodplain fill area must be located no more than 20 feet from any existing or proposed structure, except where required by the city engineer to achieve a required evacuation route.

3. Where floodplain alteration is required for construction of a driveway, the driveway must be no wider than 12 feet and must be located to minimize impact to the floodplain.

4. Floodplain alteration, including the creation of compensatory water storage, must not result in removal of regulated trees, adversely impact wetlands or existing wetland buffers, or be located within public easements. The city council may waive this condition if the proposed alteration would improve existing site conditions.

Section 4. Findings.

4.01 The proposal would meet the general standards outlined in City Code §300.24, Subd. 9(c):
1. The property has over 0.5-acre of upland area, well over the area necessary for two buildable lots. The intent of the proposed alteration is not to increase the buildable area of the site. Rather, the intent is simply to reallocate buildable area to provide for a more orderly subdivision.

2. The alteration would not negatively impact adjacent properties or the hydrology of the floodplain.

3. The alteration would not negatively impact the surrounding wetland area.

4. The alteration would meet the intent of the city’s water resources management plan and the subdivision and zoning ordinances.

5. The alteration would not adversely impact governmental facilities, utilities, services or existing or proposed public improvements.

6. The alteration would not have an undue adverse impact on the public health, safety or welfare.

4.02 The proposal would meet the specific standards outlined in City Code §300.24, Subd. 9(d):

1. The proposed alteration would result in fill of roughly 30,000 cubic-feet of floodplain; 32,000 cubic-feet would be created.

2. All proposed structures would be required to meet the minimum horizontal and vertical setbacks from the floodplain elevation.

3. The proposed alteration would result in removal of four significant trees. However, the alteration would improve existing site conditions. It would result in removal of existing non-conforming structures and in a development more characteristic of the surrounding area.

4. The proposed alteration would not adversely impact wetlands or existing wetland buffers, or be unnecessarily located within public easements.

Section 5. Council Action.

5.01 The city council hereby approves the above described floodplain alteration permit based on the findings outlined in section 4 of this resolution.
5.02 Approval is subject to the following conditions:

1. Floodplain alteration must be done on the entire site prior to issuance of any building permits. A grading permit is required for floodplain alteration work. Unless authorized by appropriate staff, no site work may begin until a complete grading permit application has been submitted, reviewed by staff, and approved.

   a) The following must be submitted for the grading permit to be considered complete.

      1) Evidence of filing the final plat at Hennepin County and copies of all recorded easements and documents as required in section 4.01(1)(a)(2) of this resolution.

      2) An electronic PDF copy of all required plans and specifications.

      3) Three full size sets of construction drawings and sets of project specifications.

      4) Final site, grading, drainage, utility, tree mitigation, and wetland buffer restoration plans, and a stormwater pollution prevention plan (SWPPP) for staff approval.

      a. Final grading plan must:

         • Illustrate all alteration and mitigation work occurring in substantial compliance with grading limitations outlined on Exhibit A of this resolution.

         • Minimize tree loss.

         • Show no wetland impact.

      b. Tree mitigation plan must meet minimum mitigation requirements as outlined in ordinance. However, at the sole discretion of natural resources staff, mitigation may be adjusted based on site conditions.
c. Wetland buffer restoration plans must:

• Show removal of the existing gravel driveway.

• Include native plantings in the required 25-foot buffer.

5) Individual letters of credit or cash escrow for 125% of a bid cost or 150% of an estimated cost to construct streets and utility improvements, comply with grading permit, tree mitigation requirements, wetland buffer restoration requirements and to restore the site. One itemized letter of credit is permissible, if approved by staff. The city will not fully release the letters of credit or cash escrow until: (1) an as-built survey of floodplain alteration and mitigation areas with associated calculations has been submitted; (2) vegetated ground cover has been established; and (3) required tree mitigation and buffer plantings have survived one full growing season.

6) A construction management plan. The plan must be in a city approved format and must outlined minimum site management practices and penalties for non-compliance.

7) A copy of the approved MPCA NPDES permit.

8) Evidence of closure/capping of any existing wells, septic systems, and removal of any existing fuel oil tanks.

9) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

• The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other
conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.

b) Prior to issuance of the grading permit, install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

c) Permits may be required from other outside agencies including, Hennepin County, the Minnehaha Creek Watershed District, and the MPCA. It is the applicant’s or property owner’s responsibility to obtain any necessary permits.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 5, 2014.

Terry Schneider, Mayor

ATTEST:

David E. Maeda, City Clerk

Action on this resolution:

Motion for adoption: Allendorf
Seconded by: Acomb
Voted in favor of: Acomb, Wiersum, Bergstedt, Ellingson, Allendorf, Schneider
Voted against:
Abstained:
Absent: Wagner
Resolution adopted.
I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on May 5, 2014.

David E. Maeda, City Clerk

EXHIBIT A

grading limitations for all floodplain alteration and mitigation
Resolution No. 2014-043
Resolution approving a preliminary and final plat at 11806 Cedar Lake Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Jeff Martineau, on behalf of property owner Richard Lindberry, has requested preliminary and final plat approval for a two-lot subdivision at 11806 Cedar Lake Road. (Project 14005.14a).

1.02 The property is legally described as follows:

Lots 3 and 8, Block 3, GOLDEN ACRES, HENNEPIN COUNTY, MINNESOTA

1.03 On April 23, 2014, the planning commission held a hearing on the proposed plat. The applicant was provided the opportunity to present information to the planning commission. The planning commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council grant preliminary and final plat approval.

Section 2. General Standards.

2.01 City Code §400.025 outlines general design requirements for residential subdivisions. These standards are incorporated by reference into this resolution.

Section 3. Findings.
3.01 The proposed plat meets the design requirements as outlined in City Code §400.025.


4.01 The above-described preliminary and final plats are hereby approved, subject to the following conditions:

1. Prior to release of the final plat:
   a) The following must be submitted:
      1) A final plat drawing that clearly illustrates the following:
         1. A minimum 10-foot wide drainage and utility easements adjacent to the public right-of-way(s) and minimum 7-foot wide drainage and utility easements along all other lot lines.
         2. Utility easements over existing or proposed public utilities, as determined by the city engineer.
         3. Drainage and utility easements over wetlands, floodplains, and stormwater management facilities, as determined by the city engineer.
      2) Documents for the city attorney's review and approval. These documents must be prepared by an attorney knowledgeable in the area of real estate.
         1. Title evidence that current within thirty days before release of the final plat.
         2. Conservation easement over the Manage 1 wetland and required 25-foot wetland buffer and a drawing of the easement. The easement may allow removal of hazard, diseased, or invasive species, as well location of stormwater management facilities.
      3) Two sets of mylars for city signatures.
4) An electronic CAD file of the plat in microstation or DXF.

5) Park dedication fee of $5000

2. Subject to staff approval, the subdivision must be developed and maintained in substantial conformance with the following plans, except as modified by the conditions below:
   • Site plan dated April 7, 2014
   • Grading plan dated April 7, 2014

3. Floodplain alteration must be done on the entire site prior to issuance of any building permits. A grading permit is required for floodplain alteration work. Unless authorized by appropriate staff, no site work may begin until a complete grading permit application has been submitted, reviewed by staff, and approved.
   a) The following must be submitted for the grading permit to be considered complete.

      1) Evidence of filing the final plat at Hennepin County and copies of all recorded easements and documents as required in section 4.01(1)(a)(2) of this resolution.

      2) An electronic PDF copy of all required plans and specifications.

      3) Three full size sets of construction drawings and sets of project specifications.

      4) Final site, grading, drainage, utility, tree mitigation, and wetland buffer restoration plans, and a stormwater pollution prevention plan (SWPPP) for staff approval.

         a. Final grading plan must:

            • Illustrate all alteration and mitigation work occurring in substantial compliance with grading limitations outlined on Exhibit A of this resolution.

            • Minimize tree loss.
• Show no wetland impact.

b. Tree mitigation plan must meet minimum mitigation requirements as outlined in ordinance. However, at the sole discretion of natural resources staff, mitigation may be adjusted based on site conditions.

c. Wetland buffer restoration plans must:

• Show removal of the existing gravel driveway.

• Include native plantings in the required 25-foot buffer.

5) Individual letters of credit or cash escrow for 125% of a bid cost or 150% of an estimated cost to construct streets and utility improvements, comply with grading permit, tree mitigation requirements, wetland buffer restoration requirements and to restore the site. One itemized letter of credit is permissible, if approved by staff. The city will not fully release the letters of credit or cash escrow until: (1) an as-built survey of floodplain alteration and mitigation areas with associated calculations has been submitted; (2) vegetated ground cover has been established; and (3) required tree mitigation and buffer plantings have survived one full growing season.

6) A construction management plan. The plan must be in a city approved format and must outlined minimum site management practices and penalties for non-compliance.

7) A copy of the approved MPCA NPDES permit.

8) Evidence of closure/capping of any existing wells, septic systems, and removal of any existing fuel oil tanks.

9) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by
the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.

b) Prior to issuance of the grading permit, install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

c) Permits may be required from other outside agencies including, Hennepin County, the Minnehaha Creek Watershed District, and the MPCA. It is the applicant's or property owner's responsibility to obtain any necessary permits.

4. Prior to issuance of a building permit for the first new house within the development, submit the following documents:

a) A letter from the surveyor stating that boundary and lot stakes have been installed as required by ordinance.

b) Proof of subdivision registration and transfer of NPDES permit.

5. Prior to issuance of a building permit for any of the lots within the development:

a) Submit the following items for staff review and approval:

  1) A stormwater management plan. The plan must include runoff rate and volume control, as well as water quality treatment. Additionally, the plan must include a narrative documenting conformance with the

2) A construction management plan. This plan must be in a city approved format and outline minimum site management practices and penalties for non-compliance. If the builder is the same entity doing grading work on the site, the construction management plan submitted at the time of grading permit may fulfill this requirement.

3) Final grading and tree preservation plan for the lot. The plan must:

   a. Be in substantial conformance with Grading Plan dated April 7, 2014 as amended by Exhibit A.

   b. Show sewer and water services to minimize impact to any significant or high-priority trees. No trees may be removed for installation of services.

4) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

   • The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

   • If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.
If the builder is the same entity doing grading work on the site, the cash escrow submitted at the time of grading permit may fulfill this requirement.

b) Install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

c) Install heavy duty fencing, which may include chain-link fencing, at the conservation easement. This fencing must be maintained throughout the course of construction.

d) Submit all required hook-up fees.

6. All lots and structures within the development are subject to the all R-1 zoning standards. In addition:

a) Minimum floor elevation is 918.0.

b) Minimum setback from floodplain elevation is 20 feet.

c) All lots within the development must meet all minimum access requirements as outlined in Minnesota State Fire Code Section 503. These access requirements include road dimension, surface, and grade standards. If access requirements are not met, houses must be protected with a 13D automatic fire sprinkler system or an approved alternative system.

7. The city may require installation and maintenance of signs which delineate the edge of any required conservation easement. This signage is subject to the review and approval of city staff.

8. During construction, the streets must be kept free of debris and sediment.

9. The property owner is responsible for replacing any required landscaping that dies.

10. The city must approve the final plat within one year of preliminary approval or receive a written application for a time extension or the preliminary approval will be void.
Resolution No. 2014-043

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 5, 2014.

Terry Schneider, Mayor

ACTION ON THIS RESOLUTION:

Motion for adoption: Allendorf
Seconded by: Acomb
Voted in favor of: Acomb, Wiersum, Bergstedt, Ellingson, Allendorf, Schneider
Voted against:
Abstained:
Absent: Wagner
Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on May 5, 2014.

David E. Maeda, City Clerk
grading limitations for all floodplain alteration and mitigation
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8. Citizens Wishing to Discuss Matters not on the Agenda

No one appeared.

9. Bids and Purchases: None

10. Consent Agenda - Items Requiring a Majority Vote:

   A. Resolution approving a conditional use permit, with setback variance, for a restaurant with outdoor eating area at 11056 Cedar Lake Road

   Allendorf moved, Acomb seconded a motion to adopt Resolution No. 2014-041 approving the request. All voted “yes.” Motion carried.

   B. Ordinance to remove area from the floodplain overlay district and resolutions approving a floodplain alteration permit and preliminary and final plats at 11806 Cedar Lake Road

   Allendorf moved, Acomb seconded a motion to adopt:
   1) Ordinance No. 2014-13 removing areas from the floodplain overlay zoning district.
   2) Resolution No. 2014-042 approving a floodplain alteration permit.
   3) Resolution No. 2014-043 approving preliminary and final plat.

   All voted “yes.” Motion carried.

   C. Resolution approving the final plat of GROVELAND POND at 17113 Minnetonka Blvd

   Allendorf moved, Acomb seconded a motion to adopt Resolution No. 2014-044 which grants final plat approval of GROVELAND POND. Approval is subject to the following conditions:
   b. Unless the city council approves a time extension, the final plat must be recorded within one year of council approval of the final plat.

   All voted “yes.” Motion carried.

   D. Ordinance amending Section 710 of the city code regarding a new fee for on-sale taprooms
City Council Agenda Item #13A
Meeting of May 18, 2015

Brief Description: Items related to the granting of a cable communications franchise

Recommended Action: Open the public hearing

Background

The city of Minnetonka is a member of the Southwest Suburban Cable Commission ("Commission") along with the cities of Eden Prairie, Hopkins, Edina and Richfield. Each member city has authorized a non-exclusive cable television service franchise to Comcast Corporation within their city.

CenturyLink has requested that the cities of the Commission consider the grant of a cable communications franchise so CenturyLink can provide cable television services in Minnetonka. Pursuant to this request, staff has initiated the necessary process for the city’s consideration of the grant of a competitive cable communications franchise. At the March 23, 2015 meeting the council authorized a Notice of Intent to Franchise, a Request for Proposal and scheduled a public hearing for May 18, 2015.

Summary

The deadline for submitting franchise application proposals was April 21 and as expected, the city received one proposal from CenturyLink. The city is now required to assess the legal, technical and financial qualifications of the attached application.

It is important to stress that at this time the city is only implementing the state statutory franchising process and that no entity will be permitted in the city’s right-of-way for the provision of cable television services until the city council considers the award of a cable communications franchise.

Mr. Brian Grogan, legal counsel of the Commission, will attend the May 18 council meeting to review this matter with the city council. The public hearing should be opened and comment received. The hearing would then be left open until a recommendation from the Commission is available for council consideration. No decisions are required by the council at this point in time.

Recommendation

Open the public hearing and accept comment on the granting of a cable communications franchise until such time the Commission issues a recommendation for city consideration.
Submitted through:
   Geralyn Barone, City Manager
   Perry Vetter, Assistant City Manager

Originated by:
   Patty Latham, Information Technology Manager
Competitive Franchising

Public Hearing – May 18, 2015
City of Minnetonka, Minnesota

Presented by: Brian T. Grogan, Esq
Purpose of the Public Hearing

- Receive comment regarding Application received from CenturyLink
- Consider qualifications of Applicant
  - Legal, technical, and financial
- No decisions required this evening
- Commission will issue recommendation for City consideration
- Franchise negotiations have not yet commenced
Franchise Application Timeline

- City published Notice of Intent to Franchise
  - March 31 & April 7
- Closing date for submission of applications
  - April 21, 2015
  - CenturyLink submitted application
- May 2015 Moss & Barnett Report regarding
  - qualifications of applicant and
  - recommendation to Commission
- May-June negotiations regarding CenturyLink franchise terms
  - Franchise with Comcast will serve as the “base document.”
One of the stated purposes of the Cable Act is to:

“promote competition in cable communications and minimize unnecessary regulation that would impose an undue economic burden on cable systems.”

See 47 U.S.C. § 521 (6) – emphasis added
A franchising authority may award one or more franchises within its jurisdiction:

“except that a franchising authority may not grant an exclusive franchise and may not unreasonably refuse to award an additional competitive franchise.”

See 47 U.S.C. § 541 (a)(1) - emphasis added
- codified in the Cable Act as Section 621
Existing Comcast Franchise

- **Competitive Equity - § 17.18**
  - Whatever agreement the City grants to CenturyLink
  - Comcast has the right to the same agreement.
    - Within one hundred twenty (120) Days after the Grantee submits a written request to the City,
    - the Grantee and the City shall enter into an agreement or other appropriate authorization (if necessary) containing the same terms and conditions as are applicable to the new Wireline MVPD.
Minn. Stat. § 238.08 Subd. 1(b):

No municipality shall grant an additional franchise for cable service for an area included in an existing franchise on terms and conditions more favorable or less burdensome than those in the existing franchise pertaining to:

(1) the area served;
(2) public, educational, or governmental access requirements; or
(3) franchise fees.
Minn. Stat. § 238.084 Subd. 1(m)

Initial franchises must include a schedule showing:

- that construction throughout the authorized franchise area must be substantially completed within five years of the granting of the franchise
  - This requirement can be waived by the franchising authority only upon occurrence of unforeseen events or acts of God.
Federal Law – Build Out

12/20/06 FCC adopted

- Report and Order and Further Notice of Proposed Rulemaking implementing Section 621(a)(1) of the Communications Act of 1934.

621 Order

FCC concluded

- “that it is unlawful for LFAs to refuse to grant a competitive franchise on the basis of unreasonable build-out mandates.”
## FCC Identified Build Out Mandates

### Unreasonable

- Absent other factors, require a new competitive entrant to serve everyone in a franchise area before it has begun providing service to anyone.
- Require facilities-based entrants, such as incumbent LECs, to build out beyond the footprint of their existing facilities before they have even begun providing cable service.
- Absent other factors, require more of a new entrant than an incumbent cable operator by, for instance, requiring the new entrant to build out is facilities in a shorter period of time than that originally afforded to the incumbent cable operator; or requiring the new entrant to build out and provide service to areas of lower density than those that the incumbent cable operator is required to build out to and serve.
- Require the new entrant to build out and provide service to buildings or developments to which the new entrant cannot obtain access on reasonable terms.
- Require new entrant to build out to certain areas or customers that the entrant cannot reach using standard technical solutions.
- Require the new entrant to build out and provide service to areas where it cannot obtain reasonable access to and use of the public rights of way.

### Reasonable

- To consider the new entrant’s market penetration.
- To consider benchmarks requiring the new entrant to increase its build-out after a reasonable period of time had passed after initiating service and taking into account its market success.
**FCC 621 Order**

- Applies to actions or inactions at the local level where a state has not specifically circumscribed the LFAs authority and only addresses decisions made by municipal-level franchising authorities.
- Does not address any aspect of a LFAs decision-making to the extent that such aspect is specifically addressed by state law.
- The only items preempted by the 621 Order are local laws, regulations, practices, and requirements that conflict with the guidance adopted in the 621 Order and that are not specifically authorized by state law.
FCC Order on Reconsideration

- Adopted on Jan 21, 2015
- The FCC reiterated its position that its findings in the 621 Order were limited to the local level
- Question:
  - Are Minnesota statutory requirements preempted by Federal law and the FCC 621 Order?
- Award of cable franchise in Minnesota
  - Quasi-judicial
  - Weigh evidence before issuing decision
Questions

Brian T. Grogan, Esq.
Moss & Barnett, A Professional Association
150 South Fifth Street, Suite 1200
Minneapolis, MN  55402
(612) 877-5340 phone / (612) 877-5031 facsimile
E-mail: Brian.Grogan@lawmoss.com
Web site: www.lawmoss.com
March 12, 2015

Ms. Geralyn Barone, City Manager
City of Minnetonka
14600 Minnetonka Boulevard
Minnetonka, MN 55345

Dear Geralyn,

Thank you for your time spent in discussions with CenturyLink regarding bringing our facilities based cable service to your city. Your and your staff’s engagement and action has been invaluable and I am glad to be working together.

To that end, CenturyLink desires to provide cable services in Minnetonka and therefore CenturyLink requests that the City of Minnetonka and the Southwest Cable Commission initiate the franchise procedure required by Minn. Stat. section 238.081.

Should you need any additional direction, help, or information from CenturyLink, please do not hesitate to reach out.

Yours sincerely,

Kirstin Sersland

Kirstin Sersland

CC: Patty Latham, City of Minnetonka IT Director
    Brian Grogan, Esq.
    Tyler Middleton, CenturyLink VP/GM Twin Cities Region
Perry Vetter  
Assistant City Manager  
City of Minnetonka  
14600 Minnetonka Blvd  
Minnetonka, MN 55345  

Re: Application of Qwest Broadband Services, Inc. d/b/a CenturyLink for Cable Communications Services Franchise in Hopkins, Minnesota  

Dear Mr. Vetter:  

In response to the City of Minnetonka’s published notice of Intent to Franchise and Request for Proposal, enclosed please find two copies of Qwest Broadband Services, Inc., d/b/a CenturyLink’s notarized application for a cable communications franchise in the City of Minnetonka, Minnesota. Trade Secret information has been redacted from the enclosed copies. Your counsel, Brian Grogan, has been served with one copy that contains Trade Secret information as well as a public version. The Company previously remitted it check in the amount of $10,000 payable to the City of Minnetonka in full payment of its application fee.  

Please do not hesitate to contact me or any other designated representative of the Company if you have any questions. CenturyLink looks forward to working with and bringing facilities based video competition to the City of Minnetonka.  

Very truly yours,  

Patrick Haggerty  

Cc: Brian Grogan
CITY OF MINNETONKA

APPLICATION OF QWEST BROADBAND SERVICES, INC. D/B/A CENTURYLINK

FOR A COMPETITIVE CABLE FRANCHISE

Qwest Broadband Services, Inc., d/b/a CenturyLink ("CenturyLink") respectfully files this application for a competitive cable communications franchise with the City of Minnetonka pursuant to the City of Minnetonka Notice and Request for Proposals dated March 31, 2015.

Background:

Overview of CenturyLink

CenturyLink Improves Lives

At CenturyLink, our vision is to improve the lives of our customers. Through our products and services, we help strengthen businesses and connect communities to each other and the world.

CenturyLink's Unifying Principles

We have established certain fundamental values that are the foundation for how we interact with our partners, our customers and with one another. We call these values our Unifying Principles, and they bring together our beliefs into a cohesive philosophy that guides our actions in all matters, including our greater social responsibility in the communities where we live and work. The Unifying Principles are Fairness, Honesty and Integrity, Commitment to Excellence, Positive Attitude, Respect, Faith and Perseverance.

CenturyLink in Minnesota

CenturyLink in Minnesota employs approximately 3,000 people with the majority of those jobs located in the Twin Cities metropolitan area. More than half of CenturyLink employees in the Twin Cities are represented by the Communications Workers of America Union. This includes approximately 500 network technicians, 200 of whom are being cross-trained to support Prism. Success in the market will trigger hiring more skilled technicians in the future to support Prism. CenturyLink also employs approximately 100 network engineers in the Twin Cities who work in partnership with the network operations team to plan, build and deploy service. CenturyLink's network operations team supports the new headend facility, located in Golden Valley.
Employees in the Twin Cities also include business sales, marketing, regulatory affairs, public policy, customer service and administrative support. Employees are located across the Twin Cities in central office neighborhood locations and at three main corporate campus locations:

- CenturyLink, 200 S. 5th Street, downtown Minneapolis
- CenturyLink, 2800 Wayzata Blvd, Bryn Mawr, Minneapolis
- CenturyLink, 70 W. 4th Street, downtown St. Paul

Many CenturyLink employees have worked with the company for decades experiencing early innovations as a telephone company and the current day transformation into a technologically-sophisticated service provider to local communities and Minnesota’s largest companies.

With a statewide payroll that exceeds $195 million each year, CenturyLink is a proud contributor to jobs and the economy in the state.

**CenturyLink in the Community, Sustainability and Commitment to Diversity**

CenturyLink is committed to strengthening and improving the communities it serves, not only through jobs, products and services, but also through philanthropic support of local community agencies, events and initiatives. We focus our philanthropic and volunteer efforts on K-12 education and programs that support youth; technology-focused initiatives; and locally-driven efforts that strengthen communities and make them better places to live.

Through our involvement in efforts ranging from environmental stewardship to community investment, we further our commitment to improve lives by being a good citizen and neighbor in the communities where we work and live.

- Since 2007, the CenturyLink Clark M. Williams Foundation (previously Qwest Foundation) has awarded $800,000 to innovative Minnesota teachers working to improve STEM learning and access to technology in schools statewide. The Minnesota Business Partnership assists CenturyLink by administering the program. Together, we are helping to build awareness around STEM education and preparing Minnesota’s future workforce for STEM careers.
- CenturyLink awards scholarships in partnership with local organizations to advance the opportunities of their stakeholders. Scholarships recipient organizations include:
- CenturyLink STEM scholarship via Minnesota High Tech association.
• Pacer Center Excite Technology Camp for Girls scholarship.
• Minneapolis Urban League general education scholarships.
• University of St. Thomas, ThreeSixty program scholarship.
• CenturyLink helps provide a state-of-the-art fan experience at Target Field as the Official Communications Provider for the Minnesota Twins and Target Field. CenturyLink’s sponsorship also includes working with the Twins and the Metro Area Library Association to support the summer reading program.
• Through our Matching Time Grant program, Minnesota employees volunteering time to a non-profit agency can earn a CenturyLink Foundation grant for that organization.
• Our employees can further their community support through our annual CenturyLink All Employee Volunteer Day, Employee Giving Campaign supporting the Greater Twin Cities United Way and our Annual Food Drive supporting Second Harvest Heartland.
• We are committed to environmental sustainability through programs that include waste recycling, green information technology, and procurement policies and practices.
• CenturyLink provides incentives for employees in certain communities to make use of public transit or green commuter programs.
• Our Ethics and Compliance Program provides employees with guidance in making ethical business decisions and provides mechanisms for employees to report concerns.
• We have a Supplier Code of Conduct that establishes expectations for our contractors and vendors regarding ethical business practices.
• CenturyLink’s Privacy Policy protects our customers’ information and keeps our customers informed about the information we collect and the choices they have regarding that information.
• Diversity is celebrated and promoted through our Employee Resource Groups, recruiting, global supply chain and community outreach.

**CenturyLink Lifeline & Internet Basics**

CenturyLink participates in Lifeline, which provides certain discounts to qualified subscribers on monthly service. The program is designed to help low income households with needed phone services. Lifeline is available to qualifying customers in every U.S. state. Qualifications vary by state. Residents of American Indian and Alaskan Native tribal lands may qualify for up to an additional $25 of enhanced Lifeline support monthly. They may also qualify for the Link-Up program, which helps consumers pay the initial installation costs of getting telephone service. Link-Up provides a credit of up to $100 of the initial installation charges for tribal customers.
CenturyLink supports the Federal Communications Commission's goal of bringing high-speed Internet to economically-disadvantaged households. We work with nonprofit partners throughout our state to engage communities in the CenturyLink Internet Basics program which provides qualifying low-income Minnesotans service at a reduced rate. CenturyLink has conducted training programs and awareness building around Internet Basics through the Minneapolis Urban League. We have created partnerships with the Minneapolis Public Schools and PC's for People to distribute hundreds of computers to low-income families and provide information to families on the opportunities offered through CenturyLink Internet Basics.

CenturyLink, the applicant, is a Delaware corporation, in good standing and authorized to do business in the State of Minnesota.

The following responds directly to the requested information set forth in the Request for Proposals:

A. Plans for channel capacity, including both the total number of channels capable of being energized in the system and the number of channels to be energized immediately.

Applicant's underlying switched digital IP based technology allows for an almost unlimited channel capacity. While a final channel lineup has not been finalized at this time, please see "Exhibit A – channel lineup and programming packages" from another jurisdiction CenturyLink offers Prism™ service. CenturyLink will provide the Commission with a copy of the actual channel lineup prior to launching service. It should be noted that currently CenturyLink offers more channels in HD than any other MVPD nationally. It also provides a robust library of Video on Demand content.

B. A statement of the television and radio broadcast signals for which permission to carry will be requested from the Federal Communications Commission.

Franchisee will make all appropriate filings and preparations prior to the turn up of its video service including (1) filing a community registration with the FCC via FCC Form 322; (2) providing notice to local broadcasters and requesting either must-carry or retransmission consent election. In the Twin Cities area, Applicant will negotiate retransmission agreements with the following stations: KARE, KMSP, KSTC, KSTP, WCCO, WFTC, and WUCW. The following stations will be carried via a must carry election by the station: KPX and KTCP. And (3) registration of any antennas required to provide service.
In its existing markets, Franchisee complies with many additional federal requirements in providing its Prism™ service, including all of the FCC requirements applicable to multichannel video programming distributors (such as equal employment opportunity and set-top box requirements), the FCC requirements applicable to EAS participants that are wireline video service providers, other FCC requirements applicable to provision of Prism™ (such as receive-only earth station license requirements and annual regulatory fees for IPTV providers), and the Copyright Office requirements for cable systems filing semi-annual copyright statements of accounts and paying statutory license fees. Franchisee does not file an FCC Form 327 relating to CARS microwave facilities because Franchisee does not use such facilities in connection with the provision of Prism™. Similarly, Franchisee does not file FCC Form 320 and FCC Form 321 as they relate to the use of aeronautical frequencies that are not applicable to the IPTV technology.

C. A description of the proposed system design and planned operation, including at least the following items:

Description of the Technology and Infrastructure:

CenturyLink will deploy its cable communications service, Prism™, over facilities owned by an affiliated company, Qwest Corporation, d/b/a CenturyLink (QC). Prism is a switched digital service and is Ethernet based (it is not a QAM based, broadcast service). The fact that the service is switched digital and Ethernet based enables CenturyLink to offer unique features and functions, e.g., warp channel change, not generally available over more traditional cable systems, as more fully detailed below.

Currently, two network architectural designs are used to deliver Prism™ to subscribers: fiber to the node (FTTN) and fiber to the premises (FTTP), but the quality of the cable communications service is of the same high, technical quality regardless of the underlying network architecture. For FTTN, CenturyLink deploys fiber from a serving central office to a remote terminal in a neighborhood. The remote terminal houses the electronics (currently VDSL2) and such electronics create a broadband stream to individual addresses of up to 40Mpbs (80Mpbs if using pair bonding) over a copper subloop. For FTTP, there is fiber connectivity from the serving central office to a distinct address/location via an optical loop terminal (OLT) and this fiber connection will support broadband speeds of up to One Gbps. A set-top box is required for each television in a home to receive Prism™. CenturyLink recently introduced a wireless set top box which enables the end user to move Prism™ to any location such as the patio or garage.
QC is the traditional telecommunications provider in the City of
Minnetonka. It has and will continue to pull all necessary permits and
comply with all local rules, codes and ordinances associated with access
to and presence in the public rights of way.

Please see Exhibit B (TRADE SECRET).

1. **The general area for location of antenna and headend, if known;**

CenturyLink has two "super head ends", one located in Columbia,
Missouri and one in Littleton, Colorado and each super head end has a
satellite "farm" used to download national content. These two super
head ends provide redundancy, i.e., should an emergency interrupt
service at one super head end, and then the other head end will be
used to provide the national content. The national content is encoded
and then deployed over diverse 10 Gig fiber circuits to the local head
where the local content, including public, educational and
government access channels, is inserted for ultimate delivery to end
users. The City of Minnetonka will be served out of the super head
end is in Columbia, Missouri and the local head end will be located in
Golden Valley, Minnesota. CenturyLink will pick up the local
broadcast signals via fiber circuits and will also capture those signals
by antennae located at the local head end as a back-up, precautionary
measure.

2. **The schedule for activating cable and two-way capacity;**

While an exact launch date has yet to be determined, we are working
diligently to complete all necessary work and required testing and
operational readiness reviews to offer service to customers upon successful
execution of a Franchise Agreement. Applicant will meet with Commission
and appropriate member jurisdictions to share the actual launch date when
it becomes finalized.

3. **The type of automated services to be provided;**

As noted above, we have attached a sample channel line up from
another market. This illustrates the vast selection of content
available to subscribers. Because our system is IP based, we offer
unique applications available via the television set such as access to
Picasa. In addition, search and streaming services are available
which enable viewers to search for the cheapest gasoline within a
specified area or to stream selected stock market quotes. We also
have an ever increasing video on demand library. Prism™ is a state of
the art offering and its features and functions also include, but are
not limited to: (1) whole home DVR; (2) warp speed channel change; (3) find-it fast navigation, (4) multi-view (4 shows on one screen); (5) personal media sharing; (6) interactive news and information dashboard; (7) Prism™ on the Go (select content available over mobile devices such as smart phones and tablets); and (8) advanced parental controls. By going to the following URL, you can "experience" the features and functions of Prism™ through a short demonstration: http://www.centurylink.com/prismtv/ffindex.html.

4. The number of channels and services to be made available for access cable broadcasting; and

Applicant will carry the same number of PEG stations as the incumbent. Further, Applicant is willing to carry any of the PEG stations in High Definition ("HD") format if the entity originating the signal provides that signal to Applicant in HD. Applicant will down convert the HD signals to standard definition ("SD") for those customers who may not subscribe to an HD package.

5. A schedule of charges for facilities and staff assistance for access cable broadcasting;

Franchisee will make all franchised cities' access channels available to its subscribers. For purposes of acquiring the signal, Franchisee will pick up the particular City's Access Channel signals at the point(s) of origination via a fiber facility and transport such content back to the local VSO for insertion in the channel lineup. At the point(s) of origination, Franchisee will need rack space and power for its equipment to receive the signal(s) handed off by the City to Franchisee. Franchisee will pay for all facilities and equipment located on its side of the demarcation point where the City will hand off its content to Franchisee and as is industry practice, the City will be responsible for all equipment on its side of the demarcation point.

One of the features available on Prism™ is "multi-view" -- we create a single channel/landing page for a category of shows, e.g., news, and make all the news channels available using picture in a picture technology. The end user can then click on the channel he or she wants to watch or watch four simultaneously. You can see a quick demonstration of this feature by clicking on the following URL: http://www.centurylink.com/prismtv/#prism-tv-virtual-test-drive.html.

We will use this same technology to create a "multi-view" (also referred to as "mosaic") for the member Cities' Access Channels. In other words, we will work with the member cities to assign a channel placement/number for the
Access Channel mosaic so that all of the franchised member cities’ Access Channels will be available on the “landing page” and an end user merely needs to click on the specific channel/picture in a picture to be seamlessly taken to the selected Access Channel in full screen view. Because each of the Access Channels has its own dedicated channel assignment, the channels are offered in the same video and audio quality as all other channels and can be recorded if so desired by an end user. Further, access to the member cities’ Access Channels will not be limited to residents of a particular City. Rather, Prism™ subscribers throughout the area will have access to the various member cities’ Access Channels and City residents will have access to other Cities’ or Cable Commissions’ Access Channels. This opens a vast array of viewing options for citizens.

Franchisee is willing to make all the franchised member cities’ access channels available in high definition if the City hands them to Franchisee in that format. If so, Franchisee will down convert all such HD Access Channels to SD so they can be viewed by any end user not capable of receiving HD signals. As this relates to the multi-view screen for the Access Channels, Applicant’s middleware will automatically know if a subscriber needs to see the channel in SD or HD and will automatically route the end user to the channel with the proper format.

With respect to video on demand, Franchisee will offer the cities a specified amount of space on its VOD servers, as will be specified in the franchise. This will enable viewers to go into the VOD library and to view, on an on-demand basis, any Access Channel content that the City has handed to Franchisee for storage on its VOD servers. Such VOD content hand off has a common industry standard which will be shared with the City when the terms of the franchise are negotiated and finalized.

D. Terms and conditions under which particular service is to be provided to governmental and educational entities.

Applicant will provide at no charge expanded basic service to all government buildings, schools, and public libraries located within its service footprint so long as those locations are capable of receiving service from Applicant and no other cable provider is providing service at such locations.
E. A schedule of proposed rates in relation to the services to be provided and a proposed policy regarding unusual or difficult connection of services.

Final rates have yet to be determined, please see "Exhibit C—sample Prism™ rates" which are offered here for illustrative purposes. CenturyLink will provide Prism service to all qualified households within seven days. CenturyLink does not have "non-standard" installation, i.e., the provision of service at an additional construction cost to the subscriber. Qualification for Prism™ service is purely a technical issue — it is not possible to pay an additional amount to qualify for the service.

F. A time schedule for construction of the entire system with the time sequence for wiring the various parts of the area requested to be served.

Applicant is still finalizing its initial footprint for the deployment of cable services within the City of Minnetonka service area. Applicant's planned deployment is highly confidential. Pursuant to an executed franchise agreement(s), Applicant will meet regularly with the City and the Commission to discuss where service is available and any plans for additional deployment. Applicant is the second entrant into the wireline video market in the City of Minnetonka. As a second entrant, investment in and expansion of Applicant's Cable System should be driven by market success, and not a contractual requirement for ubiquitous coverage.

The following sets forth some critical background with respect to deployment of both telecommunications and cable infrastructure. Initially, local telephone companies were granted monopolies over local exchange service in exchange for taking on a provider of last resort obligation—a duty to provide service—to customers in its service territory. Similarly, with respect to video services, the City of Minnetonka has given the incumbent video provider (and its predecessors) a monopoly over facilities based video. In exchange for making the capital investment to deploy facilities, the incumbent cable company got 100 percent of the customers who wanted cable television.

Subsequently, with respect to telephone services, the federal and local governments effectively eliminated the local telephone monopolies and fostered robust competition. It should be noted that in doing so, the telecom second entrant had absolutely no obligation to build any facilities or to serve any particular location(s) at all. As the FCC noted, imposing build-out requirements on new entrants in the telecommunications industry would constitute a barrier to entry (13 FCC Rcd 3460, 1997). Cable companies were free to enter the telecom market on terms that made business and economic sense to them. This very environment was the catalyst for robust
wireless and wireline competition and the proliferation of higher broadband speeds.

Congress became concerned about the lack of competition in the video world and in 1992 amended federal law to prohibit a local franchising authority from "unreasonably refusing to award an additional competitive franchise." 47 U.S.C. § 541(a)(1) provides a direct avenue for federal court relief in the event of such an unreasonable refusal. 47 U.S.C. § 555(a) and (b). Until the advent, however, of state statutes granting statewide cable franchises without a mandatory build requirement (e.g., Florida) or progressive cities willing to grant competitive franchises, cable monopolies continued to the detriment of consumers and competition. Level playing field requirements are just one example of barriers to competitive entry erected by cities at the behest of the cable monopolies.

Courts have ruled, however, that "level playing field" provisions do not require identical terms for new entrants. See, for example, Insight Communications v. City of Louisville, 2003 WL 21473455 (Ky. Ct. App. 2003), where the court found:

There will never be an apple-to-apple comparison for Insight and other franchisee simply because Insight is the incumbent which in its own right and through its predecessors has been the exclusive provider of cable services in the City of Louisville for almost thirty years. No new cable franchisee can ever be in the same position as a thirty-year veteran.

See also, In Cable TV Fund 14-A, Ltd. v. City of Naperville (1997 WL 209692 (N.D. Ill); and New England Cable Television Ass'n, Inc. v. Connecticut DPUC 717 A.2d 1276 (1998).

In sharp contrast to the monopoly provider, a second entrant faces a significant capital outlay with absolutely no assurance of acquiring customers; rather, it must compete with the monopoly incumbent and win each and every customer over. As Professor Thomas Hazlett of George Mason University has explained, "[I]ncumbents advocate build-out requirements precisely because such rules tend to limit, rather than expand, competition." The federal Department of Justice has also noted that "...consumers generally are best served if market forces determine when and where competitors enter. Regulatory restrictions and conditions on entry tend to shield incumbents from competition and are associated with a range of economic inefficiencies including higher production costs, reduced innovation, and distorted service choices." (Department of Justice Ex Parte, May 10, 2006, FCC MB Dkt. 05-311).
The fact is that the incumbent cable provider has (1) an established market position; (2) all of the cable customers; and (3) an existing, in-place infrastructure. These disparate market positions make imposing a build-out requirement on a competitive entrant bad public policy. Under the guise of “level playing field” claims, incumbent cable operators seek to require new entrants to duplicate the networks the incumbents built as monopolies, knowing that such a requirement will greatly reduce, if not eliminate, the risk of competitive entry.

In 2007, the FCC issued its findings with respect to facilities based video competition and held as follows: (1) with respect to level playing field requirements, the FCC stated that such mandates “unreasonably impede competitive entry into the multichannel video marketplace by requiring local franchising authorities to grant franchises to competitors on substantially the same terms imposed on the incumbent cable operators (Para. 138); and (2) with respect to mandatory build out, the FCC held that “an LFA’s refusal to grant a competitive franchise because of an applicant’s unwillingness to agree to unreasonable build out mandates constitutes an unreasonable refusal to award a competitive franchise within the meaning of Section 621(a)(1) [47 U.S.C. § 541(a)(1)].”

Those two FCC holdings alone should put this entire matter to rest - level playing field requirements and unreasonable mandatory build requirements are barriers to competitive entry in the cable market and violate the federal Cable Act and the FCC’s order. Minnesota, however, codified its requirements in a state law and the FCC expressly declined to “preempt” state laws addressing the cable franchising process.

It is clear, however, that the FCC did not intend to protect the Minnesota statute which mandates the imposition of barriers to entry on each and every local franchising authority. As various providers were trying to enter the competitive cable market and encountering barriers such as level playing field requirements and mandatory build out provisions, many states passed statutes to facilitate competitive entry and to prevent local franchising authorities from erecting barriers to entry. Such laws were passed in 26 states including Florida, Missouri and North Carolina, where CenturyLink has taken advantage of the streamlined process to enter a market without a mandatory build obligation. These laws have facilitated competitive entry as evidenced, for example, by the presence of four facilities based competitors in the Orlando, Florida market, including CenturyLink and Comcast. As such, these state laws are aligned and not in conflict with the FCC’s and Congress’ policies for promoting competition in the video distribution market.
Minnesota's cable law, however, is quite the opposite. Minnesota's cable act dates back to the 1970s and directs each local franchising authority to impose not only a level playing field across a broad range of issues (many of which Franchisee does not oppose), but also a five year mandatory build out requirement. Both of these provisions have been deemed to be barriers to entry by the FCC. The incontrovertible fact is that the law has been extremely successful in barring cable communications competition in the City of Minnetonka: The City of Minnetonka has not experienced any facilities based competition because of the barriers to entry Minnesota codified in Chapter 238.

In support of this position, that the FCC's 2007 Order preempts Minn. Stat. Chapter 238, Franchisee notes the following:

- Conflict preemption: State law may be preempted without express Congressional authorization to the extent it actually conflicts with federal law where state law "stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress" English v. General Elec. Co., 496 U.S. 72,79 (1990).
- Whether state law constitutes a sufficient obstacle is a matter of judgment to be informed by examining the federal statute as a whole and identifying its purpose and intended effects. Crosby v. Nat'l Foreign Trade Council, 530 U.S. 363,372 (2000).
- Minn. Stat. § 238.08 mandates terms that each municipality must implement in granting a new or renewed cable franchise.
- Minn. Stat. § 238.084 sets forth the required contents of a franchise ordinance and sets forth very precise requirements in an initial franchise about the build: commence build within 240 days; must construct at least 50 plant miles per year; construction throughout the franchise area must be substantially completed within 5 years of granting the franchise; and these requirements can be waived by the franchising authority only upon occurrence of unforeseen events or acts of God.
- Section 621(a)(1) initially gave local authorities the authority to grant franchises, but this broad grant resulted in exclusive franchises/monopolies. Congress "believe[d] that exclusive franchises are contrary to federal policy . . . which is intended to promote the development of competition. H.R. Conf. Rep. No. 102-862, at 77 (1992)
- Legislative history clearly supports that Congress was focused on fostering competition when it passed the 1992 Act. Qwest Broadband Servs. Inc. v. City of Boulder, 151 F. Supp. 1236, 1244 (D. Colo. 2001).
In its 2007 order, the FCC found that "an LFA’s refusal to grant a competitive franchise because of an applicant’s unwillingness to agree to unreasonable build out mandates constitutes an unreasonable refusal to award a competitive franchise within the meaning of Section 621(a)(1)." The FCC order, however, targeted local and not state laws.

Arguably, the Minnesota build requirements set forth in Section 238.084(m) are in conflict with Section 621(a)(1) and are, therefore, preempted. In the Boulder case, the court applied Section 621’s prohibition on unreasonable refusals to grant franchises to find conflict preemption where local rules required voter approval for any new franchises.

The mandatory build out in the Minnesota statute could be considered a de facto "unreasonable refusal" to grant a franchise and thus conflict with the pro-competition purpose set forth in 621(a)(1).

In upholding the FCC’s ruling, the Sixth Circuit stated that "while the [FCC] characterized build out requirements as 'eminently sensible' under the prior regime in which cable providers were granted community-wide monopolies, under the current, competitive regime, these requirements 'make entry so expensive that the prospective ... provider withdraws its application and simply declines to serve any portion of the community." Alliance for Cnty Media v. FCC, 529 F.3d 763, 771 (6th Cir. 2008).

The FCC ruling targeted local rules and actions and the FCC refrained from preemption state regulation because it lacked "a sufficient record to evaluate whether and how such state laws may lead to unreasonable refusals to award additional competitive franchises." FCC Cable Franchising Order (FCC 06-180, at n.2 & ¶ 126). That is not to say, however, that upon full consideration, the FCC would not find the Minnesota mandatory build requirements to constitute an unreasonable refusal under Section 621.

- The franchising laws which were being enacted about the time of the FCC order facilitated competitive entrants into the facilities based video market.
- In sharp contrast, the Minnesota statutes mandates individual cities and commissions to include onerous build out schedules which, standing alone, would run afoul of the FCC’s order.

It should also be noted that at least two cities in Minnesota have chosen to award competitive franchises to second entrants without satisfying all the mandates of Chapter 238. See Mediacom Minnesota, LLC v. City of Prior Lake,
Minn. Ct. of Appeals, A09-1379 (Unpublished decision, Filed June 22, 2010). In October 2014, the City of Owatonna awarded a competitive franchise to a second provider, and the franchise did not contain the five year build requirement set forth in Chapter 238. Rather, it contained a market success model expressly endorsed by the FCC. The competitor will provide service to 25 percent of the City of Owatonna and will have no further obligation to enable the provision of cable communications services until 48 percent of households in the footprint subscribe to its service.

Finally, nothing in the FCC's Order on Reconsideration released in January of this year alters the above analysis.

G. A statement indicating the applicant's qualifications and experience in the cable communications field, if any.

CenturyLink has been offering Prism™ since 2008, when it initially launched its service in Lacrosse, Wisconsin, and has continued to expand its Prism™ footprint since that time. Prism™ is currently available in 14 markets. The attached Exhibit D is a list of the jurisdictions in which CenturyLink offers Prism™ pursuant to either statewide franchise statutes or locally negotiated, competitive franchises. In addition, the Company offers an analog product in smaller markets in Wisconsin and Iowa.

CenturyLink has upgraded and/or deployed new facilities, including fiber to the premises, so that it is capable of offering service to over 2.4 million homes. CenturyLink has approximately 240,000 Prism™ customers and continues to bring on new subscribers daily.

Tyler Middleton is the Vice President of Operations for Minnesota. His team includes more than 500 technicians, 200 of whom are being cross-trained to install and support Prism. There is a wide array of employees performing various functions in support of Prism™ in the Twin Cities, including approximately 100 engineers who will be working under Mr. Middleton’s leadership to design and support the infrastructure that enables Prism™.

Trent Clausen is the Vice President of Construction for the Midwest Region. He has held a variety of leadership positions in the network organization over the past 16 years, including positions managing and leading capital planning, field construction, local engineering, dispatch operations, and installation and maintenance operations. His team successfully upgraded the network in Omaha to support the launch of Prism™ there in 2013 and will be responsible, working closely with Mr. Middleton’s team, to construct the network to support Prism™ in Minneapolis and the Twin Cities metropolitan area.
There are three essential corporate divisions which support the provision of Prism™ to end users: Global Operations and Shared Services, Global Markets and Product Development and Technology.

The Global Operations and Shared Services organization is led by Executive Vice President Maxine Moreau. A 30-year veteran of telecommunications, Maxine Moreau brings a depth of knowledge and experience in network services, operations, IT and process improvement to her role as Executive Vice President of Global Operations and Shared Services. She is responsible for operational excellence through the end-to-end planning, engineering, construction, operation and maintenance of CenturyLink's global network, as well as regional operations and hosting data centers. Moreau oversees network enablement that currently provides commercial 100Gbps services to businesses for high-bandwidth needs as well as the deployment of 1Gbps fiber networks in certain markets, including Minneapolis for both consumer and business customers. Members of her team will staff the VSO in Golden Valley.

Maxine Moreau’s team is responsible for the engineering, planning and deployment of all network infrastructure, including the infrastructure on a national and local basis for the delivery of Prism™. In addition, organizations responsible for data and video operations report up to Maxine. These centers, from an operational perspective, constantly monitor and repair, if necessary, the entire network including the facilities used in the provision of Prism™.

The Global Markets organization is led by President Karen Puckett. With 30 years of telecommunications experience, Karen Puckett is an industry veteran with proven success in the integration of complex operations, the achievement of industry-leading financial and operational performance, and the creation of a company culture that is focused on accountability, innovation and growth. As CenturyLink’s Chief Operating Officer, Puckett is responsible for the company's financial and operational performance in the business and consumer segments. She leads marketing, sales, service delivery, care and customer experience initiatives for all business and consumer customers and the implementation of the local operating model in the company’s local service areas in 37 states. Puckett has been at the forefront of CenturyLink’s transformation from a local telephone exchange company serving rural and mid-sized markets to an industry leader in advanced communications services with customers throughout the United States and overseas. Her visionary leadership has been instrumental in the company's ability to thrive in the new arenas of cloud, data hosting and managed services, as well as facilities based switched digital video service while maintaining its focus on operational excellence and financial strength.
Puckett led the 2001 companywide realignment to the local operating model, placing decision making closer to the customer and making the company more responsive to the marketplace. The model has consistently resulted in financial and operational improvements as CenturyLink has acquired new markets.

As it relates to Prism, Karen Puckett's organization owns the customer experience in terms of sales and repairs. There are five call centers which provide support for consumer sales, including Prism™. These centers are located in Sioux City, Iowa; Idaho Falls, Idaho; Boise, Idaho; Midvale, Utah; and Phoenix, Arizona.

The Product Development and Technology organization is led by Executive Vice President and Chief Technology Officer, Aamir Hussain. Hussain is an experienced senior technology executive with more than 23 years of proven success in the implementation of global technology operations, operationalization of complex technology, infrastructures, and business solutions while driving capital cost efficiencies in the business. Hussain and his team are responsible for the design and delivery of next generation products, services and technologies critical to achieving CenturyLink’s strategic growth priorities, including Prism. Hussain has a diverse background in data, security, voice, video and wireless technologies. Prior to joining CenturyLink, he held senior leadership roles at Liberty Global, Covad, TELUS and Qwest. Hussain sits on several startup and non-profit boards, is technical advisor to technology companies and holds 11 patents in Telecommunications. In addition, he has completed leadership, innovation and strategy training from Harvard, the INSEAD institute in France and the International School of Business Management in Switzerland.

Aamir’s team is charged with constantly working to implement new technologies and innovations to enhance the customer experience across the entire suite of CenturyLink products, including Prism.

Glenn Garbelman serves as the Vice President of the Video Operations at CenturyLink, and is based in Monroe, Louisiana. He currently has day-to-day operational responsibility for all video services, which is currently serving 240,000 Prism™ customers with more than 150 employees on his team. Prior to joining CenturyLink, he was part of a large communications company that successfully launched and supported IPTV video in over 70 markets throughout the United States. He has more than 25 years of experience in the industry with the last 10 focused on video products and services over an IP network.

Sandeep Bhalla is the Director of Video Technical Operations. Responsible for the daily operations of CenturyLink Video Services, Sandeep oversees the
Video Operations staff and ensures the integrity of operations and processes. With 19 years of technical experience and 10 years of video, Sandeep has served as a CenturyLink representative to national and international forums related to next generation video services. Prior to joining CenturyLink, Sandeep was a Manager of Head End Implementation for a large communications company. Sandeep holds a BA from the University of California Berkeley.

Charles Becker is the Manager Video Operations IPTV responsible for all headends based out of Denver, Colorado. The Video Headend Team is responsible for the operation and acquisition of all video content served by the Prism platform both local and national. The team maintains and operates 17 headends located in 13 states across the country. This team supports new market builds, preventative maintenance, outage resolution and proactively supports the video monitoring teams in outage resolution. Charles is a 35 year veteran of the video industry and a 9 year employee of CenturyLink.

Steve Epstein is a Senior Lead Engineer – Managing for CenturyLink. Steve was the initial member of the CenturyLink Video team and brings 35 years of broadcast experience to CenturyLink. In addition to being Chief Engineer at several television stations, Steve was the technical editor of Broadcast Engineering magazine. Steve is an SBE certified professional broadcast engineer and holds a BS in Broadcasting.

H. An identification of the municipalities (including contact information for the municipal officials in each community) in which the applicant either owns or operates a cable communications system, directly or indirectly, or has outstanding franchises for which no system has been built.

Please see Exhibit D for a list of jurisdictions Applicant or affiliate of Applicant holds a cable franchise agreement pursuant either to local agreement or statewide franchise authority.

I. Plans for financing the proposed system, which must indicate every significant anticipated source of capital and significant limitations or conditions with respect to the availability of the indicated sources of capital. This information should include:

1. Current financial statement

   Applicant’s ultimate parent company is CenturyLink, Inc. CenturyLink’s most recent Form 10-K (along with all other SEC filings) may be found here: http://ir.centurylink.com/docs.aspx?iid=4057179

2. Proposed sources and uses of funds for the construction project
Applicant's ultimate parent company is CenturyLink, Inc. which is a Fortune 500 Company (currently around Fortune 150) with annual operating revenues exceeding 18 Billion Dollars in 2013. Applicant does not require any unique or additional funding sources (i.e. special notes or bonds) in order to deploy its Prism™ service in this, or any other market.

3. **Financial budgets for the next three (3) years;**

   See response to I (4) below

4. **Documentation regarding the commitment of funds; and**

   As a publicly traded Company, CenturyLink releases a very limited amount of forward-looking information for the company as a whole, but it does not provide forward-looking information at the individual market level because it could lead to incorrect or inappropriate assumptions or conclusions by its current and potential investors regarding the business as a whole. Given the extremely sensitive nature of the information contained in the requested proforma, applicant cannot file this information as part of its application.

5. **Any other information that applicant determines would be useful in evaluating its financial qualifications.**

   Please see response to I (1) above

I. **A statement of ownership detailing the corporate organization of the applicant, if any, including the names and addresses of officers and directors and the number of shares held by each officer or director, and intercompany relationship, including the parent, subsidiary or affiliated company.**

Applicant's ultimate parent company is CenturyLink, Inc., a Louisiana corporation headquartered in Monroe, Louisiana, and, through its subsidiaries, owns 100% of Qwest Broadband Services, Inc. d/b/a CenturyLink. A more detailed corporate structure is depicted on the attached Exhibit E. On April 21, 2010, CenturyLink, Inc. reached an agreement to purchase Qwest Communications International, Inc. ("QCI") through a tax-free, stock-for-stock transaction. Under the terms of the parties' merger agreement, CenturyLink, Inc. is the ultimate parent of QCI and the subsidiaries that were under QCI. At the time of the merger between CenturyLink and Qwest Communications International, Inc., Franchisee was a wholly-owned subsidiary of Qwest Services Corporation, Inc. as was Qwest Corporation, the entity which places facilities in the City's public rights of way pursuant to the City's ordinances and associated rules. Further, at merger, Franchisee was a member of the National Cable Television Cooperative ("NCTC") as was the CenturyLink entity which offers Prism in legacy CenturyLink markets, e.g., Florida. Because the NCTC expressly forbids more than one entity within a corporate family to belong to
and directly obtain content from the NCTC and because any affiliated entity receiving content from the NCTC must be a wholly-owned subsidiary of the NCTC member, CenturyLink, Inc. moved Franchisee from being a subsidiary of Qwest Services Corporation to being a subsidiary of CenturyTel Broadband Services, LLC. As provided in the original application filed with the City, the following sets forth the officers and directors of Franchisee. This group of officers and directors do not own any shares of the franchisee.

**Qwest Broadband Services, Inc. (Delaware Domestic)**

**Directors:**
R. Stewart Ewing, Jr.
Stacey W. Goff

**Officers:**
Chief Executive Officer and President
Glen F. Post, III
President Global Markets
Karen A. Puckett
Executive Vice President and Chief Financial Officer
R. Stewart Ewing, Jr.
Executive Vice President, General Counsel
Stacey W. Goff
President IT Services and New Market Development
Girish Varma
Vice President – Public Policy and Government Relations
James P. Campbell
President – Wholesale Operations
William E. Cheek
Executive Vice President – Controller and Operations Support
David D. Cole
Executive Vice President – Network Services
Maxine Moreau
Vice President and Treasurer
Glynn E. Williams, Jr.
Vice President
Jonathan J. Robinson
Secretary
Kay Buchart
Assistant Secretary
Joan E. Randazzo
Assistant Secretary
Meagan E. Messina

K. A notation and explanation of omissions or other variations with respect to the requirements of the proposal.
None at this time
Respectfully Submitted,

Qwest Broadband Services, Inc. d/b/a CenturyLink
By: Patrick Haggerty

Subscribed and sworn to before me
This 21st day of April, 2015

[Signature]
Notary Public
My Commission Expires:

[Notary Public Seal]
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<td>KGII (FM)</td>
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<td>96</td>
<td>KGII</td>
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</table>

**Prism Complete**

---

**Contact CenturyLink**

Sales: 877-298-0172
Support: 866-314-4146

---

**Exhibit A**
### Premium Packages Available as Add-ons:

#### Cinemax Add-on Package

<table>
<thead>
<tr>
<th>Package</th>
<th>Channels</th>
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<tbody>
<tr>
<td>1840 T-Star Max HD</td>
<td>1851 Cinemax (W)</td>
</tr>
<tr>
<td>1841 T-Star Max</td>
<td>1852 Cinemax (E)</td>
</tr>
<tr>
<td>1836 ActionMAX (E)</td>
<td>1853 Cinemax (W)</td>
</tr>
<tr>
<td>1837 ActionMAX (W)</td>
<td>1854 Cinemax On Demand</td>
</tr>
<tr>
<td>1836 ActionMAX HD (E)</td>
<td>1855 Cinemax HD (E)</td>
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<tr>
<td>1837 ActionMAX HD (W)</td>
<td>1856 Cinemax HD (W)</td>
</tr>
<tr>
<td>1846 Cinemax</td>
<td>1857 Cinemax On Demand</td>
</tr>
<tr>
<td>1832 Cinemax (E)</td>
<td>1858 Cinemax On Demand</td>
</tr>
<tr>
<td>640 HBO (W)</td>
<td>1854 MoreMax (E)</td>
</tr>
<tr>
<td>641 HBO (E)</td>
<td>1855 MoreMax (E)</td>
</tr>
<tr>
<td>642 HBO Signature (W)</td>
<td>1856 MoreMax (W)</td>
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<tr>
<td>643 HBO Signature (E)</td>
<td>1857 MoreMax (W)</td>
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<tr>
<td>860 HBO Signature</td>
<td>1858 MoreMax (W)</td>
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<td>1859 HBO Signature HD (E)</td>
<td>1859 MoreMax (W)</td>
</tr>
<tr>
<td>1860 HBO Signature HD (W)</td>
<td>1860 MoreMax (W)</td>
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#### International-AI-Carte Add-on Package

<table>
<thead>
<tr>
<th>Package</th>
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</tr>
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<tbody>
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<td>3740 Al Jazeera America</td>
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<td>3741 Bollywood Hits on Demand</td>
<td>3706 Discovery Familiar</td>
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<tr>
<td>3742 Cartoon Network en Espanol</td>
<td>3707 Disney en Espanol</td>
</tr>
<tr>
<td>3743 Cine Mexicano</td>
<td>3708 ESPN en Espanol</td>
</tr>
<tr>
<td>3744 Cine Sony</td>
<td>3709 FX en Espanol</td>
</tr>
<tr>
<td>3745 CNN en Espanol</td>
<td>3710 History en Espanol</td>
</tr>
<tr>
<td>3746 De Pelicula</td>
<td>3711 HBO (E)</td>
</tr>
<tr>
<td>3747 De Pelicula Clasico</td>
<td>3712 HBO (W)</td>
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#### Paquete Latino Add-on Package

<table>
<thead>
<tr>
<th>Package</th>
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<td>3146 Bandamex</td>
<td>3102 Discovery en Espanol</td>
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<td>3147 BonMereng en Espanol</td>
<td>3103 Discovery Familiar</td>
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<td>3148 Carrito Noteable</td>
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<td>3149 Cartoon Network en Espanol</td>
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<td>3154 De Pelicula Clasico</td>
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#### Starz/Encore Add-on Package

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<td>936 ENCORE (W)</td>
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<td>937 ENCORE (W)</td>
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<td>938 ENCORE (E)</td>
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<td>943 ENCORE (E)</td>
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<tr>
<td>944 ENCORE (W)</td>
<td>1963 Encore On Demand</td>
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<tr>
<td>945 ENCORE (W)</td>
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<tr>
<td>946 ENCORE (E)</td>
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<td>947 ENCORE (W)</td>
<td>1966 Encore On Demand</td>
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<td>948 ENCORE (W)</td>
<td>1967 Encore On Demand</td>
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<td>949 ENCORE (E)</td>
<td>1968 Encore On Demand</td>
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<td>950 ENCORE (W)</td>
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<td>951 ENCORE (W)</td>
<td>1970 Encore On Demand</td>
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#### Showtime Add-on Package

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#### HBO Add-on Package

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<th>Package</th>
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<td>815 HBO (W)</td>
<td>1819 HBO Family HD (W)</td>
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<td>816 HBO (E)</td>
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<td>817 HBO (E)</td>
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<td>818 HBO (W)</td>
<td>1822 HBO Family HD (W)</td>
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TRADE SECRET/PRIVILEGED INFORMATION CLASSIFICATION RATIONALE

State: Minnesota

Description/Title of Information: Application of Qwest Broadband Services, Inc. d/b/a CenturyLink for a Competitive Cable Franchise Agreement with the City of Minnetonka

Trade Secret/Privileged Designation Rationale:

Exhibit B to the Application of Qwest Broadband Services, Inc. d/b/a CenturyLink for a Competitive Cable Franchise Agreement with the City of Minnetonka contains information that is considered Trade Secret because (1) CenturyLink makes reasonable efforts to ensure its privacy and (2) the data derives actual or potential independent economic value because the information is not generally known to, and not being readily ascertainable by proper means by, other persons who can obtain value from its disclosure or use. For this reason, Exhibit B to the Application of Qwest Broadband Services, Inc. d/b/a CenturyLink for a Competitive Cable Franchise Agreement with the City of Minnetonka should be protected from public disclosure.
Exhibit B
Has Been Redacted
In Its Entirety
# Prism Rates

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<td>Promotional Rate</td>
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Exhibit C

CenturyLink™
Prism offered in the following markets pursuant to state or local franchises

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<th>Locally Negotiated Franchises</th>
<th>Statewide Franchises</th>
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<tr>
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<td>Colorado Springs, CO</td>
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<td>Orange Beach, AL</td>
<td>Denver, CO</td>
<td>North Las Vegas, NV</td>
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<td>Baldwin County, AL</td>
<td>Monument, CO</td>
<td>Clark County, NV</td>
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<td></td>
<td>Fountain, CO</td>
<td>Henderson, NV</td>
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<tr>
<td></td>
<td>El Paso County, CO</td>
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<tr>
<td>Phoenix, AZ</td>
<td>Gypsum, CO</td>
<td>Tallahassee, FL</td>
</tr>
<tr>
<td>Chandler, AZ</td>
<td>Eagle, CO</td>
<td>Fort Myers, FL</td>
</tr>
<tr>
<td>Mesa, AZ</td>
<td>Eagle County, CO</td>
<td>Orlando, FL</td>
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<tr>
<td>Queen Creek, AZ</td>
<td>Centennial, CO</td>
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<tr>
<td>Glendale, AZ</td>
<td>Littleton, CO</td>
<td>Columbia, MO</td>
</tr>
<tr>
<td>Peoria, AZ</td>
<td>Castle Rock, CO</td>
<td>Raleigh/Durham DMA, NC</td>
</tr>
<tr>
<td>Scottsdale, AZ</td>
<td>Parker, CO</td>
<td>LaCrosse DMA, WI</td>
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<tr>
<td>Surprise, AZ</td>
<td>Jefferson County, CO</td>
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<tr>
<td>Goodyear, AZ</td>
<td>Lone Tree, CO</td>
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<tr>
<td>Maricopa County, AZ</td>
<td>Douglas County, CO</td>
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<td>Pinal County, AZ</td>
<td>Papillion, NE</td>
<td>Council Bluffs, IA</td>
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<td>Buckeye, AZ</td>
<td>Springfield, NE</td>
<td>Pottawattamie County, IA</td>
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<td>Florence, AZ</td>
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<td>Ralston, NE</td>
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<td>Paradise Valley, AZ</td>
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<tr>
<td>Apache Junction, AZ</td>
<td>Douglas County, NE</td>
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<tr>
<td></td>
<td>Sarpy County, NE</td>
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Exhibit D
May 4, 2015

Mr. Patrick Haggerty  
Director of State Regulatory and Legislative Affairs  
CenturyLink  
200 South Fifth Street, Room 2200  
Minneapolis, MN 55402

RE: Qwest Broadband Services, Inc. d/b/a CenturyLink - Response to Notice of Intent and Request for Proposals

Dear Patrick:

As you know, Moss & Barnett has been retained by the Southwest Suburban Cable Commission ("Commission") which is comprised of the cities of Eden Prairie, Edina, Hopkins, Minnetonka and Richfield, Minnesota ("Member Cities") to review Qwest Broadband Services, Inc.'s, d/b/a CenturyLink, Response to each Member Cities' Notice and Request for Proposals for a competitive cable franchise ("Application"). Yuri Berndt of Moss & Barnett is assisting in the review of CenturyLink's financial qualifications to advise the Commission regarding CenturyLink's overall qualifications as required by applicable law. The below questions are based in part on Mr. Berndt's financial review.

1. The CenturyLink 2014 Form 10-K ("Form 10-K") states that CenturyLink may need to obtain additional financing under certain circumstances. Please provide copies of any commitments from the financial institutions and lenders that will provide financing to CenturyLink along with the expected terms, covenants and conditions of the credit facilities (including potential interest rate changes and the debt term).

2. The Form 10-K refers to the budgeting process and information. Please provide a copy of CenturyLink's most current budget that was reviewed by its Board of Directors.

3. Please provide 2015 and 2016 projected Pro Forma Statements of Cash Flows and Income for CenturyLink (including any potential future dividend distributions to its shareholders).

4. Please provide a list of CenturyLink's significant capital outlays that will or are projected to occur within two years of the Application date both in the Minnesota region and throughout the entire CenturyLink broadband system. For 2015, is there any additional outlays that are not covered in the Form 10-K?

5. Please provide projected Pro Forma Balance Sheets for CenturyLink as of December 31, 2015 and 2016.
6. Please provide information regarding any transactions/events or acquisitions after the Application date that will affect the financial capabilities of CenturyLink.

7. According to the Form 10-K, $350 million of debt matured on February 17, 2015 and $92 million will mature on June 15, 2015. What accommodations have been made for the maturation of this debt (and of the other debt maturing in 2015, 2016 and 2017)?

8. Please provide an estimate of CenturyLink’s first year implementation costs that is projected to be incurred by CenturyLink as part of offering broadband services (i.e. new personnel cost, servicing costs, programming costs, hardware cost, etc.) to the Minnesota region and other new broadband service areas. How do these amounts compare to other areas where CenturyLink has already introduced broadband services?

9. Please provide any applicable information to help explain any future plans CenturyLink may have regarding the implementation of new technologies into its broadband system and the related projected costs.

10. Does CenturyLink have any plans to add new services to its existing broadband system? Please describe any potential services which CenturyLink may consider providing over the system in addition to services currently being offered in other locations and the projected incremental cost of the new services.

Finally, Exhibit D of the Application provides a list of markets where Prism is currently offered pursuant to a state or local franchise. Please provide the name, title and contact information of individuals in each market where Prism is currently offered.

If your written response is provided in hard copy, please provide three (3) copies to:

Brian T. Grogan, Esq.
Moss & Barnett
150 South Fifth Street, Suite 1200
Minneapolis, MN 55402

If your written response is provided in electronic form, please provide to Brian Grogan at Brian.Grogan@lawmoss.com.

Thank you for your assistance in providing timely answers and documentation. Please note that the Commission and its Member Cities cannot fully consider the Application until all questions have been answered and appropriate information provided. With this in mind, the sooner the Commission receives a reply from CenturyLink to the above questions, the sooner the review can be completed.
The Commission reserves the right to request additional information in the future.

Very truly yours,

Brian T. Grogan
Attorney at Law
P: (612) 877-5340
Brian.Grogan@lawmoss.com

cc: Rick Getschow, City Manager, City of Eden Prairie
Scott Neal, City Manager, City of Edina
Jim Genellie, Assistant City Manager, City of Hopkins
Patty Latham, Information Technology Manager, City of Minnetonka
Steve Devich, City Manager, City of Richfield
Yuri B. Berndt, Esq., Moss & Barnett
Sent Via E-Mail

Brian T. Grogan, Esq.
Moss & Barnett
150 South 5th Street
Suite 1200
Minneapolis, MN  55402

Re: Qwest Broadband Services, Inc. d/b/a CenturyLink’s Response to the Southwest Suburban Cable Communications Commission Notice and Request for Proposal

Dear Brian:

The following responds to the questions posed in your letter to me dated May 4th, 2015.

With respect to Questions 1 through 8 set forth in your letter, CenturyLink respectfully directs you to the following statements made in its initial Response to the Notice and Request for Information published by the Southwest Suburban Cable Communications Commission:

1. Current financial statement

   Applicant’s ultimate parent company is CenturyLink, Inc. CenturyLink’s most recent Form 10-K (along with all other SEC filings) may be found here:

2. Proposed sources and uses of funds for the construction project

   Applicant’s ultimate parent company is CenturyLink, Inc. which is a Fortune 500 Company (currently around Fortune 150) with annual operating revenues exceeding 18 Billion Dollars in 2013. Applicant does not require any unique or additional funding sources (i.e. special notes or bonds) in order to deploy its Prism™ service in this, or any other market.

3. Financial budgets for the next three (3) years;

   See response to I (4) below

4. Documentation regarding the commitment of funds; and
As a publicly traded Company, CenturyLink releases a very limited amount of forward-looking information for the company as a whole, but it does not provide forward-looking information at the individual market level because it could lead to incorrect or inappropriate assumptions or conclusions by its current and potential investors regarding the business as a whole. Given the extremely sensitive nature of the information contained in the requested proforma, applicant cannot file this information as part of its application.

Responding to Question 9 regarding implementation of new technologies and associated costs of implementation, CenturyLink is constantly evaluating new technologies for potential deployment in its network. CenturyLink will notify the Southwest Suburban Cable Communications Commission and its member cities with which it has franchises in the event it implements in the future new technology which affects the delivery of Prism to end users.

Responding to Question 10, please see Exhibit D which was attached to CenturyLink’s original response to the Southwest Suburban Cable Communications Commission’s notice and request for information.

Please let me know if there is any additional information you need from CenturyLink.

Very truly yours,

Patrick Haggerty
VIA ELECTRONIC AND U.S. MAIL

May 4, 2015

Mr. Brian Grogan
Franchise Administrator
Southwest Suburban Cable Commission
150 South 5th Street, Suite 1200
Minneapolis, MN 55402

Re: CenturyLink Video Franchise Application

Dear Mr. Grogan:

In late May and early April, members of the Southwest Suburban Cable Commission ("the Cities") issued Notices of Intent to Franchise (herein the "Notices"). The Notices state that the Cities will hold public hearings over the course of the next two weeks regarding all applications that they receive. It is our understanding that these public hearings are to establish the record for the Cities’ votes regarding whether they will commence franchise negotiation discussions, and under what terms, with the applicants based on the applicant’s response to the Notices. I am writing to provide you with Comcast’s position in regard to the process going forward and limited record in front of you today.

At the outset, let me state clearly that Comcast welcomes a fair and robust competitive marketplace made up of responsible competitors, and we do not oppose the granting of an equitable cable franchise to CenturyLink. Consumers can choose from numerous video options today, including Comcast, DirecTV, DISH Network, and "over the top"-services like Netflix, Amazon, Apple TV and Hulu. This fiercely competitive landscape is challenging, but it brings out the best in each company — at least when competitors face a level playing field that treats similar providers in a similar manner.

I. Comcast’s Interest in This Proceeding.

Comcast has made substantial financial investments in its cable system over the years to serve the Cities with a state-of-the-art network. In order to provide cable services and locate its cable system within public rights-of-way, Comcast has operated under a cable franchise renewed by the Cities in August of 2012. The Franchise Agreement has required much of Comcast, including notably:

- A requirement that Comcast offer cable service to customers throughout the member cities of the Southwest Suburban Cable Commission, specifically to every residential dwelling unit within 125 feet of Comcast’s feeder cable (Comcast Franchise Section 6.6
(c)) and to any new development with a density equivalent to seven (7) homes per one-quarter (1/4) mile for aerial construction and nine (9) homes per one-quarter (1/4) mile for underground construction (Comcast Franchise Section 6.6 (a);

- A one-time, $200,000 PEG grant (Comcast Franchise 7.16 (a)); and
- Courtesy cable services to over 100 schools, municipal buildings and government offices in the member cities (Comcast Franchise Section 5.2).

CenturyLink’s franchise application either rejects or is silent regarding whether and to what extent it will agree to many of the franchise obligations that have been required of Comcast.

II. Level Playing Field Requirements and the FCC’s 621 Order.

Minnesota’s extensive cable franchising statutory scheme is clear that: “No municipality shall grant an additional franchise for cable service for an area included in an existing franchise on terms and conditions more favorable or less burdensome than those in the existing franchise pertaining to: (1) the area served; (2) public, educational, or governmental access requirements; or (3) franchise fees.” Minn. Stat. § 238.08, subd. 1(b).

Since “applicant is still finalizing its initial footprint for the deployment of cable services” in the member cities of the Southwest Suburban Cable Commission, the applicant did not provide any information regarding the area it is proposing to serve. Comcast, therefore cannot comment on if CenturyLink’s franchise proposal is “more favorable or less burdensome” than Comcast’s franchise obligations. It is concerning, however, that it does not appear that CenturyLink’s buildout commitment will be consistent with the Minnesota Cable Act. Even more concerning is that CenturyLink hasn’t accepted even the minimal obligations that it has made in its own applications. For example, in the application submitted to the City of Minneapolis, CenturyLink proposed an initial 30% buildout; in the actual franchise, however, CenturyLink committed to building only 15% of the City.

We want to be very clear that the FCC’s 621 Orders that CenturyLink relies upon in its response does not preempt Minnesota’s Cable Act. As recently as January 2015 the FCC explained again:

We clarify that those rulings were intended to apply only to the local franchising process, and not to franchising laws or decisions at the state level.¹

It is inaccurate to say that the City must choose between following state law and policy or following federal law and policy – the two coexist. The FCC expressly allows build out requirements in franchise agreements so long as they are “reasonable.” What constitutes

“reasonable” is left to the franchising authority to determine.

While we have not yet seen an actual draft CenturyLink franchise, we expect it to contain a reasonable full-service requirement – consistent with Minnesota law and the FCC’s 621 Order – so that, eventually, all neighborhoods in St. Paul would have the same availability of service and access to cable competition, and so that all providers bear similar obligations.

Imposing reasonable, binding, and enforceable requirements to serve the entirety of St. Paul will protect competitive and consumer equity and prevent selective service deployment. It will equalize the investment that all providers will be required to make in return for access to the public rights of way. It will ensure that competition develops according to which provider can best serve subscribers and not according to which provider enjoys the most advantageous regulatory requirements.

IV. Conclusion.

Again, Comcast does not oppose CenturyLink’s entry into the local market. We are concerned that competing providers who make use of the same rights-of-way as Comcast, and who are subject to the same federal law, the same state law and the same local regulatory authority, should be held to the same reasonable level of due diligence and procedure, as well as member city-wide service requirement standards, similar to what Comcast has been held to.

There are many factual and legal questions raised by CenturyLink’s franchise application. Comcast has important interests at stake in this proceeding and requests that the Southwest Suburban Cable Commission establish a fair, orderly, and open process that allows for meaningful public review and input.

Again, thank you for the opportunity to share our views with you on this important issue. Please do not hesitate to contact me if you have any questions, or if you need any additional information.

Sincerely,

Emmett V. Coleman
Vice President Government Affairs

Cc: Members of the Southwest Suburban Cable Commission
Union of Operating Engineers, Local No. 49, AFL-CIO. All voted “yes.” Motion carried.

E. Items related to the grant of a cable communications franchise

Allendorf moved, Wiersum seconded a motion to authorize the publication of notice of intent to franchise and notice of public hearing and thereafter follow the statutory procedural requirements for items related to the granting of cable franchise. All voted “yes.” Motion carried.

11. Consent Agenda - Items requiring Five Votes: None

12. Introduction of Ordinances:

A. Ordinance removing area from the wetland overlay district

City Planner Loren Gordon gave the staff report.

Acomb moved, Wiersum seconded a motion to introduce the ordinance and refer it to the planning commission. All voted “yes.” Motion carried.

13. Public Hearings:

A. Items concerning At Home Apartments at 5709 Rowland Road

Bergstedt opened the public hearing at 6:59 p.m. No one spoke.

Wiersum moved, Acomb seconded a motion to continue the item and the public hearing to the April 6, 2015 council meeting at the request of the applicant. All voted “yes.” Motion carried.

14. Other Business:

A. Concept plan review for Kraemer's Hardware redevelopment at 14730 Excelsior Boulevard, 5431, and 5439 Williston Road

Gordon gave the staff report.

Darren Lazan, Landform Professional Services, said he was representing the applicant, Lakewest. He said they still considered it a very fluid plan. There were previous proposals for the site.
City Council Agenda Item #13B  
Meeting of May 18, 2015

**Brief Description**  
On-sale wine and on-sale 3.2 percent malt beverage liquor licenses for LTF Minnetonka Restaurant Company, LLC dba Life Cafe, 3310 Co Rd 101

**Recommendation**  
Close the public hearing

**Background**

The city has received applications from Life Café, for on-sale wine and on-sale 3.2 percent malt beverage liquor licenses, for use at the restaurant located within the Lifetime Fitness facility. The council opened the public hearing on April 6, 2015 and continued to May 18, 2015. The reason for the continuation was to allow the applicant to provide additional information needed as part of the background investigation.

In the intervening period, the city attorney has recommended that the city code be amended to clarify the background investigation requirements for publicly traded companies. Life Café is not publicly traded, but one of its parent companies is publicly traded, and the proposed amendment would apply to its application. The city staff informed Life Café of the proposed amendment and provided the option of moving forward with the application or waiting for council action on the amendment, and Life Café requested to put its application on hold. The staff plans to bring an ordinance to the council for introduction on June 1, and that ordinance will include the amendment proposed by the city attorney as well as other changes related to recent legislation.

**Recommendation**

Staff recommends that the city council close the public hearing.

Submitted through:  
Geralyn Barone, City Manager  
Julie Wischnack, AICP, Community Development Director

Originated by:  
Kathy Leervig, Community Development Director
City Council Agenda Item #13C
Meeting of May 18, 2015

Brief Description
Off-sale liquor license for Target Corporation, 4848 Co Rd 101

Recommendation
Continue the public hearing and grant the license

Background
The city has received an application from Target Corporation for an off-sale intoxicating liquor license, for use at 4848 Co Rd 101. SuperTarget opened in 2001 and currently holds a 3.2% malt beverage liquor license. (See pages A1-A7.)

Target is proposing a full store remodel which includes an improved grocery area and proposed liquor store. The location of the liquor store would be in the front of the store in the former café area. The liquor store would have a separate entrance with no direct access to the retail store. At about 2,000 square feet in size, the liquor store will be small compared to stand alone liquor stores. The average square footage of Minnetonka liquor stores is approximately 5,100 square feet.

Business Ownership
Target Corporation is a publicly held company. No police background check will be performed as the corporation has already been approved for a liquor license.

Business Operations and History
The proposed hours of operation for the liquor store will be Monday to Friday, 9 a.m. - 10 p.m., and Saturday, 8 a.m. – 10 p.m. The original 3.2 % liquor license was issued in 2002, and Target has not had any violations of selling to minors at this location. Further, Target has not had any violations statewide since 2008. Although Target does not participate in the Minnetonka Best Practices Program, they have their own in-house program focusing on preventing underage sales. In addition, their point of sale (POS) system has three verification processes in place to determine if the transaction is appropriate.

Current Off-Sale Liquor Licenses in Minnetonka
Currently, the city council has granted 14 off-sale liquor licenses in Minnetonka. Eleven of those licenses are for liquor stores selling a full range of liquor items; two are 3.2% malt beverage licenses which are secondary or accessory to another business; and one is for off-sale growler sales at Lucid Brewing whose primary use is production of beer sold elsewhere. One of the two 3.2% malt beverage licenses includes Target. Below is a list of the establishments.
## Establishment Information

<table>
<thead>
<tr>
<th>Establishment</th>
<th>Address</th>
<th>Type of License</th>
<th>Council Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big Top Liquors</td>
<td>12937 Ridgedale Dr</td>
<td>Off-Sale Intoxicating</td>
<td>2009</td>
</tr>
<tr>
<td>Byerly's Wines &amp; Spirits</td>
<td>13081 Ridgedale Dr</td>
<td>Off-Sale Intoxicating</td>
<td>1997</td>
</tr>
<tr>
<td>Glen Lake Wine &amp; Spirits</td>
<td>14704 Excelsior Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>2006</td>
</tr>
<tr>
<td>Haskell's</td>
<td>12900 Wayzata Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>1996</td>
</tr>
<tr>
<td>MGM Wine &amp; Spirits</td>
<td>4795 Co Rd 101</td>
<td>Off-Sale Intoxicating</td>
<td>1994</td>
</tr>
<tr>
<td>Strong Liquor</td>
<td>11048 Cedar Lake Rd</td>
<td>Off-Sale Intoxicating</td>
<td>2007</td>
</tr>
<tr>
<td>Sundial Wine &amp; Spirits</td>
<td>5757 Sanibel Dr</td>
<td>Off-Sale Intoxicating</td>
<td>2005</td>
</tr>
<tr>
<td>The Wine Shop</td>
<td>17521 Minnetonka Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>2006</td>
</tr>
<tr>
<td>Tonka Bottle Shop</td>
<td>17616 Minnetonka Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>1997</td>
</tr>
<tr>
<td>Trader Joe’s</td>
<td>11220 Wayzata Blvd</td>
<td>Off-Sale Intoxicating</td>
<td>2008</td>
</tr>
<tr>
<td>US Liquor &amp; Wine</td>
<td>11333 State Highway 7</td>
<td>Off-Sale Intoxicating</td>
<td>2010</td>
</tr>
<tr>
<td>Glenn's 1-Stop</td>
<td>12908 Minnetonka Blvd</td>
<td>3.2% Malt Beverage</td>
<td>2004</td>
</tr>
<tr>
<td>Target Store T-1356</td>
<td>4848 Co Rd 101</td>
<td>3.2% Malt Beverage</td>
<td>2001</td>
</tr>
<tr>
<td>Lucid Brewing</td>
<td>6020 Culligan Way</td>
<td>Off-sale growlers</td>
<td>2014</td>
</tr>
</tbody>
</table>

### City Council Policy 6.1

During 2009 - 2010, the city council had extensive discussions regarding the appropriate number of liquor stores in the city (pages A9-A25). A wide range of information was reviewed, such as crime statistics, liquor stores per capita, geographical location, intensity of other land uses, and the social ills associated with alcohol such as dependency and underage drinking. Much of the debate centered on differing philosophical perspectives, such as allowing the free marketplace to work, setting limits in an effort to protect public health, and influencing the community’s culture.

Subsequently the city council amended council policy 6.1 in 2010 by establishing a maximum of 12 off-sale intoxicating liquor licenses (see pages A26-A28). The policy states that 12 stores are generally adequate to serve the city, but the council would consider, although not necessarily approve, additional off-sale intoxicating licenses. Conversely, as noted in the excerpt from policy 6.1 below, the council is not automatically required to approve a license if the number falls below 12.

Off-sale establishments provide intoxicating liquor that will be consumed in environments that are not monitored. An increase in the number of those outlets increases the access to liquor, contributes to public safety concerns, and detracts from the desired image of the city. Accordingly, the city council determines that the 12 off-sale intoxicating liquor licenses existing as of March 22, 2010 are generally adequate to serve the city. However, the council reserves the right not to issue any license even if the number falls below 12. Despite this maximum number, the council will consider, but not necessarily approve, additional off sale
intoxicating liquor licenses only if the council finds in its sole discretion that the business:

a. offers a distinctive specialty service, or is a small, complementary part of a new business, that would add positively to the experience of living and working in the city; or

b. is part of a redevelopment project in a village or regional center that is not currently served.

In consideration of the proposed liquor license for Target, the city would not exceed the maximum number determined in 2010 by converting Target’s 3.2% malt beverage license to a full liquor license. With this approval, the number of full off-sale liquor stores would increase to twelve, while keeping total off-sale liquor licenses at 14. The change in license would allow Target to expand its liquor sales as an approved use by the city.

A liquor license is a privilege, not a right. Even if the minimum requirements for a license are met, the city council is not obligated to grant the license. The city council has broad discretion to decide if, where, and how liquor is sold. The city council may limit the number of licenses, when in its judgment, the welfare of the city suggests such action.

**Recommendation**

Staff recommends that the city council continue the public hearing from April 20 and grant the off-sale liquor license to Target Corporation, 4848 Co Rd 101.

Submitted through:
Geralyn Barone, City Manager
Julie Wischnack, AICP, Community Development Director

Originated by:
Kathy Leervig, Community Development Coordinator
LOCATION MAP

Target, 4848 Co Rd 101
March 18th, 2015

Members of the Minnetonka City Council
City of Minnetonka
14600 Minnetonka Boulevard
Minnetonka, MN 55345

Dear Members of the City Council

Target is excited to be reinvesting in Minnetonka during our planned multi-million dollar remodel of the Target store located at 4848 County Road 101. This remodel will bring to life several of the exciting strategies our CEO has recently presented to the press, which includes a new focus on grocery that will deliver a more compelling and appealing shopping experience to our guests. As part of that remodel, Target is interested in making this Minnetonka store one of the first Target stores in Minnesota with a separate-entrance liquor store. Target respectfully requests the Council’s support and approval for the attached liquor license application. I would like to provide you with more information on alcohol sales at Target, and why we feel that our proposed liquor store meets the established criteria for approval of an off-sale liquor license.

Alcohol at Target

Target’s alcohol business is established and growing. We have sold alcohol in our stores since 1996, and we currently have over 1,300 stores that sell alcohol in 37 states. We have a history of responsible alcohol sales and have many processes in place to safely and securely sell beer, wine and spirits. We strive to surprise and delight our guests by carrying well-known national brands along with locally relevant items.

We began testing a separate-entrance liquor store at our Otsego location in 2014 due to requests from our Minnesota based guests. We have found that guests visiting our Target Wine & Spirits store in Otsego feel that it delivers what they expect from Target. Guests appreciate the store’s clean look and feel, and view how it is organized as a point of differentiation from other local liquor stores. Most appreciate the convenience to shop “while I am there” and saw it as an extension of their regular Target shopping trip. It’s clean, organized, and has a great modern design with high end touches, which adds to the appeal, and makes it kid friendly for busy moms.
Alcohol will be a Small, Complimentary part of Target that has Regional Reach

Target’s proposed liquor store meets the criteria for issuing off-sale licenses in the City of Minnetonka’s City Council Policy 6.1 as the new liquor store will be a small, complimentary part of a remodeled business that would add positively to the experience of living, working and shopping in Minnetonka. Policy 6.1 also allows the City Council to approve an off-sale license for stores that are part of a redevelopment project in a regional center that is not currently served. The store is, as a regional center, drawing regular guests from as far as Minnetrista and Medina.

Small, Complimentary part of a major remodel

Target prides itself on offering a convenient, one-stop shopping experience for our guests by providing an extensive mix of products that meet their needs. At about 2,000 square feet in size, the liquor store will be small compared to stand alone liquor stores and will have a heavily edited assortment that will be focused on key items. Our selection includes well-known national brands, local favorites and exclusive items like our award-winning and affordable Wine Cube. The addition of alcohol would complement our newly remodeled grocery and general merchandise assortment to further meet all the needs of our guests.

Regional Reach

Based on the data we have, we know that a majority of guests come from throughout the western suburbs to shop at our County Road 101 store. To better serve this broad guest base, we are investing in a multi-million dollar full store remodel aimed at meeting our guests’ needs, which includes a better grocery experience and the proposed liquor store. Target guests appreciate the ability to make one stop to get everything on their list, so we expect the Target liquor store to have the same regional pull as our existing retail store.

Target is a Responsible Seller of Alcohol

Target takes the responsibility that comes with selling alcohol very seriously. We have had zero violations at our County Road 101 store since we began selling 3.2 beer in 2002. Statewide, Target has not had any liquor violations since 2008. While this store is not currently participating in the Minnetonka Best Practices Program, our processes outlined below align with many of those best practices.

Team Member Training

Team members are required to complete a comprehensive internal alcohol training program and must pass a training examination with a score of 90% or greater. This required in-house training program focuses on preventing underage sales, verifying valid identification, handling intoxicated guests, and cashier liability for illegal sales. Unique state and local restrictions are included in the training.
Point of Sale Security

Target’s POS (point of sale) system is programmed to assist cashiers when processing alcohol transactions. Only registers located in the separate liquor store will process alcohol sales. When an alcohol product is scanned, there are 3 verifications to ensure that selling requirements are followed: (1) if a cashier is below the legal selling age of 18, the system will not process the transaction; (2) the POS system will only allow the sale of alcohol if it is within local legal selling times; and (3) the system requires that the cashier either enter in a birthdate, or scan or swipe an appropriate identification (ID) to determine if the guest is old enough to purchase the alcohol product. Target policy is to request an ID from the purchaser regardless of age.

In summary, Target is very excited for our remodel plans for our Target store on County Road 101 in Minnetonka. We believe this reinvestment will support our ongoing efforts to deliver a convenient, one-stop shopping experience for our guests. The inclusion of a small, but complementary, assortment of beer, wine and spirits will create additional choice and convenience for our guests and your constituents. Target looks forward to your review and approval of our request. Upon review, please do not hesitate to contact me directly at 612-761-5959 or at jonathan.redberg@target.com if you have any questions or need additional information regarding our application.

Thank you for your consideration.

Jonathan Redberg
Business Analyst – Licensing
T1356 Minnetonka, MN\ Proposed Plan

Capacity Summary:
- 2835 Total SF
- 240 Total LF
- 300 SF Beer Cave
- 9 beer doors

Staff: John Gunyou, Geralyn Barone, Julie Wischnack, Lee Gustafson, Mark Raquet, Desyl Peterson, David Maeda

1. Off-sale liquor licensing

Gunyou said for the past few years, each time a new liquor license approval has come before the council there has been a discussion about the number of licenses in the city. At the last council meeting there was a request to have a more in depth discussion about the city's liquor license policy. He said it was important to settle some of the debate about what way the city wants to go to provide more certainty for current license holders, new applicants, and staff.

Community Development Director Julie Wischnack gave the staff presentation.

Allendorf asked if there was more specific information about police calls to store locations categorized as “other.” Wischnack said one example of what gets included in the “other” category is a car crash that occurs in front of a liquor store. Allendorf noted the number of calls to most stores was low but the number of calls to Haskells and the Bottle Shop was inflated due to those categorized as “other.”

Greves noted that the data showing the relationship between the proximity of liquor stores and police calls could not include situations where a person buys alcohol at one location and travels to another area of the city where a crime occurs. Wischnack said what she was trying to show with the data was that there was not a direct connection between a liquor store location and neighborhood crime. She agreed that there was not data showing a connection between where a person lives and a specific crime occurrence.

Wiersum said when the city’s taxes are discussed there are a group of like cities that are used for comparison. He noted the cities included in the data Wischnack presented did not include Edina, Eden Prairie and Lakeville because those cities have municipal liquor stores. He asked how their number of liquor stores per capita information compared with Minnetonka’s. Wischnack said Eden Prairie has a population around 62,000 with three liquor stores; Edina has a population around 48,000 people with three liquor stores; Lakeville has a population around 54,000 with three liquor stores. Schneider said the information was relevant but there was a different dynamic involved for cities that have municipal liquor stores. There is exclusivity of being able to control where liquor is sold within the city but what is not taken into account is that residents shop outside the city limits to get lower priced liquor. He said the per capita information may not be meaningful.
because it is artificial and not set by competition. Wiersum said the same argument could be made for Sam’s Club and Costco but the discussion was about the relevance of proximity and density. Greves suggested the issue Wiersum was identifying was what kind of city Minnetonka wanted to be.

Greves asked if there was more information about the history of the threshold of one liquor store per 5,000 residents established for statutorily defined first class cities. Wischnack said the threshold was established by the state legislature and she was not sure of the rationale behind the number. Wiersum asked who the statutorily defined first class cities were. City Attorney Desyl Peterson said the first class cities were Duluth, St. Paul, Minneapolis, and Rochester.

Wagner said the data presented clarified the relationship between the density of liquor stores and categories like crime, under aged drinking and economics. He said the current policy has served the city well over a period of time and he was not interested in seeking a solution for a problem that the city doesn’t necessarily have. He will continue to support the liquor store in his ward to ensure it is successful.

Greves said the data was helpful but she noted that even though the number of alcohol citations for minors was down, it is also known that people under the age of 21 are finding smaller venues to obtain alcohol and they are finding people who are of legal age to buy them alcohol. There is no indication that even though the number of citations is down, the number of under aged people drinking has decreased. She said research shows there is a correlation between density and excessive alcohol use. It is also known there are adverse consequences with excessive consumption of alcohol. Research shows the greater the availability of alcohol is, the greater societal impact exists and the council had to decide if the goal should be to reduce those adverse consequences.

Hiller agreed that looking at the data from other cities indicated there was not information available about how the cities came up with their policies. His concern was that the city needs to provide a consistent message for any liquor business that wanted to locate in the city. The next liquor store that applies for a license would reduce the per capita rate to one store for every 3,900 residents. The types of liquor stores are also changing. He said he was concerned about not addressing the issue now and having to revisit it again in the near future.

Allendorf said he came out of the last council discussion on the issue thinking that if he were to support establishing a set number of liquor licenses he wanted the number to be based on some rationale rather than selecting a number just because the council has the authority to do so. He said the data did not seem to support setting the number of licenses. What would support setting the number of licenses is competition and the marketplace determining how many stores can stay in business in the city. He said he was not persuaded that it was the
council’s responsibility to make sure there was not too much competition for any retail establishment. The council’s job is not to guarantee outcomes for retailers but rather the responsibility is to guarantee opportunities.

Wiersum said the data was inconclusive. He agreed it would be difficult to come up with the right number for the amount of liquor stores but that didn’t mean the council shouldn’t try. He said that in the 1950’s cigarette companies said there was no clinical proof that smoking was bad for people’s health. That did not mean cigarettes were not bad for people’s health, it meant that there was no clinical proof. He said the U.S. Justice Department’s report on drinking in America was interesting. Like most products, heavy users of alcohol consume most of the alcohol. He said the city is doing a good job addressing the issue of underage drinking but that does not mean there is not an alcohol problem in the city because there is an alcohol problem in every city in the country. Selling liquor is different from selling hamburgers and the council has the responsibility to manage the number of liquor licenses and determining if a license should be issued to an applicant. He said density and access impact problem drinkers. He agreed with Greves that the question was what kind of city Minnetonka wants to be. He noted the city requires onsale liquor establishments to sell more food than alcohol. That policy is an example of the council making a decision of what type of city Minnetonka wants to be. He said he cares about how the stores do in the city but he cares more about the public health of the community and he didn’t think that more stores in the city was better.

Ellingson said he agreed with many of the points Wiersum made. He said it was a good development to allow new types of liquor stores in the city. His concern is allowing a liquor store with Cub Foods or Costco opening a store in the city and the impact to existing proprietors. He said there was an exception for alcohol as it relates to the free market and competition. Society wants more expensive alcohol to discourage consumption. Lowering the price of alcohol makes it easier for people to drink more. He noted in previous council discussion the city attorney indicated that it was legitimate for the council to consider the economic viability of the stores in the city while deciding if another license should be issued because stores that are not economically sustainable might try to cut corners to make money. He said he has never been interested in numerical standards because they are arbitrary but it might be appropriate to add to the policy consideration of proximity to other liquor stores.

Wagner said had the city limited the number of liquor stores to ten, and Pairings, the Wine Shop, and Trader Joes were not allowed in, the city would be worse off. It would be detrimental if the city, because there was a limit on the number of licenses, was not able to react to a changing marketplace that has more specialty type stores opening up. He agreed that liquor should be treated differently than other products because of the public safety requirements, but the data staff presented indicated there were not public safety problems in the city due to the
number of liquor stores. He said he did not want to stifle innovation and
competition and he wanted to make sure the city had unique offerings in the
marketplace that draw people to the city to shop.

Allendorf noted there was an unfavorable preliminary vote when the Wine Shop
liquor license was discussed. The council asked the community development
director if there could be a limit on the sale of liquor and beer and a requirement
that 85 percent of the sales be wine. The answer was yes that could be done and
it would not create a burden on city staff. Allendorf said this defined the Wine
Shop as a specialty shop and suggested the city look at defining niche areas or
capping the number of general liquor stores. He noted the current applicant has
claimed the proposed store would be a niche store.

Hiller said none of the studies attempted to classify the kinds of offsale liquor. He
questioned if that data could be obtained. Gunyou said it would be difficult to
structure a policy defining what a niche store was because the market is
constantly changing.

Greves said each of the councilmembers ultimately had to decide what argument
they were using to base their decision. None of the councilmembers are anti-
business or free enterprise. For her, the niche argument was irrelevant because
alcohol is alcohol. She said councilmembers had to decide if their decision was
going to be based on the belief in free enterprise and the marketplace or if public
health issues and the positive association between increased density of stores
and an increase in excessive alcohol use was a bigger factor. The council has
already stated the importance of the public health issue by adopting the social
host ordinance and other measures. If the public health issues weigh out as the
most important factor in making a decision, limiting the density is a step that
could be taken to make an impact. She said she did not know the correct number
of licenses but she was ready to decide on the number. She has not heard
people in the community asking for more liquor stores. Wagner asked Greves is
she had heard from people asking for fewer liquor stores because he had never
gotten a call from a resident related to liquor stores. Greves noted the city has
already taken a step with the social host ordinance acknowledging alcohol abuse
was a problem in the community.

Wagner said the social host ordinance dealt with illegal activity and there was a
difference between that and limiting the number of liquor stores in the city.
Owning a liquor store is a legal enterprise. Greves said the social host ordinance
was adopted to address underage drinking and limiting the number of stores
would be another step. Wagner disagreed given the data.

Wiersum said lack of awareness does not mean a problem does not exist. He
noted the city of Burnsville is changing its rules because of the opportunity to get
a Costco in the city. He said if Costco wanted to locate in Minnetonka with a
liquor store, residents likely would be supportive. The council had to ensure that there would not be unintended consequences if a policy was adopted.

Gunyou suggested focusing the discussion on if there was interest in changing the current policy and if so, what types of changes should be made.

Wiersum said he believed access to alcohol creates social ill. He wanted to avoid unintended consequences because putting a cap on the number might lead to a missed opportunity. He said he did not believe the community was underserved and his preference was to establish a cap of some type. He acknowledged the issue was in front of the council because of the application that has been submitted but he would not vote for a store called “Crazy Johnny’s” because it sends the wrong message about drinking.

Schneider said he had a philosophical disagreement using the rationale saying that because somebody did a study somewhere showing a relationship between density of liquor stores and crime, that such a relationship exists everywhere. He said he could do a study taking data from Minneapolis and other parts of the country and show something similar to those studies. Minnetonka does not have that same type of relationship with problem areas in the city. He said the average resident buys a bottle of wine or a case of beer and the criteria of where to buy the alcohol is how far they had to drive and what the price was for the product. The resident is going to go where they feel comfortable going knowing the service and products that are available. A binge drinker will not shop at a niche store but will go to a place where they can buy as much alcohol for as cheap a price as possible. Limiting the number of stores would not stop binge drinking. Schneider said he had some sympathy for the economic argument. The areas in the city susceptible to that issue are the village centers where there is a limited geographic area that people are going to. On the other hand, the Ridgedale area has hundreds of thousands of people passing through the area. He did not see adequate justification for establishing an absolute cap because all that would do would be to set a barrier to creative operators that want to make the community more interesting. He said if the majority of the council did decide to change the policy he would like to see changes made that all the council could support in order to avoid the same discussions every time a new license was before the council. The justification was also important to prevent the city from getting sued for being arbitrary and capricious in the approval and denial of licenses.

Allendorf said that the solutions that have been suggested would not address the issues that were identified. Setting a radius would not stop liquor stores in areas that do not currently have liquor stores. A cap on the number would not get at the issue of problem drinking.

Wiersum agreed that there was no decision the council could make that would solve alcohol problems in the city. The issue is what the city stands for and what
it aspires to be. He did not know what the right number of licenses was, but suggested following the state’s limit for first class cities of one per 5,000 population. He would not support eliminating all stores in the city nor would he support opening a municipal liquor store to raise revenue. He said taking a stand against something that has negative societal implications was not a bad thing for a city government to do. He noted the city set limits on alcohol served at restaurants. Schneider said the limit for restaurants was different than what was being talked about for liquor stores since there was not a limit on the number of restaurants but rather was a ratio of food and alcohol sales. He questioned if the city could develop a policy that would allow niche stores and limit big warehouse type stores without being arbitrary. Wiersum said other cities set an arbitrary number.

Wagner noted currently outside the two regional centers in the city, there was one village center that has more than one liquor store. Putting a citywide cap on the number could impact being able to locate a store within a village center. Schneider said the city could establish different zones with different criteria for determining the number of licenses and where the stores could be located. Wischnack said currently there are five village centers that do not have a liquor store. Gunyou said the issue becomes even more complicated when the location of liquor stores in neighboring cities is included in the discussion. There is a regional market that has to be looked at when talking about density rather than just what was within the city’s borders.

Greves asked if there was a number of liquor stores in the city that other councilmembers would decide should be the limit. Schneider said if the next four applicants were all proposing big box wholesale stores, he would find that to be a problem. If one of the stores was for a niche market, he would not have an issue with increasing the number of stores to 17. Allendorf concurred. Wischnack suggested looking at square footage of the store as a potential solution in changing the city’s policy.

Hiller said the only logical immediate solution was to cap the number. Once there was an established cap, the other issues of the proximity of stores, niche stores, and the village centers could be addressed once the cap was established.

Schneider asked what the process would be if the cap was set at the current number of 12 and the applicant was denied, and then a unique concept store applied. Would the council have to adopt a change in the policy in order to approve the license? Peterson suggested the council adopt a policy that allows for that type of distinction. There was a court decision where a city decided it did not want to allow any more bars but did want restaurants that served alcohol. The court ruled that was not arbitrary. She said the city had to treat applicants that are equally situated, equally. Gunyou said the idea of a redevelopment area could apply to a special situation as well. Wiersum said there was clearly a
difference between the 394 corridor area and the village centers. He said establishing some type of neighborhood zones had merit. Wischnack said there could be different criteria for village centers and the regional centers. Further criteria could be drafted to address a redevelopment situation. Allendorf asked what would have happened if that was in place when Trader Joes applied to locate in the city. Wischnack said Trader Joes would be in a regional center that would not have a cap but other criteria such as square footage or proximity to other stores would be considered. Wagner said that type of policy would have prevented the Wine Shop from opening in Minnetonka. Wischnack said that would presume the limit would be one store per village center. Wagner said the policy could be too complicated for an entrepreneur to figure out. Having unique stores could be appealing to people that might want to live in the city. He said whatever policy is put in place he wanted it to be flexible enough to allow unique niche stores. Peterson suggested not putting the policy in an ordinance to allow for greater flexibility. Policies can be changed more easily than ordinances.

Schneider asked that given there seemed to be a majority supporting a change to the policy, if a moratorium should be implemented until the policy was adopted. Peterson said the council had the ability to deny current applications for good reason. Placing a limit on the number of stores, or the need to study the issue further were good reasons for denial. The council has a great deal of authority in dealing with liquor licenses.

Wiersum said in previous discussions Schneider had referenced a time when liquor licenses were very restricted in the city and therefore were very valuable. This created a lot of problems. He said he sensed the city decided to address those problems by ensuring liquor licenses were worth the fee that was charged. He asked if a cap on the number was adopted if the city could potentially get into a similar situation. Gunyou said as long as there was a relief valve, that the council would consider other criteria to approve additional licenses, that situation would likely be defused. Peterson agreed with Gunyou but added with an absolute number of licenses there could be pressure on an existing owner in a situation where somebody comes in and tries to buy the existing license. Wiersum noted the license could not just be transferred but rather the council would still have to approve the new applicant. Schneider asked what basis could be used to deny the license in that situation. Peterson said a brand new license would be needed in that situation so it would have to go through the process. Wiersum said Peterson had told the council on numerous occasions that they had broad discretion on deciding on liquor licenses. Yet the council has not exercised its broad discretion.

Gunyou suggested that council consider a policy which set the current number of licenses as a baseline, and then allowed additional licenses based on the four criteria that had been discussed. One criteria would be for a niche type service; another exception would be for a store connected with a redevelopment area; the
third would be for stores in an area like the 394 corridor; the final criteria would be for stores that are consistent with the objectives of the village centers. Peterson said she would suggest making it clear that even if an applicant fell under one of the four criteria, approval of the license was not automatic.

Wiersum said the niche idea was an interesting concept. Somebody could say that because they had pink carpeting, it was a niche store. He said he wanted to be careful that the policy sufficiently addressed the definition of niche. Gunyou said he was thinking that “niche” would address the question about whether the community would be better off by having that type of store because it was serving a specific market.

Greves said she favored a policy that was more black and white because if the policy was not clear, the council would continue to have the same discussion. She was willing to make it more of a flexible policy given the issues that had been raised but what Gunyou had suggested seemed too broad for her. She said if a hard number was established she believed the market would take care of the redevelopment areas.

Allendorf said if there was a hard cap on the number of stores then it was possible that an existing store would have to close if a store was needed in a redevelopment area. Flexibility was needed if a cap of any kind was adopted.

Wiersum said looking at the number of stores was clearly a decisive and emotional issue that involved a moving number because of the economy. He was fine establishing a moratorium to allow the staff and council to work on the policy and decide what it wanted to do.

Gunyou said to move the process forward he would suggest that staff come back with a proposed policy based on the evening’s discussion.

Schneider called a recess at 8:16 p.m.

He called the meeting back to order at 8:34 p.m.

2. Advertising signs on benches

Schneider said there are all types of issues that bubble up before reaching a critical mass. Bus benches are one such issue. Another is residential fire pits in the city. He receives calls from residents complaining they have to close their windows all summer because a neighbor has a fire pit. He said the council has to decide if these type issues are affecting the quality of life in Minnetonka and what should be done to resolve the issue.

City Engineer Lee Gustafson gave the staff presentation.
inspection. These items must be maintained throughout the course of construction.

(7) Permits may be required from other outside agencies including, but not limited to Hennepin County, the Minnehaha Creek Watershed District, and the MPCA. It is the applicant's responsibility to obtain any necessary permits.

c. Once site and grading work is completed, an electronic CAD file or certified as built drawings in micro station or DXF and PDF format must be submitted to the city.

d. All rooftop and ground-mounted mechanical equipment, and exterior trash and recycling storage areas, must be enclosed with materials compatible with the principal structure, subject to staff approval. Low profile, self-contained mechanical units that blend in with the building architecture are exempt from the screening requirement.

e. The property owner is responsible for replacing any required landscaping that dies.

f. Construction must begin by December 31, 2011 unless the planning commission grants a time extension.

g. The city council may reasonably add or revise conditions to address any future unforeseen problems.

h. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.

i. The applicant must agree to these conditions in writing.

14. OTHER BUSINESS:

A. Items regarding the issuance of liquor licenses

1) Amendment to liquor license policy

2) Amendment to liquor license ordinance

Wischnack gave the staff report.

Greves said she was in favor of capping the number of licenses. The current density of off sale licenses was enough and there were several key issues that fall under the umbrella of density that were important to address. Controlling density of liquor stores was one measure that could prevent minors from accessing alcohol. A revised policy including a cap would help ensure the city's environment and image was not diminished. Controlling the density of liquor stores takes public safety into consideration by making an effort to enhance safety in the city. She said she by no means agrees that government should get involved in peoples'
lives all the time but when it comes to alcohol, there was a difference. Increased access to liquor has an impact on public health. She said there was compelling data showing that the heavy and hazardous drinkers are the ones most accommodated in their drinking habits with increased access to liquor. Even invoking a personal responsibility argument the group that needs the most protection is minors. Research shows that high levels of alcohol outlets enable youth to access alcohol through commercial outlets, through their families, and through social networks. Research also shows that there is a greater chance that minors will be successful purchasing alcohol if a greater density of liquor outlets exists in the particular area. This suggests the city should be concerned about the potential for liquor stores cutting corners with increased competition. She said there were many ways to look at the data showing the number of liquor store violations in the city has been low. To conclude the city does not have a problem with sales to minors overlooks that the compliance checks occur once a year and business owners often have a rough idea on when the checks might take place.

Greves said it was also flawed to think that because the city has a number of niche type specialty liquor stores that somehow a classier perception equates to fewer problems. She noted that the most recent sale to minor violation occurred at a niche store that participated in the city's best practices program. She said the police department does a great job but there is no way that the city's liquor stores can be policed every day. Working with Tonka Cares she has spent a lot of time dealing with the issue of underage drinking. While the majority of students in the city are making positive choices, there is a good percentage still making bad choices with drinking. Given that underage drinking is a leading cause of death among young people and is associated with drug use, risky sexual encounters, violence, and traffic accidents, controlling access to underage drinkers is critically important. She noted the city adopted a social host ordinance with the intent of controlling access to minors and even though that is a very different issue, she said the proposed policy amendment was another level of intervention for that part of the population.

She said at the last meeting, the applicant for Crazy Johnny's Liquor spoke to the notion that residents are not concerned about liquor licensing in the city. She spoke with hundreds of residents while door knocking last summer and fall. There were numerous residents who said they were unhappy with the proximity of a particular type of business to residential areas or to other businesses. She also heard a number of comments about liquor stores. Because the city has control over the number of liquor stores and because people have expressed concern about issues related to alcohol, she said the city probably does need a more enlightened policy. Liquor stores also can play a part of the perception about a city. People often characterize a city by the type of establishments that
predominate and catch the eye. She said Minnetonka has many wonderful features but increasing the number of liquor stores would have the potential to alter people's perceptions about the quality of the city and deter other businesses from locating near liquor stores.

Greves said comments have been made about the Ridgedale area being a regional area with thousands of people driving through each day. She agreed with that assessment but said the area was a gateway to the city. Adding liquor stores in the area could give the perception that there were liquor stores on every corner of the city. She said the data that was examined at the recent study session looked at a number of things like crime near liquor stores, damage to property, and assaults. The conclusion was that even with the number of liquor stores increasing, crime was going down for the most part. She said there were other issues to consider including unreported abuse, unreported sexual assaults, and unreported domestic violence that are highly correlated with alcohol consumption. Drunk driving is another issue. A recent Star Tribune article indicated drunk drivers are getting off the hook because of overcrowded prisons, limited budgets and a growing culture of forgiveness that she said matches a societal misperception about drinking being a normal and acceptable activity with inevitable consequences. She said it was significant that there is not a day that goes by that alcohol is not mentioned in the local media.

She said there is a statistically significant relationship between the density of liquor availability and drunken driving, sexual assaults, underage drinking, health problems and economic decline regardless of socioeconomic status and demographic background. Minnetonka is not immune from those issues. Drunken driving costs the country around $186 billion a year. The small changes to the city's policies would be cheap in comparison at the front end with the costs of the consequences at the back end. She said at the study session she mentioned she supported capping the number of licenses and that the exceptions that were discussed were too broad. Since that time she has come to think that having the exceptions in the policy was a good thing because flexibility was needed to avoid unintended consequences. She said when the council reviews future applications she would have a hard time invoking the exceptions unless an applicant makes a compelling case demonstrating a community benefit or need.

Hiller said he supported most of what Greves said. Another of his concerns was not waiting until problems exist before instituting a cap. He said he did have some concerns with the proposed exceptions because it was essential to give businesses a clear understanding about what the city would allow. He said the provisions capping the number of licenses at 12 and the niche markets were logical. He did have a concern about the
provision that a proposed location for a liquor store being consistent with the concept of village centers because as he went through the comprehensive plan he had a difficulty justifying approval of a license based on the descriptions. This would likely be confusing to businesses as well. The provision that the proposed store be supported by the larger markets was also a concern. Driving down 1394 numerous liquor stores can be seen and he didn’t necessarily believe there was enough available space to allow more in the area. He said when the council discussed the provision related to enhancing redevelopment he envisioned the opening up of new areas like the Minnetonka Mills and Opus rather than a simple enhancement. He said he would like the provisions to be more focused and clearer.

Allendorf said he would like Police Chief Mark Raquet to address the comment that liquor store owners know when a compliance check would be held. Raquet said prior to his becoming chief, the practice in the department was to send out a letter to the license holders notifying a compliance check would occur within a month. This is not an uncommon practice and the department adopted the idea from the city of Plymouth. He said the notification process has changed to some degree. The department sent out a notice alerting license holders that the check will occur during a particular quarter of the year. Allendorf asked if Raquet thought that the license holders know when the check would occur and therefore act differently than they normally would. Raquet said it’s likely the liquor stores do not pay attention to the notice because if that was the case there would be no failures. Raquet said there have been recent changes to the program and it was likely liquor stores would be notified a check would occur sometime during the year. The department is also looking at doing more than one compliance check during the year. He noted compliance checks are not mandated by state law unlike tobacco compliance checks.

Allendorf said if he as a councilmember was going to tell businesses that they could not locate in the city, he wanted to have a good factual reason to do so. He said Wischnack did a good job outlining what the facts are in Minnetonka regarding public safety, arrests and purchases by minors. He was unconvinced the city should let anything but the market determine what businesses should be allowed to come into the city. That is not to say that he wants lots of liquor stores in the city but rather he wants the market to work for all retail stores. He said the rationale included in the proposed policy states that the increase in the number of liquor outlets increases the access to liquor and that would be difficult for anyone to argue against. A second rationale for the policy was that an increase in the number of stores would contribute to public safety concerns. He said the data presented at the study session did not indicate that there would be public safety issues if another store came into the city. A third rationale
for the policy was that more liquor stores detract from the desired image of the city. He said at the study session two out of the seven council members raised that issue but he has not heard the concern from residents. He was concerned that the rationale for the policy was based upon the obvious fact that another store would increase access and two items stating an opinion rather than something backed by facts. He said he was concerned with any policy that tends to tell legal businesses that the city does not want them to locate in the city.

Wiersum said he supported the policy proposal as written. The policy moves the city in the right direction by limiting the number of liquor stores and gets to the question of what type of city Minnetonka should be. He said one more or one less liquor store would not solve the problems Greves brought up. But the city has the right to control the number of liquor stores and he thought the city had plenty of liquor stores already. If he were to change the policy his preference would be to cap the number at ten because that would be consistent with the state statute requirements for first class cities. He said he liked the aspect of the policy that would give the council some flexibility for niche stores. He thought it was ironic that cities like Edina, Eden Prairie, and Lakeville that have municipal liquor stores typically are quite politically conservative and have residents who don't want too much government in their lives. Those cities like what the low number of stores say about the city as well as the revenue that offsets taxes. He was not suggesting Minnetonka open up a municipal liquor store but limiting the number of liquor stores was something the council has the authority to do and the number and density of stores in a city does have a perceptual impact about how people feel about a city. He said he was proud of being a resident of Minnetonka but he would be even more proud if there were fewer liquor stores.

Wagner said he respected the other council member's passion for the subject. He said he was struggling with looking at the number of stores historically in the city. Since 1997 there have been around 10 liquor stores in the city. What has changed has been the rise in stores that have unique concepts. Those types of stores make the city a place that residents want to continue living in and neighboring residents want to shop in and visit. He said he had concerns with putting a cap in place because it would make the existing licenses more valuable. He would be much more strongly opposed to the proposed policy if it only put in place a hard cap and did not include the other provisions. The council has a requirement to keep the city relevant and the unique concept stores did that. He said some of the policy's provisions might not be as clear as they need to be for new businesses.

Ellingson said he was reluctant to support a cap during the study session discussion. He would feel more comfortable that if a cap was imposed.
that it be meaningful. He said the proposed exceptions in the policy were too broad and that any business applying for a liquor license could find a way to qualify under one of the exceptions.

Schneider said he shared many of Allendorf and Wagner's thoughts about the issue. He does not think the city needs a whole bunch of liquor stores but he does think that it was important that when the city imposes regulations that it does so based on a valid purpose such as the safety and well being and welfare of the community and residents. He said he has not seen anything that demonstrates there was a direct correlation between increasing risk or sales to minors and the number of liquor stores. If there had been something such as an increase in the number of stores failing the compliance checks with more sales to minors, or a trend toward increased usage then he would agree something should be done. He said he could not support the general concept of the proposed policy but he thought staff did an artful job at putting together a document that all the council could likely live with. The proposed policy was a workable solution that provided the council discretion in approving a license and the flexibility to adapt to trends and new concepts.

Wagner suggested rewording the provision that stated the liquor business "enhances redevelopment of an area desired by the council" to the business was a "part of a redevelopment project in a village or regional center." He also suggested deleting the provision that stated the business "is supported by the larger market served in one of the city's regional centers." Finally he suggested changing the provision stating the business "is consistent with the concept of village centers identified in the comprehensive plan" to the business "serves an unserved village center."

Allendorf said he was uncomfortable with the current proposed language related to the village centers. He thought Wagner's suggestion was an improvement. He also agreed with Wagner's suggestion to delete the language related to redevelopment in an area because it created a big loophole.

Greves suggested changing the provision stating a business "offers a specialty service, or is a small, complementary part of a new business, that would add positively to the experience of living and working in the city" to the business "offers a 'unique' specialty service, or is a small complementary part of a new business, that would add positively to the experience of living and working in the city." She said a lot of things could qualify as "specialty" but to her that meant a wine shop. Inserting the word "unique" would give the council more direction about what the specialty service was. She agreed with Wagner's comment that the term "enhances" was too broad term and she suggested changing the provision to read the business "enhances by improving, upgrading, and increasing the
usage of an area; providing continuity with surrounding uses; or by supporting economic development goals." She said she could support deleting the provision stating the business "is supported by the larger market served in one of the city's regional centers." Another change she suggested was using the word "goal" rather than "concept" in the policy. She suggested changing the language in Wagner's suggested change from "serves" un-served village centers" to "supports the goals of un-served village centers."

Wiersum said he preferred using the word "distinctive" rather than "unique." He supported Allendorf's suggested change for the provision for the regional centers. He said the council had to be realistic about the proposed policy because it would not stop the debate that occurs when somebody applied for a license. But he said the suggested changes would provide greater clarity for potential licensees.

Schneider agreed that to say the policy would stop debate would mean the council was not doing its job. The council always has to be open to looking at proposed changes and listening to an applicant's argument.

Grace Sheely, 14325 Grenier Road, said that her area of the city has one liquor store and the city was not serviced by all 12 stores because the stores tend to cluster together. She said she thought there needed to be language included in the policy about how far apart the stores should be. She suggested tying the number of stores with the city's population number. The city is going to continue to grow and the number might need to be changed to accommodate more people in the city. She said she did not want a liquor store located near the high schools.

Larry Bruckner, 5225 Clear Spring Drive, applauded the council members who wanted to limit the number of liquor stores in the city. He said he viewed liquor stores as a form of drug store. The idea that everybody has to be close to a store doesn't make an impression on him. He said the total number of liquor stores in the city affects family life. He grew up next to a dry city and there was a high quality of family life. He went to a dry college and hearing stories from his kids about the amount of drinking appalls him. One drink impairs a person's ability to drive so he disagrees with making alcohol more available. He said the values of the city call for people to do what is best for families and children and he supported reducing the number of liquor stores in the city.

Wiersum said Sheely's comments about tying the number of stores to the population number agrees with his comments about patterning the city's policy after the state statute for first class cities.
Hiller moved. Wiersum seconded a motion to: adopt Resolution No. 2010-030 approving the changes to Council Policy No. 6.1 with only provisions "a" and "b" and amending provision "a" to read "offers a distinctive specialty service or is a small complimentary part of a new business that would add positively to the experience of living and working in the city or..." and provision "b" to read "part of a redevelopment project in a village or regional center."

Greves said that the language related to redevelopment in a village or regional center was very broad and could be clarified by defining what would be meant by enhancements such as adding "by upgrading an area and supporting economic development goals."

Greves moved to amend Miller's motion to add language to item "b" stating "is part of redevelopment in a village or regional center that upgrades an area and supports economic development goals." There was no second to the motion. Motion failed.

Ellingson said it might be appropriate to include language that a proposed store had to be located in an area that was currently not served by an existing liquor store. He said the Glen Lake area was the most prominent redevelopment area in the city that the council has spent the most time on, and there was already a liquor store in the area that was losing money. He said Wagner raised a good point that if there was part of the city that was unserved by a liquor store it might be appropriate to make an exception to the cap. If an area is already served by an existing store, it would not be necessary to make an exception to the cap. Schneider said Wagner's suggestion was found in provision "d" of the policy and that was not part of Hiller's motion. Wagner said he would be happy to make the motion to amend Hiller's motion if there was council support. Peterson said she heard Ellingson's comments as amending Hiller's motion to change provision "b" of the policy to say "...part of a redevelopment project in a village or regional center that is not currently served." Ellingson confirmed that was correct.

Ellingson moved, Greves seconded a motion to amend Hiller's motion to modify provision "b" to state "...part of a redevelopment project in a village or regional center that is not currently served." Ellingson, Allendorf, Greves, Wiersum, and Hiller voted "yes." Wagner and Schneider voted "no." Motion carried.

Schneider asked if there was support to add provisions "c" or "d" of the proposed policy. Wagner said the reason he voted against the last amendment was that if, for example, there was no redevelopment going on in the Glen Lake area and the liquor store in the area went out of business,
and a new proposed store came forward, then approving the store in Glen Lake would not be consistent with the city's policy.

Wagner moved, Allendorf seconded a motion to add amended provision “c” to the policy to state that the business was “located in a village center which is not currently served.”

Ellingson noted most of the village centers already are served by a liquor store. He questioned what would be accomplished by Wagner’s amendment. Wagner said the purpose would be to address a situation where a store goes out of business in a village center and a proposed store goes into another area of the city. With a cap on the number of stores, it would mean approving another liquor store in that village center would go against the policy. Schneider said the key word was “un-served” and it would be up to the council to decide what that meant. Ellingson said he wasn’t necessarily disagreeing with Wagner’s amendment but all the exceptions were undermining the cap. He was originally opposed to having a cap but if there was one it should be a meaningful cap that was an objective, numerical guide to an applicant.

Wiersum said one of the things that might make the issue less confusing would be to list out the village centers. But with light rail coming in, the concept of village centers will change. He said the policy would be workable even without provision “d.” He agreed with Ellingson that the more exceptions, the more meaningless the policy would become.


Wagner called the question to Hiller’s original motion. Ellingson, Greves, Wiersum, and Hiller voted “yes.” Wagner, Allendorf, and Schneider voted “no.” Motion carried.

Wagner moved to introduce the ordinance. All voted “yes.” Motion carried.

15. APPOINTMENTS and REAPPOINTMENTS:

A. Appointment of advisors for the 2010 Local Board of Appeal and Equalization

Schneider moved, Wiersum seconded a motion to appoint Larry Kriedberg, Herb Bacal, Linda Hegland, and Gregg Roeglin as advisors for the 2010 Minnetonka Local Board of Appeal and Equalization.

All voted “yes.” Motion carried.

16. ADJOURNMENT
Policy Number 6.1
Standards and Criteria for the Issuance of Liquor Licenses

Purpose of Policy: This policy establishes standards and criteria that the city council will apply in its consideration of on and off-sale liquor licenses. Further, this policy describes city council expectations for establishments holding liquor licenses within the city.

Introduction
This policy applies to all establishments having on or off-sale liquor licenses in the city of Minnetonka.

Standards
It is expected that all establishments holding liquor licenses will be operated in accordance with the following standards:

- **Type of Establishment**
  The proposed liquor license should be considered in terms of the type of establishment being proposed and the propriety of having the establishment at the proposed location. On-sale liquor licenses will only be issued to establishments whose primary business is the sale of food. Consistent with this objective, city ordinance requires that at least 50% of the gross sales receipts of the establishment be from the sale of food.

- **Cooperation and Liaison with the City**
  Liquor license holders are encouraged to interact and work in cooperation with the city staff regarding any problems, concerns, or questions relating to the operation of their establishments. Liquor license holders are also encouraged to participate in any public health or safety programs that are offered by the city.

- **Material Alterations of Establishments**
  As required by ordinance, liquor license holders must report any internal changes to the establishment that materially enlarges, expands, reconfigures, or alters the site of the area connected with the consumption of liquor or the type of service offered by the establishment. Such changes must be reported to the community development director for review by the city council prior to beginning any alterations and before building permits can be issued.

  Material alterations include changes such as creation of a sit down bar or lounge area, expansion in size of the bar or lounge area, addition of a dance floor or entertainment area, or any other changes that alter the site or services offered in an establishment. This provision is not meant to include decorative or housekeeping improvements, or minor remodeling that does not affect the type of service offered by the establishment.

- **Conditioning Authority**
  The city council or staff may, upon the issuance or renewal of a liquor license,
impose reasonable conditions upon the license to promote the provisions of this policy.

Criteria
The city council will consider the following criteria prior to issuing liquor licenses:

- **Off-Sale Licenses**
  Off-sale establishments provide intoxicating liquor that will be consumed in environments that are not monitored. An increase in the number of those outlets increases the access to liquor, contributes to public safety concerns, and detracts from the desired image of the city. Accordingly, the city council determines that the 12 off-sale intoxicating liquor licenses existing as of March 22, 2010 are generally adequate to serve the city. However, the council reserves the right not to issue any license even if the number falls below 12. Despite this maximum number, the council will consider, but not necessarily approve, additional off sale intoxicating liquor licenses only if the council finds in its sole discretion that the business:
    a. offers a distinctive specialty service, or is a small, complementary part of a new business, that would add positively to the experience of living and working in the city; or
    b. is part of a redevelopment project in a village or regional center that is not currently served.

- **Land-Use/Zoning**
  The proposed liquor license must be consistent with the Guide Plan and zoned appropriately. It is expected that liquor establishments will be located in existing and planned commercial areas of the city. The liquor license application will be considered in conjunction with the site plan review.

- **Traffic**
  The proposed liquor license will be considered in terms of traffic generated by the establishment and the effect of such traffic on the surrounding street system. It is expected that liquor establishments will be located in areas able to accommodate the additional traffic generated by the liquor operation. The cost of an additional traffic analysis that might be required because of unusual circumstances with the location of the establishment will be paid by the applicant. This cost is not considered a part of the investigation or license fee.

- **Parking**
  The proposed liquor license will be considered in terms of the amount of parking needed for the establishment. It is expected that adequate on-site parking will be provided to accommodate all customers and employees. To determine whether adequate parking exists, the council will use the zoning ordinance as a guideline, and may consider other factors such as: the nature of the establishment, the type of development in which it will occur, the amenities (dance floor, entertainment, etc.) which will be offered by the establishment, and any other matter which might affect the parking requirements.
• **Proximity to Schools, Churches, Youth Oriented Facilities, etc.**
  The proposed liquor license should be considered in terms of proximity of the establishment to schools, churches, and youth related and other public facilities. It is expected that liquor establishments will be located in areas that minimize the impact on such facilities.

City staff will submit a written report examining each of these criteria to accompany an on or off-sale liquor license application at the time of consideration by the city council.

Adopted by Resolution No. 84-7533  
Council Meeting of July 23, 1984

Amended by Resolution No. 2003-077  
Council Meeting of August 25, 2003

Amended by Resolution No. 2010-030  
Council Meeting of March 22, 2010
City Council Agenda Item #14A  
Meeting of May 18, 2015

**Brief Description**  
Items concerning the Music Barn Apartments, at 5740 and 5750 Shady Oak Road:

1) Ordinance rezoning properties from R-1 to PUD;
2) Master development plan; and
3) Site and building plan review.

**Recommendation**  
Adopt the ordinance and resolution approving the request

**Background**

Community Housing Corporation of America/Shelter Corporation has submitted formal applications and plans for redevelopment of the properties at 5740 and 5750 Shady Oak Road, collectively known as the Music Barn properties. As submitted, the existing barn building would remain on the property and would be integrated into a new, three-story, 27-unit apartment building. The building would be served by both surface parking lots and underground parking. All of the building’s units would meet the Metropolitan Council’s affordable housing guidelines. At 11.8-units per acre, the proposed development would be classified as medium-density residential.

**Planning Commission Review**

The planning commission considered the proposal on May 7, 2015. The staff report from that meeting is attached and various plans and documents describing the proposed project may be found on pages A1–A27. Staff recommended approval of the proposal noting that, though the proposed Music Barn Apartments would visually alter the immediate area along Shady Oak Road, the applicant had given consideration to natural resources and has taken visual “cues” from the existing site. In staff’s opinion, the proposal was thoughtfully designed and would contribute to the city’s affordable housing goals and expectations.

At the commission meeting, a public hearing was opened to take comments. Several area residents addressed the commission, expressing concern about traffic, grading, density, and building appearance. Following the public hearing, the commission discussed the proposal. Commissioners noted that the traffic and grading issues had been reviewed by city staff and found to be acceptable and the density was within the guide plan designation. The commission commended the applicant for listening to and incorporating the comments (reduced density, height, addressed traffic) received during the concept plan review process.
On a 6-0 vote, the commission recommended that the city council approve the proposal. (See pages A71–A78.)

**Since Planning Commission Review**

There have been no changes to the proposal or recommendation since the planning commission review. No additional resident comments have been received.

**Staff Recommendation**

Staff recommends the city council adopt the following:

1) Ordinance rezoning the existing properties from R-1, low-density residential, to PUD, planned unit development, and adopting a master development plan for Music Barn Apartments. (See pages A53–A56.)

2) Resolution approving final site and building plans for the Music Barn Apartments. (See pages A57–A66.)

Through: Geralyn Barone, City Manager
        Julie Wischnack, AICP, Community Development Director
        Loren Gordon, AICP, City Planner

Originators: Susan Thomas, AICP, Principal Planner
Meeting of May 18, 2015                                                                                     Page 3
Subject: Music Barn Apartments, 5740/5750 Shady Oak Road

Additional Information

Meeting History:

March 6, 2014  The applicant held a neighborhood meeting to present concept plans for a four-story, 38-unit apartment building. Residents raised concerns about traffic, building height, loss of view, and affordable housing.

April 3, 2014  The planning commission conducted a review of the concept plan. The commission raised questions about building size and design.

April 21, 2014 The city council conducted a review of the concept plan. While generally supportive of the proposed affordability, the council raised questions about density.

May 22, 2014  The economic development advisory committee reviewed the proposal and generally determined that it would be a good candidate for the use of TIF pooling.

August 7, 2014 The economic development advisory committee reviewed a TIF pooling request. No action was taken, as a quorum of commissioners was not available.

April 13, 2015 The applicant held a neighborhood meeting to present concept plans for a three-story, 27-unit apartment building. Residents raised concerns about traffic, building height appearance, and affordable housing.

April 20, 2015 The city council introduced the rezoning ordinance for a three-story, 27-unit apartment building. The council requested that natural resource preservation be carefully evaluated and that the barn, if it remained, be a functional piece of the development.

April 30, 2015 The economic development advisory committee reviewed a TIF pooling request. On a 6-0 vote the EDAC recommended the city council approve the Contract for Private Development, with the caveat that prior to execution of the contract the EDAC review all committed funding sources and uses for the project.

May 7, 2015  The planning commission reviewed the development proposal and, on a 6-0 vote, recommended approval of the proposal.
MINNETONKA PLANNING COMMISSION  
May 7, 2015

Brief Description

Items concerning the Music Barn Apartments, at 5740 and 5750 Shady Oak Road:

1) Ordinance rezoning properties from R-1 to PUD;

2) Master development plan; and

3) Site and building plan review.

Recommendation

Recommend the city council adopt the ordinance and resolution approving the proposal.

Introduction

Community Housing Corporation of America/Shelter Corporation has submitted formal applications and plans for redevelopment of the two properties at 5740 and 5750 Shady Oak Road. The properties are collectively known as the Music Barn properties. As submitted, the existing barn building would remain on the property and would be integrated into a new, three-story, 27-unit apartment building. The building would be served by both surface parking lots and underground parking. All of the building’s units would meet the Metropolitan Council's affordable housing guidelines. At 11.8-units per acre, the proposed development would be classified as medium-density residential. (See pages A1–A16.)

Proposal Summary

The following is intended to summarize the applicant’s proposal. Additional information associated with the proposal can be found in the “Supporting Information” section of this report.

- **Existing Site Conditions.**

  The combined redevelopment site has a total area of 2.29-acres. The property contains five structures: a barn – which is currently occupied as both living and business space, a vacant farm home, a shed, and two smaller out buildings.

  Aside from the existing barn, the primary feature of the site is a wooded slope that runs its north/south length. The slope rises upward from Shady Oak Road to the southwest corner of the property; there is a 45-foot change in elevation over the property. Portions of the slope are classified as “steep” by city code definition.
Mature trees on the slope include predominately oak and maple. (See the Supporting Information section of this report.)

- **Proposed Use.**

The proposed building would have a footprint of roughly 12,700 square feet and a total floor area of 37,000 square feet, excluding the underground parking area. The building would contain 27 apartments; 18 two-bedroom units and 9 three-bedroom units. All of the units would have two bathrooms and would include washers and dryers. An enclosed connection would be constructed between the apartment building and the existing barn, which would be converted to accommodate apartment offices, community rooms, and exercise facilities. The exterior of the proposed building would include front porches, vertical siding, and a white/gray color palette. These features are intended to break up the building façade, complement the barn, and evoke the historical farm-use of the property. Parking would be provided within an underground garage and surface lots on the north and south sides of the building. (See pages A4–A10.)

- **Site impacts.**

Construction of the building, driveways, and parking lot would require grading. Fill would be required along the east property line to accommodate the underground garage, while excavation would be necessary on the west side. This grading would result in removal or significant impact to some of the site’s high-priority and significant trees. (See pages A13 and A20–A22.)

**Primary Questions and Analysis**

A land use proposal is comprised of many details. In evaluating a proposal, staff first reviews these details and then aggregates them into a few primary questions or issues. The following outlines both the primary questions associated with the proposal and staff’s findings.

- **Is the use of PUD zoning appropriate?**

Yes. Under the recently adopted PUD ordinance, the city may consider the use of PUD zoning when it would result in a defined public benefit. One such benefit is provision of affordable housing. The proposed Music Barn Apartments would result in provision of 27 new, affordable apartment units. As proposed, two-bedroom apartments would rent for $725-$825 per month and the three-bedroom units for $950.

- **Is the proposed medium-density residential land use appropriate?**
Yes. The subject properties – as well as other area properties along Shady Oak Road – are guided for medium-density residential development. The existing designation is appropriate for several transportation-related reasons:

1) The area is primarily accessed by Shady Oak Road, a designated major arterial street, and is within a very short commute to Highways 62 and 169.

2) The area is served by a bus line with local service to downtown Hopkins. From Hopkins, riders can connect to several bus routes to Ridgedale, the Uptown Transit Center, and downtown Minneapolis. (See pages A23–A27.)

3) The area is just over 0.5 mile to the future light rail transit station in OPUS.

In addition to easy access to transportation options, the proximity to Lone Lake Park and Shady Oak Beach would provide “built-in” amenities to residents.

- **Are the proposed site impacts reasonable?**

Yes. The proposed building and associated parking would be situated at the base of the site’s significant wooded slope. This location would result in little encroachment into the steepest portions of the slope and, correspondingly, removal of just 19% of the site’s high-priority trees. (See pages A20–A22.)

**Summary Comments**

The proposed Music Barn Apartments would result in significant visual change to the subject properties and would, therefore, visually alter the immediate area along Shady Oak Road. However, it does not follow that visual change is unreasonable. In designing the proposal, the applicant has given consideration to natural resources and has taken visual “cues” from the existing site. In staff’s opinion, the result is a thoughtfully designed development, which contributes to the city’s affordable housing goals and expectations.

**Staff Recommendation**

Recommend that the city council adopt:

1. Ordinance rezoning the existing properties from R-1, low-density residential, to PUD, planned unit development, and adopting a master development plan for Music Barn Apartments. (See pages A53–A56.)

2. Resolution approving final site and building plans for the Music Barn Apartments. (See pages A57–A66.)

Originator: Susan Thomas, AICP, Principal Planner
Through: Loren Gordon, AICP, City Planner
Supporting Information

**Surrounding**
- Northerly: Shady Oak Lake Cemetery; city-owned property
- Easterly: Multi-family residential; zoned R-3, PURD
- Southerly: vacant property; zoned R-1
- Westerly: Lone Lake Park; city-owned property

**Land Uses**
- Planning
  - Guide Plan designation: medium-density residential
  - Existing Zoning: R-1, low-density residential

By state law, the guide plan and zoning designations of a property must be consistent. In the case of the Music Barn properties, there is an inconsistency. As such, either the guide plan designation or zoning should be changed.

**City Actions**
The proposal necessitates the following applications:

- **Rezoning.** The subject sites are currently zoned R-1, low-density residential. The applicant requests that the site be rezoned to PUD, planned unit development. The planning commission makes a recommendation to the city council, which has final authority to approve or deny the rezoning.

- **Master Development Plan.** By city code, review and approval of a master development plan is required in conjunction with a rezoning to PUD. The planning commission makes a recommendation to the city council, which has final authority to approve or deny the master development plan.

- **Site and Building Plan Review.** By city code, site and building plan review is required in conjunction with construction in a PUD. The planning commission makes a recommendation to the city council, which has final authority to approve or deny the site and building plan.

- **TIF Pooling.** The applicant has requested use of tax increment financing (TIF) pooling dollars in the amount of $500,000. TIF pooling is essentially the use of captured tax increment dollars in areas outside of the tax increment district in which they were created/collected. The city has approximately $6 million in TIF pooling funds for tax-credit eligible affordable housing developments. The Economic Development Advisory Committee (EDAC) has reviewed the applicant’s proposal on two separate occasions and
has generally supported the use of TIF pooling dollars. The use of TIF or TIF pooling dollars is not the purview of the planning commission.

**Concept Plans**

In 2014 the city council conducted concept plan review for redevelopment of the Music Barn properties. The plan contemplated construction of a four-story, rental apartment building. The building’s 38 affordable units, were to be served by both surface and underground parking. Given the combined size of the properties, the concept development would have been classified as high-density residential. (See pages A29–A36.) During review of the concept, the council generally expressed:

- A medium-density development consistent with the existing medium-density designation would be preferred to the concept high-density.
- If the barn were to remain, the apartment building should be designed in a complimentary style.
- The site’s natural resources should be carefully considered.
- The proposed affordability was appropriate.

**Ordinance Intro**

The proposal was introduced at the city council’s April 15, 2015 meeting. The council asked that natural resource preservation be carefully evaluated and that the barn, if it remained, be a functional piece of the development. (See page A37.)

**Affordable Housing**

The city of Minnetonka has historically supported and promoted the construction of affordable housing. A large section of the Comprehensive Guide Plan outlines both the goals the city has established for itself and the expectations established by the Metropolitan Council. The plan notes: “The city recognizes that there is a need for quality housing in Minnetonka for residents of all income levels and ages. Further, the city recognizes its role in the metropolitan region and needs to participate as a partner to facilitate regional economic growth. One way to achieve regional economic growth is to provide opportunities for a variety of housing, including affordable housing, to complement the growth of jobs that will occur in all parts of the region.”

**Setbacks, Etc.**

The recently adopted PUD ordinance contains no specific development standards relating to setbacks, lot coverage, etc.
However, the following chart outlines these items for the proposed Music Barn Apartments:

<table>
<thead>
<tr>
<th></th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building Setbacks</strong></td>
<td></td>
</tr>
<tr>
<td>North property line</td>
<td>245 feet</td>
</tr>
<tr>
<td>South property line</td>
<td>110 feet</td>
</tr>
<tr>
<td>East property line</td>
<td>28 feet</td>
</tr>
<tr>
<td>West property line</td>
<td>75 feet</td>
</tr>
<tr>
<td><strong>Parking Lot Setbacks</strong></td>
<td></td>
</tr>
<tr>
<td>North property line</td>
<td>100 feet</td>
</tr>
<tr>
<td>South property line</td>
<td>5 feet</td>
</tr>
<tr>
<td>East property line</td>
<td>18 feet</td>
</tr>
<tr>
<td>West property line</td>
<td>50 feet</td>
</tr>
<tr>
<td><strong>Floor Area Ratio</strong></td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Impervious Surface</strong></td>
<td>37%</td>
</tr>
</tbody>
</table>

**Natural Resources:** Changes to the site would be necessary to accommodate a medium-density residential project.

- **Steep Slope and Grading**

  By city code, a steep slope is one that: (1) has an average grade of 20% or greater; (2) covers an area at least 100 feet in width; and (3) rises at least 25 feet. If a slope does not meet all three of these standards it is not considered “steep” for the purposes of development and construction regulation. The slope on the Music Barn site is considered steep by definition. The grade ranges from 21% to 30%. The proposed Music Barn Apartments would generally be located at the base of this slope, with little encroachment into the steepest portions. (See page A20.)

- **Trees.** Based on the proposed grading plan, the majority of high-priority and significant trees would be preserved.
<table>
<thead>
<tr>
<th></th>
<th>Existing</th>
<th>Removal</th>
<th>% Removed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Priority</strong></td>
<td>16</td>
<td>3</td>
<td>19%</td>
</tr>
<tr>
<td><strong>Significant</strong></td>
<td>77</td>
<td>25</td>
<td>33%</td>
</tr>
</tbody>
</table>

The proposed level of tree removal would be permitted under the tree protection ordinance.

### Stormwater

The city's water resources engineer has reviewed the plans associated with Music Barn Apartments and finds them to be generally acceptable. The plans would meet the standards of the city's Water Resources Management Plan, incorporating rate control, volume control, and water quality treatment.

Stormwater runoff would be directed to several catch basins and routed via pipe to an underground facility located within the southerly parking lot. The facility would ultimately outlet to the city's stormwater system. (See page A14.)

### Traffic

Several residents have raised concerns regarding traffic volumes on Shady Oak Road and the impact the proposed development would have on the existing situation. Traffic volume on Shady Oak Road north of Bren Road is roughly 10,200 average daily trips; south of Bren Road is 18,700 trips. The Institute of Transportation Engineers (ITE) suggests on average an apartment unit generates 6.65 trips each weekday, and between 5.86-6.39 Saturday and Sundays. Based on these rates, the proposed 27 apartment units are anticipated to generate 153 to 180 vehicle strips per day. As this would amount to less than 1% increase in traffic on Shady Oak Road, staff did not require that a formal traffic study be conducted for the Music Barn Apartments proposal.

The Hennepin County Engineer conducted a preliminary review of the project and made no comment on traffic volume implications. The County noted that the proposed driveway locations were acceptable, but that a left turn lane would be required for northbound Shady Oak Road. This turn lane, similar to the one existing at the Shady Oak Road/Lone Lake Ridge intersection to the north, would alleviate northbound stoppage due to vehicles trying to enter the property. If the proposal is approved, appropriate access and roadway work permits must be obtained from Hennepin County.
Parking

Within a traditional zoning district, a parking ratio of two parking stalls per living unit is required. Within a PUD this is not a standard, but can serve as a guideline. Recently, the city has approved various parking ratios for PUD rental apartment buildings, ranging from 1 parking stall per bedroom to 2 parking stalls per unit.

The Music Barn Apartments proposal would meet the ratio of two parking stalls per unit; 28 stalls would be located underground and 26 stalls in surface parking lots.

Area Amenities

The site has convenient access to a number of area amenities. Lone Lake Park is immediately adjacent to the site within just a one minute bike ride and less than 3 minute walk. Off-road trails along Shady Oak Road also provide direct routes to commercial services at Sundial Center and Minnetonka Crossings. The future Opus light rail station is also accessible from the site. Walk and bike times to these amenities are listed below.

<table>
<thead>
<tr>
<th>Music Barn to:</th>
<th>Distance</th>
<th>Bike Time (@ 10 MPH)</th>
<th>Walk Time (@ 3 MPH)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lone Lake Park</td>
<td>700 ft.</td>
<td>1 min.</td>
<td>2 min. 39 sec.</td>
</tr>
<tr>
<td>Sundial Center</td>
<td>700 ft.</td>
<td>1 min.</td>
<td>2 min. 39 sec.</td>
</tr>
<tr>
<td>Minnetonka Crossings</td>
<td>1/2 mi. (2900 ft.)</td>
<td>2 min. 39 sec.</td>
<td>11 min.</td>
</tr>
<tr>
<td>Opus Station</td>
<td>3/4 mi. (4000 ft.)</td>
<td>4 min.</td>
<td>15 min.</td>
</tr>
</tbody>
</table>

Outside Agencies

The applicant’s proposal has been submitted to various outside agencies for review, including Hennepin County and the Nine Mile Creek Watershed District.

Motion Options

The planning commission has four options:

1. Concur with the staff recommendation. In this case a motion should be made recommending the city council adopt the rezoning ordinance and resolution.

2. Disagree with staff’s recommendation. In this case, a motion should be made recommending the city council deny the requested rezoning, master development plan, and final site and building plans. This motion must include a statement as to why denial is recommended.

3. Concur with some of staff's recommendations and disagree with the others. In this case a motion should be made
recommending approval of the some and denial of the others. This motion must include a statement as to why denial is recommended.

4. Table the requests. In this case, a motion should be made to table the item. The motion should include a statement as to why the request is being tabled with direction to staff, the applicant, or both.

**Neighborhood Comments**

In addition to comments received during the concept plan review phase, the city received four comments regarding the formal application. (See pages A39–51.) Notices were sent to 448 area property owners.

**Deadline for Action**  May 18, 2015
Location Map

Project: Music Barn Apartments
Applicant: Community Housing Corp of America, Shelter Corp
Address: 5740 & 5750 Shady Oak Rd
(09002.15a)

This map is for illustrative purposes only.
January 29, 2015

Julie Wischnack
Community Development Director
City of Minnetonka
14600 Minnetonka Boulevard
Minnetonka, Minnesota 55345

Subject: Music Barn rezoning

Dear Julie,

Since we presented our concept plan last spring to our neighbors, the Planning Commission and the City Council, we have refined our plan based upon many of the comments that we received into a specific proposal. The changes that have been made are as follows:

- Reduced the number of units from 38 to 27 (a reduction of almost 30%) to be consistent with the Comprehensive Plan
- Reduced the number of stories from four to three
- Created an exterior design that complements the barn and fits well within the neighborhood
- Worked to preserve as many trees as possible including the 22 inch wide walnut tree located near the current Music Barn sign.
- Have 2 parking spaces per unit, half of them underground
- Moved the Shady Oak Road garage access north to allow access from both directions and to keep the small amount of traffic on Shady Oak Road

Our request is to rezone the property from R-1 zoning to a PUD. Attached are all of the design and engineering items that are required for a rezoning and a master development plan.

The 27 apartment units consist of the following unit composition:

<table>
<thead>
<tr>
<th>Bedrooms</th>
<th># of units</th>
<th>Size (sq. ft.)</th>
<th>Bathrooms</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>18</td>
<td>1036 to 1100</td>
<td>2</td>
<td>$725 to $825</td>
</tr>
<tr>
<td>3</td>
<td>9</td>
<td>1292 to 1346</td>
<td>2</td>
<td>$950</td>
</tr>
</tbody>
</table>
The units will feature full kitchens, large closets and washer/dryers. An underground parking space is included with each unit.

The Music Barn will be an asset for Minnetonka providing more affordable housing to Minnetonka residents. We will be marketing the units to adjacent businesses for their employees and, have already talked to United Health Care who is moving thousands of jobs to the neighborhood.

Thank you for your consideration of this application.

Sincerely,

Jay Jensen
Principal
View Looking North on Shady Oak Road

Music Barn Apartments
Minnetonka, MN

Music Barn Apartments
5740/5750 Shady Oak Road
#09002.15a
The following remarks reference items in Schedule B, Part II - Exceptions of the herein referenced Title Commitment:

Range 22, Hennepin County, Minnesota, described as follows:

Parcel 1:
- Point of beginning.
- Line which bears North 50 degrees 09 minutes 52 seconds East from the point of beginning; thence South 50 degrees 09 minutes 52 seconds West, along said line, 42.72 feet to the
- Marked by a Judicial Landmark; thence South 2 degrees 53 minutes 46 seconds East, along the last described line, 400.23 feet; thence North 87 degrees 06 minutes 28 seconds East 97.56 feet;
- North 63 degrees 25 minutes 51 seconds East 186.14 feet to the Southwesterly right-of-way line of County Road 61 (also known as Shady Oak Road); thence North 34 degrees
- Surveyed, jointly established and adopted by ALTA and NSPS in 2011, and includes Items 1 - 4, 7(a), 8, 9 and 11(b) of Table A thereof. The field work was completed on September 3, 2012, filed March 20, 2012, as Document No. A9765421, (Parcel 2)

Parcel 2:
- That part of the East 30 acres of the Southeast Quarter of the Northeast Quarter of Section 35, Township 117, Range 22, Hennepin County, Minnesota, described as follows:
- That part of the East 30.00 acres of the Southeast Quarter of the Northeast Quarter of Section 35, Township 117, Range 22, Hennepin County, Minnesota, described as follows:
- The property depicted on this survey and the easements of record shown hereon are the same as the property and the easements described in the Commitment for Title Insurance.

7) The number of parking stalls on this site are as follows: There are no striped parking stalls on this site.

8) Exterior dimensions of the buildings are shown at ground level.

3) This property is contained in Zone X (areas determined to be outside the 0.2% annual chance floodplain) per Flood Insurance Rate Map, Community Panel No. 27053C0343E,

municipalities were notified:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title

April 16, 2013

Henry D. Nelson - PLS
HDN

1600 Hopkins Crossroad
Maple Grove, MN 55369

MCI (800) 289-3427
ENVENTIS TELECOM (608) 223-2014
ZAYO GROUP (612) 804-6089
AT&T LOCAL SVCS (903) 753-3145
ARVIG (763) 682-3514
CARGILL INC (952) 742-7715

Unit 1

MCI (800) 289-3427
ENVENTIS TELECOM (608) 223-2014
ZAYO GROUP (612) 804-6089
AT&T LOCAL SVCS (903) 753-3145
ARVIG (763) 682-3514
CARGILL INC (952) 742-7715

14-240
1. THE CONTRACTOR SHALL TAKE ALL PRECAUTIONS TO AVOID PROPERTY DAMAGE TO ADJACENT PROPERTIES DURING THE CONSTRUCTION PHASE OF THIS PROJECT. THE CONTRACTOR SHALL BE HELD RESPONSIBLE FOR ANY DAMAGES TO ADJACENT PROPERTIES OCCURRING DURING THE CONSTRUCTION PHASE OF THIS PROJECT.

2. THE CONTRACTOR SHALL BE RESIDENTIAL FOR PROCEDING AND MAINTAINING TRAFFIC CONTROL DEVICES SUCH AS ROADWAYS, SIGNALING, NON-DIRECTIONAL SIGNS, SIGNS, STREET LIGHTS, AND SIGNS TO CONTROL THE ACCIDENT OF TRAFFIC DELIVERED BEFORE PLACEMENT OF THEIR DEVICES SHALL BE APPROVED BY THE ENGINEER PRIOR TO USE. TRAFFIC CONTROL DEVICES SHALL BE APPLIED TO THE PROPER AERIAL AND POSITION TO START TRAFFIC CONTROL DEVICES TO THE APPROPRIATE DURABILITY AND TO PREVENT DANGEROUS CONDITIONS.

3. THE CONTRACTOR WILL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING TRAFFIC CONTROL DEVICES SUCH AS ROADWAYS, HEALTHY, AND SIGNS TO CONTROL THE ACCIDENT OF TRAFFIC DELIVERED BEFORE PLACEMENT OF THEIR DEVICES SHALL BE APPROVED BY THE ENGINEER PRIOR TO USE. TRAFFIC CONTROL DEVICES SHALL BE APPLIED TO THE PROPER AERIAL AND POSITION TO START TRAFFIC CONTROL DEVICES TO THE APPROPRIATE DURABILITY AND TO PREVENT DANGEROUS CONDITIONS.

4. ADJUST ALL EXISTING STRUCTURES, BOTH PUBLIC AND PRIVATE TO THE PROPOSED GRADES WHERE DISTURBED AND COMPLY WITH ALL REQUIREMENTS OF THE UTILITY OWNERS. STRUCTURES MUST BE CLEANED AND SWEPT WHENEVER TRACKING OF SEDIMENTS OCCURS AND BEFORE SITES ARE LEFT IDLE FOR WEEKENDS AND HOLIDAYS. A REGULAR SWEEPING SCHEDULE MUST BE ESTABLISHED.

5. EROSION AND SEDIMENTATION CONTROL MEASURES SHALL BE ESTABLISHED AROUND THE ENTIRE SITE PERIMETER AND IN ACCORDANCE WITH NPDES PERMIT REQUIREMENTS, BEST MANAGEMENT PRACTICES, CITY REQUIREMENTS AND THE DETAILS SHOWN ON SHEET C8-1 OF THE PROJECT PLANS.

6. BEFORE BEGINNING CONSTRUCTION THE CONTRACTOR SHALL INSTALL A TEMPORARY ROCK ENTRANCE PAD AT ALL POINTS OF VEHICLE EXIT FROM THE PROJECT SITE. SAID ROCK ENTRANCE PAD SHALL BE MAINTAINED BY THE CONTRACTOR FOR THE DURATION OF THE PROJECT. SEE DETAILS SHOWN ON SHEET C3-2 FOR THE PROJECT PLANS.

7. THE CONTRACTOR WILL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING TRAFFIC CONTROL DEVICES SUCH AS ROADWAYS, HEALTHY, AND SIGNS TO CONTROL THE ACCIDENT OF TRAFFIC DELIVERED BEFORE PLACEMENT OF THEIR DEVICES SHALL BE APPROVED BY THE ENGINEER PRIOR TO USE. TRAFFIC CONTROL DEVICES SHALL BE APPLIED TO THE PROPER AERIAL AND POSITION TO START TRAFFIC CONTROL DEVICES TO THE APPROPRIATE DURABILITY AND TO PREVENT DANGEROUS CONDITIONS.

8. THE CONTRACTOR WILL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING TRAFFIC CONTROL DEVICES SUCH AS ROADWAYS, HEALTHY, AND SIGNS TO CONTROL THE ACCIDENT OF TRAFFIC DELIVERED BEFORE PLACEMENT OF THEIR DEVICES SHALL BE APPROVED BY THE ENGINEER PRIOR TO USE. TRAFFIC CONTROL DEVICES SHALL BE APPLIED TO THE PROPER AERIAL AND POSITION TO START TRAFFIC CONTROL DEVICES TO THE APPROPRIATE DURABILITY AND TO PREVENT DANGEROUS CONDITIONS.

9. THE CONTRACTOR WILL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING TRAFFIC CONTROL DEVICES SUCH AS ROADWAYS, HEALTHY, AND SIGNS TO CONTROL THE ACCIDENT OF TRAFFIC DELIVERED BEFORE PLACEMENT OF THEIR DEVICES SHALL BE APPROVED BY THE ENGINEER PRIOR TO USE. TRAFFIC CONTROL DEVICES SHALL BE APPLIED TO THE PROPER AERIAL AND POSITION TO START TRAFFIC CONTROL DEVICES TO THE APPROPRIATE DURABILITY AND TO PREVENT DANGEROUS CONDITIONS.

10. EXISTING TOPOGRAPHY PROVIDED BY LOUCKS ASSOCIATES PARTIAL TOPOGRAPHIC SURVEY DATED 09/05/14.

11. SEE UTILITY PLAN FOR STORM SEWER INFORMATION.

12. DUST MUST BE ADEQUATELY CONTROLLED.

13. SEE SITE PLAN FOR CURB AND BITUMINOUS TAPER LOCATIONS.

14. SPOT ELEVATIONS REPRESENT FINISHED SURFACE GRADES AT GUTTER LINE, FACE OF BUILDING, OR EDGE OF PAVEMENT UNLESS OTHERWISE NOTED.

15. THE DUTY OF THE ENGINEER OF THE DEVELOPER TO CONDUCT CONSTRUCTION REVIEW OF THE CONTRACTORS PERFORMANCE IS NOT INTENDED TO INCLUDE REVIEW OF THE ADEQUACY OF THE CONTRACTORS SAFETY MANAGEMENT OR MEASURES FOR THE CONSTRUCTION PHASE.

16. ADJACENT STREETS AND ALLEYS MUST BE SWEPT TO KEEP THEM FREE OF SEDIMENT. CONTRACTOR MUST MONITOR CONDITIONS AND SWEEP AS NEEDED OR WITHIN 24 HOURS OF NOTICE BY THE CITY.

17. CONTRACTOR WILL BE HELD RESPONSIBLE FOR ANY DAMAGES TO ADJACENT PROPERTIES OCCURRING DURING THE CONSTRUCTION PHASE OF THIS PROJECT.

18. CONTRACTOR WILL BE HELD RESPONSIBLE FOR ANY DAMAGES TO ADJACENT PROPERTIES OCCURRING DURING THE CONSTRUCTION PHASE OF THIS PROJECT.

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44. CONTRACTOR WILL BE HELD RESPONSIBLE FOR ANY DAMAGES TO ADJACENT PROPERTIES OCCURRING DURING THE CONSTRUCTION PHASE OF THIS PROJECT.
WARNING:
THE CONTRACTOR SHALL BE RESPONSIBLE FOR CALLING FOR LOCATIONS OF ALL EXISTING UTILITIES. THEY SHALL COOPERATE WITH ALL UTILITY COMPANIES IN MAINTAINING THEIR SERVICE AND / OR RELOCATION OF LINES.

THE CONTRACTOR SHALL CONTACT GOPHER STATE ONE CALL AT 651-454-0002 AT LEAST 48 HOURS IN ADVANCE FOR THE LOCATIONS OF ALL UNDERGROUND WIRES, CABLES, CONDUITS, PIPES, MANHOLES, VALVES OR OTHER BURIED STRUCTURES BEFORE DIGGING. THE CONTRACTOR SHALL REPAIR OR REPLACE THE ABOVE WHEN DAMAGED DURING CONSTRUCTION AT NO COST TO THE OWNER.

UTILITY PLAN NOTES
2. SEE DETAIL SHEET AND THE CONTRACT SPECIFICATIONS FOR SPECIFIC UTILITY DETAILS.
3. ALL CONNECTIONS TO EXISTING UTILITIES SHALL BE PERFORMED PER THE REQUIREMENTS OF THE CITY. THE CITY DEPARTMENT OF ENGINEERING AND BUILDING INSPECTIONS DEPARTMENT AND THE CONSTRUCTION ENGINEER MUST BE NOTIFIED AT LEAST 48 HOURS PRIOR TO ANY WORK AFFECTING PUBLIC UTILITIES.
4. THE CONTRACTOR SHALL NOTIFY GOPHER STATE ONE CALL AT LEAST 48 HOURS PRIOR TO PERFORMING ANY EXCAVATION OR UNDERGROUND WORK.
5. THE CONTRACTOR FORщий Shall NOTIFY GOPHER STATE ONE CALL AT LEAST 48 HOURS PRIOR TO PERFORMING ANY EXCAVATION OR UNDERGROUND WORK.
6. ALL STREET REPAIRS AND PATCHING SHALL BE PERFORMED PER THE REQUIREMENTS OF THE CITY. THE CITY DEPARTMENT OF ENGINEERING AND BUILDING INSPECTIONS DEPARTMENT AND THE CONSTRUCTION ENGINEER MUST BE NOTIFIED AT LEAST 48 HOURS PRIOR TO PERFORMING ANY EXCAVATION OR UNDERGROUND WORK.
7. THE CONTRACTOR SHALL FIELD ADJUST WATERMAIN TO AVOID CONFLICTS WITH SANITARY SEWER, STORM SEWER, AND SERVICES AS REQUIRED.
8. ALL STREET REPAIRS AND PATCHING SHALL BE PERFORMED PER THE REQUIREMENTS OF THE CITY. THIS SHALL INCLUDE ALL SIGNAGE, BARRICADES, FLASHERS AND FLAGGERS AS NEEDED. ALL PUBLIC STREETS SHALL BE OPEN TO TRAFFIC AT ALL TIMES. NO ROAD CLOSURES SHALL BE PERMITTED WITHOUT THE EXPRESSED AUTHORITY OF THE CITY.
9. ALL UTILITY PIPE BEDDING SHALL BE COMPACTED PER THE REQUIREMENTS OF THE CITY. ALL COMPACTION SHALL BE PERFORMED PER THE REQUIREMENTS OF THE CITY. ALL UTILITY PIPE BEDDING SHALL BE COMPACTED PER THE REQUIREMENTS OF THE CITY.
10. ALL UNUSED EXISTING WATER SERVICES TO BE CUT OFF BY SPRWS, EXCAVATION AND RESTORATION BY CONTRACTOR.

PROPOSED PIPE MATERIALS:
- STORM SEWER: Aluminized CSP 36" DIAMETER
- STORM SEWER: Aluminized CSP 6" TO 12" DIAMETER
- STORM SEWER: RCP 12" DIAMETER
- WATER SERVICE: DIP CLASS 53 8" DIAMETER
- SANITARY SERVICE: PVC SDR 26 8" DIAMETER
WARNING:
The Contractor shall be responsible for calling for locations of all existing utilities. They shall cooperate with all utility companies in maintaining their service and/or relocation of lines. The Contractor shall contact Gopher State One Call at 651-454-0002 at least 48 hours in advance for the locations of all underground wires, cables, conduits, pipes, manholes, valves or other buried structures before digging. The Contractor shall repair or replace the above when damaged during construction at no cost to the Owner.
SANIBEL DR
SHADY OAK RD
FELTL LN
BIMINI DR
POMANDER DR
BREN RD

EXISTING
NATURAL CONDITIONS

Legend

- Streets
- Parcels

SUBJECT PROPERTIES

Music Barn Apartments
5740/5750 Shady Oak Road
#09002.15a
Music Barn Apartments
5740/5750 Shady Oak Road
#09002.15a
SUBJECT PROPERTIES

Legend
- Streets
- Parcels

2030 Land Use
2030_LU
- Low Density Residential
- Medium Density Residential
- High Density Residential
- Office
- Commercial
- Service Commercial
- Mixed Use
- Industrial
- Institutional
- Open Space
- Parks
- Right of Way
- Lakes
GRADING, DRAINAGE & EROSION CONTROL NOTES

1. ALL DISTURBED AREAS WILL BE REPLANTED WITH A MINIMUM OF 4 INCHES OF TOP SOIL AND SOD OR SEED. THERE ARE TO BE SOLOMED BY THE CONTRACTOR TO AVOID IMPACT ON EXISTING PLANT LIFE.

2. THE CONTRACTOR SHALL TAKE ALL PRECAUTIONS NECESSARY TO AVOID PROPERTY DAMAGE TO ADJACENT PROPERTIES DURING THE CONSTRUCTION PHASE OF THIS PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DAMAGES TO ADJACENT PROPERTIES OCCURRING DURING THE CONSTRUCTION PHASE OF THIS PROJECT.

3. THE CONTRACTOR WILL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING TRAFFIC CONTROL DEVICES SUCH AS BARRICADES, WARNING SIGNS, DIRECTIONAL SIGNS, NVIDIA SIGNS AND LIGHTS TO CONTROL THE TRAFFIC. ALL TRAFFIC DeVICES WILL BE APPLIRED BY THE ENGINEER PRIOR TO OCCUPANCY. TRAFFIC DEVICES WILL BE APPLIED BY THE CONTRACTOR TO ALL COUNTERS OF THE APPROXIMATE GRADEFIELD IN A MANNER TO CONTROL THE TRAFFIC.

4. ALL EXISTING UTILITIES. THEY SHALL COOPERATE WITH ALL UTILITY COMPANIES IN MAINTAINING THEIR SERVICE AND / OR RELOCATION OF LINES.

5. THE CONTRACTOR WILL BE RESPONSIBLE FOR CALLING FOR LOCATIONS OF ALL UNDERGROUND WIRES, CABLES, CONDUITS, PIPES, MANHOLES, VALVES OR OTHER BURIED STRUCTURES BEFORE DIGGING. THE CONTRACTOR SHALL REPAIR OR REPLACE THE ABOVE WHEN DAMAGED IN THE COURSE OF THIS PROJECT.

6. THE CONTRACTOR SHALL CONTACT GOPHER STATE ONE CALL AT 651-454-0002 AT LEAST 48 HOURS IN ADVANCE FOR THE LOCATIONS OF ALL UNDERGROUND WIRES, CABLES, CONDUITS, PIPES, MANHOLES, VALVES OR OTHER BURIED STRUCTURES. TRAFFIC CONTROL DEVICES SHALL CONFORM TO THE APPROPRIATE MINNESOTA DEPARTMENT OF TRANSPORTATION STANDARDS. TRAFFIC CONTROL DEVICES SHALL BE APPROVED BY THE ENGINEER PRIOR TO PLACEMENT.

7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING MAINTAINING THEIR SERVICE AND / OR RELOCATION OF LINES.

8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING TRAFFIC CONTROL DEVICES SUCH AS BARRICADES, WARNING SIGNS, DIRECTIONAL SIGNS, NVIDIA SIGNS AND LIGHTS TO CONTROL THE TRAFFIC. ALL TRAFFIC DEVICES WILL BE APPLIED BY THE ENGINEER PRIOR TO OCCUPANCY. TRAFFIC DEVICES WILL BE APPLIED BY THE CONTRACTOR TO ALL COUNTERS OF THE APPROXIMATE GRADEFIELD IN A MANNER TO CONTROL THE TRAFFIC.

9. ADJACENT STREETS AND ALLEYS MUST BE SWEPT TO KEEP THEM FREE OF SEDIMENT. CONTRACTOR MUST MONITOR CONDITIONS AND SWEEP AS NEEDED OR WITHIN 24 HOURS OF NOTICE BY THE CITY.

10. STREETS MUST BE CLEANED AND SWEPT WHENEVER TRACKING OF SEDIMENTS OCCURS AND BEFORE SITES ARE LEFT IDLE FOR WEEKENDS AND HOLIDAYS. A REGULAR SWEEPING SCHEDULE MUST BE ESTABLISHED.

11. ADJUST ALL EXISTING STRUCTURES, BOTH PUBLIC AND PRIVATE TO THE PROPOSED GRADES WHERE DISTURBED AND COMPLY WITH ALL REQUIREMENTS OF THE UTILITY OWNERS. STRUCTURES TO BE ADJUSTED TO MEET OWNERS REQUIREMENTS FOR TRAFFIC.

12. DUST MUST BE ADEQUATELY CONTROLLED.

13. SEE UTILITY PLAN FOR STORM SEWER INFORMATION.

14. EXISTING TOPOGRAPHY PROVIDED BY LOUCKS ASSOCIATES PARTIAL TOPOGRAPHIC SURVEY DATED 09/05/14.

15. SPOT ELEVATIONS REPRESENT FINISHED SURFACE GRADES AT GUTTER LINE, FACE OF BUILDING, OR EDGE OF PAVEMENT UNLESS OTHERWISE NOTED.

16. SEE SITE PLAN FOR CURB AND BITUMINOUS TAPER LOCATIONS.
I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.
1. All disturbed areas at the completion of grading, topsoil and sod or seeds, topsoil and grass shall be restored by the Contractor. The area shall be graded in a manner to minimize surface water flow and erosion.

2. The Contractor shall timely provide and maintain signs or other devices to alert property owners to adjacent properties during the construction phase of this project. The Contractor shall be held responsible for any damage to adjacent properties occurring during the construction phase of this project.

3. The Contractor shall be responsible for providing and maintaining traffic control devices such as barricades, warning signs, directional signs, flagmen and lights to control the movement of traffic. Where necessary, placement of these devices shall be approved by the City prior to commencement. These control devices shall be removed by the contractor upon completion of the appropriate section of permanent sodding.

4. The Contractor shall provide and maintain sufficient temporary hard surfaces, such as sawdust pads or sawdust, hard-surfaced pads, or fescue sod to act as a protective surface for the existing area during the construction phase of this project. The Contractor shall be responsible to obtain and maintain the use of temporary hard surfaces in accordance with the requirements of the City.

5. The Contractor is responsible for the design and construction of grading, drainage and erosion control measures to be established around the entire site perimeter and in accordance with NPDES permit requirements. Best Management Practices, City Requirements and the plans shown on Sheet C8-1 of the Project Plans.

6. Before beginning construction the Contractor shall install a temporary rock entrance pad at all points of vehicle exit from the project site. Said rock entrance pads shall be maintained by the Contractor for the duration of the project. See details shown on Sheet C3-2 for the Project Plans.

7. Erosion and sedimentation control areas shall be established and used on site to prevent erosion and in accordance with water permit requirements, best management practices, city requirements and the details shown on Sheet C8-1 of the Project Plans.

8. All grading and drainage work shall be performed in accordance with the requirements of the City. The Contractor shall be responsible for all grading and construction as required by the City.

9. All streets and alleys must be kept free of sediment. Contractor is responsible for the temporary conditions and must be cleared or within 24 hours of notice by the City.

10. The Contractor shall institute and maintain instant tracking of sediments created and before site is left for holiday and weekends. A regular sweeping schedule must be performed.

11. Adequate cut-off structures shall be provided to prevent the movement of water or debris present in the project area. These structures shall be designed to meet the requirements of the City.

12. Drainage channels must be established and maintained in a healthy manner.


14. Spot Elevations represent surface grades at gutter line, face of building, or edge of pavement unless otherwise noted.

15. The Contractor shall not make any revisions, additions, or deletions to these CADD files without written approval from the Consultant. With the Consultant's approval, others may be permitted to obtain copies of the CADD drawing files for information and reference only. All intentional or unintentional revisions, additions, or deletions to these CADD files shall be made at the full risk of that party making such revisions, additions or deletions, and that party shall hold harmless and indemnify the Consultant from any & all responsibilities, claims, and liabilities.

16. These CADD files are instruments of the Consultant professional services and are available for use solely with respect to this project. These CADD files prepared by the Consultant for this project are the property of the Consultant and were used or intended to be used for the completion of this project by others without written approval from the Consultant. With the Consultant's approval, others may be permitted to obtain copies of the CADD drawing files for information and reference only. All intentional or unintentional revisions, additions, or deletions to these CADD files shall be made at the full risk of that party making such revisions, additions or deletions, and that party shall hold harmless and indemnify the Consultant from any & all responsibilities, claims, and liabilities.

17. All grading, drainage and erosion control measures shall be established around the entire site perimeter and in accordance with NPDES permit requirements. Best Management Practices, City Requirements and the details shown on Sheet C8-1 of the Project Plans.

18. The Contractor shall provide and maintain traffic control devices such as barricades, warning signs, directional signs, flagmen and lights to control the movement of traffic as necessary, placement of these devices shall be approved by the City prior to commencement. These control devices shall be removed by the contractor upon completion of the appropriate section of permanent sodding.
Retail Locations
Buy a Go-To Card or add value to an existing card at these locations.

Downtown Minneapolis
Commuter Connection, 220 6th St S
(US Bank Plaza)
Metro Transit Store, 719 Marquette Ave
Unbank, 727 Hennepin Ave

Minneapolis - South
Cub Foods, 1104 Lagoon Ave
The Wedge, 2105 Lyndale Ave S

Buses and trains have free storage racks so you can bring your bicycle along.
Look for instructions on the rack or visit metrotransit.org/bike

Special Note:
For rush hour express service on Excelsior Blvd, please refer to a Route 664 schedule. For express service to Hopkins, please refer to a Route 670 schedule.


Metro Transit may operate reduced service on days before or after Independence Day, Thanksgiving, Christmas or New Year’s Day. Look for details at metrotransit.org or in Connect on buses and trains prior to these holidays.

Schedule subject to change. Traffic and weather conditions may delay buses. Please have exact fare ready. Bus fareboxes and drivers do not make change. This document is available in alternate formats to individuals with disabilities by calling 612-349-7365 (TTY 612-349-7365).

Effective 3/7/15
metrotransit.org
612-373-3333

Music Barn Apartments
5740/5750 Shady Oak Road
#09002.15a
Local Bus Route 615 Map

Service operates Monday through Saturday except on the following holidays:
Reduced service may be operated on days before or after Independence Day, Thanksgiving, Christmas or New Year’s Day.
Look for details at metrotransit.org or in Connect on buses and trains prior to these holidays.

Funded By: Metropolitan Council
Operated By: First Transit Inc.

Effective 8/24/13
metrotransit.org 612-373-3333

Schedule subject to change. Traffic and weather conditions may delay buses. Please have exact fare ready. Bus fareboxes and drivers do not make change. This document is available in alternate formats to individuals with disabilities by calling 612-349-7365 (TTY 612-341-0140).

Park & Ride Lot Location
Park free at this lot while you commute. No overnight parking.
Minnetonka
County Rd 73 and I-394 - west side of Co Rd 73, on south side of I-394.

Retail Location
Buy a Go-To Card or add value to an existing card at this location.
St. Louis Park
Cub Foods, 3620 Texas Ave S

Retail Location
Buy a Go-To Card or add value to an existing card at these locations.

Bike Locker
These sites have weatherproof bike storage for rent.

Park & Ride Lot
Park free at these lots while you commute.

Transfer Point
Several routes serve this stop.

Timepoint on schedule
Find the timepoint nearest your stop, and use that column of the schedule. Your stop may be between timepoints.

Regular Route
Bus will pick up or drop off customers at any bus stop along this route.

Connecting Routes to transfer to/from
See those route schedules for details.

Go-To Card Retail Location
Buy a Go-To Card or add value to an existing card at these locations.

Buses and trains have free storage racks so you can bring your bicycle along.
Look for instructions on the rack or visit metrotransit.org/bike

Local Bus Route 615

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Minnetonka County Rd 73 and I-394 - west side of Co Rd 73, on south side of I-394.

Retail Location
Buy a Go-To Card or add value to an existing card at this location.
St. Louis Park
Cub Foods, 3620 Texas Ave S

Retail Location
Buy a Go-To Card or add value to an existing card at these locations.

Bike Locker
These sites have weatherproof bike storage for rent.

Park & Ride Lot
Park free at these lots while you commute.

Transfer Point
Several routes serve this stop.

Timepoint on schedule
Find the timepoint nearest your stop, and use that column of the schedule. Your stop may be between timepoints.

Regular Route
Bus will pick up or drop off customers at any bus stop along this route.

Connecting Routes to transfer to/from
See those route schedules for details.

Go-To Card Retail Location
Buy a Go-To Card or add value to an existing card at these locations.

Bikes and trains have free storage racks so you can bring your bicycle along.
Look for instructions on the rack or visit metrotransit.org/bike

Schedule subject to change. Traffic and weather conditions may delay buses. Please have exact fare ready. Bus fareboxes and drivers do not make change. This document is available in alternate formats to individuals with disabilities by calling 612-349-7365 (TTY 612-341-0140).
**Special Notes:**

Extra time has been added to this schedule for delays that will occur when Hwy 100 construction begins this spring. Get updates at: metrotransit.org/Hwy100

For other service to this area:
- Excelsior Blvd and Hopkins are also served by Route 12.
- Hopkins is also served by 667H and 670 express bus routes, and local Route 615.

Service operates Monday through Friday except on the following holidays:

Metro Transit may operate reduced service on days before or after Independence Day, Thanksgiving, Christmas or New Year’s Day. Look for details at metrotransit.org or in Connect on buses and trains prior to these holidays.

Schedule subject to change. Traffic and weather conditions may delay buses. Please have exact fare ready. Bus fareboxes and drivers do not make change.

**Retail Locations**

Buy a Go-To Card or add value to an existing card at these locations.

**Downtown Minneapolis**
- Commuter Connection, 220 6th St S (US Bank Plaza)
- Metro Transit Store, 719 Marquette Ave
- Unbank, 727 Hennepin Ave

**Effective 3/7/15**

metrotransit.org
612-373-3333

Music Barn Apartments
5740/5750 Shady Oak Road
#09002.15a
Retail Locations
Buy a Go-To Card or add value to an existing card at these locations.

Downtown Minneapolis
Commuter Connection, 220 6th St S (US Bank Plaza)
Metro Transit Store, 719 Marquette Ave
Towers Convenience, 150 5th St S (skyway)
Unbank, 727 Hennepin Ave

Park & Ride Lot Locations
Park free at these lots while you commute. No overnight parking.

Excelsior
Excelsior Park & Ride - North side of Water St, 100 ft southwest of 3rd St.

Shorewood
Hwy 7 and Vine Hill Rd - South side of Hwy 7.

Hopkins
Hopkins Park & Ride - Excelsior Blvd and 8th Ave, south side of Excelsior Blvd.

This is a Pay Exit route.
On trips leaving downtown or the U of M, pay your fare at your destination. The time you exit the bus determines the fare amount.
Special Notes:
- Excelsior is also served by Route 671.
- Minnetonka is also served by Route 667.
- Hopkins is also served by Routes 12 and 664.

Customers not using the express portion of the route pay only the local fare.

Service operates Monday through Friday except on the following holidays:
Metro Transit may operate reduced service on days before or after Independence Day, Thanksgiving, Christmas or New Year’s Day. Look for details at metrotransit.org or in Connect on buses and trains prior to these holidays.

Schedule subject to change. Traffic and weather conditions may delay buses.
Please have exact fare ready. Bus fareboxes and drivers do not make change.
This document is available in alternate formats to individuals with disabilities by calling 612-349-7365 (TTY 612-341-0140).

Funded by: Metropolitan Council
Operated by: First Transit, Inc.

Express Bus Route 670
Minneapolis Downtown Zone
Ride in the Downtown Zone for 50¢.

Map continued on page 1
2014 CONCEPT PLAN and
INTRODUCTION
Wiersum clarified that Lucid Brewing currently was not proposing being open on Sunday. Wischnack indicated that was correct.

Schneider opened the public hearing at 7:04 p.m. No one spoke.

Wagner moved, Acomb seconded a motion to continue the public hearing to May 19, 2014. All voted “yes.” Motion carried.

14. Other Business:

A. Concept plan for redevelopment of the properties located at 5740 and 5750 Shady Oak Road, commonly referred to as “The Music Barn”

Wischnack gave the staff report.

Wiersum noted that some of the residents' letters referenced Section 8 housing. He asked if this would be a Section 8 property and for basic information about Section 8 properties. Wischnack said it was a difficult program to describe. There was a voucher program, where a certain number of vouchers would be accepted for the project site. In this case the developer indicated they would accept vouchers but not for every unit.

Wiersum said some of the communications had a certain tone. He asked what the median value was for a typical home in Minnetonka. Wischnack said the median value was $224,000. Wiersum said this meant half of the homes in Minnetonka were above that value and half were below.

Jay Jensen with Shelter Corporation said his company was working on trying to come up with a project that best fit with the neighborhood and retained the character of the barn. He showed a project the company did in Oakdale where there were neighbor concerns about their property values being ruined. What happened was across the street from the project single family homes that went for more than $300,000 were built. Those homes quickly sold. Shelter Corporation had done a lot of affordable housing around the metropolitan area. It also does senior housing. Neighbors often voice concerns before the project is built but afterward they comment about how nice the project turned out. He said a fear of change caused concerns.

Jensen said there would be about 38 units with one underground parking stall per unit. The rents would run between $850 and $1,000 per month. His company own some project based Section 8 housing that requires a specific HUD contract. Those contracts haven't been available since the late 1980's. The cost per unit would be $240,000. He said they were trying to build something that fits in well with the community that years from now.
people would say it was good the barn was preserved. The timing was an application would be submitted to the Minnesota Housing Finance Agency in June. If everything went well construction would begin about a year from now and would take about a year to build. A traffic study would be conducted to show people there would not be any detriment to traffic on Shady Oak Road.

Julia Landa, 5632 Sanibel Drive, said a lot of information presented was different than the information Jensen provided previously. She looked at other buildings Shelter Corporation had built. If past practice was followed the parking would not be totally underneath the building. This would add an additional 10 feet to the height of the building. Living across the street, she would block the skyline. She said the associations in the area had spent a lot of money to maintain and beautify their property. The space across the street was used. The current traffic was bad enough and adding any additional would be a problem. She believed there were site issues including no northbound access, the shallow setback, and the impact on the wetland. There was no public transportation in the immediate area. There were also no crosswalks in the immediate area.

The closest access to Lone Lake Park from the proposed building would be through the cemetery. The closest shopping area was a bar and restaurant, a liquor store, a doughnut shop, and a hair salon. She showed pictures of another Shelter Corporation development and said no one would consider the development a well-managed or well cared for property. She said the project didn’t meet the criteria for the area in the comprehensive guide plan. She hoped the project was not a done deal given the city’s relationship with Shelter Corporation.

Jacque Carlson, 5602 Bimini Drive, said there was a discussion of the plan at the last association meeting on March 31. Pretty much everyone in attendance was strongly opposed to the plan. She said she was most concerned about the historic value of the property. The house had been left in the condition it was when the Dvorak sisters left the house. A boutique organization had used the property for a couple of sales. She noted all the gravestones were historic and along with the old farm it was all part of the historic area. The Minnesota Historic Society had been contacted about the property and was not interested. She said the property should be of local value historically. There was not a lack of apartments in the area. Downtown Hopkins was composed of mostly antique stores and apartment buildings. She was concerned about the added traffic. She wasn’t sure who owned Lone Lake Park located behind the property. She questioned why the property couldn’t be added to the recreation area.
Matthew Rubel, 5630 Sanibel Drive, asked the city and developer consider a building plan similar in structure and organization as the Beachside one and two neighborhoods.

Kris Soleta, 5656 Sanibel Drive, said her biggest concern was the size of the building and the density. Thirty-eight units was way out of line with the rest of the neighborhood. A four story building would not fit in with the neighborhood. She also had a concern that the units would be rental compared to home ownership. There was no other rental in the area. The neighbors were not afraid of development or change but would like good development and change. The plan would not enhance the neighborhood or property values. There were other options like townhome developments. She agreed with Carlson that there was a lot of historic value to the property. Low income housing was not the only possibility for the site.

Mary Armstrong, 5634 Sanibel Drive, said the building was like a whale with minnons all around it. She said everything in the area fit in well together. This building would be like a cactus in the middle of a bunch of daisies. The building would block out the trees on the hill behind it. She knew something would go on the property but hopefully it would be something that fit in with the neighborhood.

Michelle Desaulniers, 5603 Sanibel Drive, said she looked through the comp plan that said “…make sure affordable housing is distributed throughout the entire community to prevent concentration in one particular area of the city.” She realized Hopkins was not Minnetonka but this area of the city was practically in Hopkins where there were other affordable housing units in the vicinity. She differed with the developer’s comment that there wasn’t a lot of workforce housing in the southwest corridor. She would like new housing to be owner occupied. She said the building would either need to be set into the hill or close to the street. Lone Lake Park would be a long way away so there would be safety issues for any children that wanted to play in the park. She questioned how close the city was in reaching the Met Council’s affordable housing goals.

David Kirscht, 5664 Sanibel Drive, said he was a landscape architect in business for over 40 years. He said it was an injustice for Shelter Corporation to show something that didn’t really show anything. For the city to even consider a project of this nature the developer should at least show schematic grading plans to indicate the elevations of the buildings and what would remain of the existing site. He questioned where any green space would be as well as any onsite on grade parking. He questioned if a building of this size would be able to accommodate one
parking space per unit underground. Something of much less density would be more appropriate.

Schneider said the lack of detail was not unusual for a concept plan review although this plan had a little less detail than usual.

Ellingson asked what use would be made of the barn. Jensen said on a preliminary basis the thought was to have a community room in the barn as well as an office for the onsite manager, and maybe a unit. The barn had unique characteristics inside and was something worth preserving and incorporating into the project. Ellingson said there was concern about the height of the building. He asked if a three story building could be built and still allow the project work. Jensen said that would be looked at. One idea was extending one end of the building further. Ellingson asked how much tree loss might occur. Jensen said he was meeting with the architect and civil engineer after getting comments about the concept. Topographical studies had been done so the challenges with the elevation were known.

Schneider said there was a difference between a four story building and a four and a half story building. Most of the underground parking garages were not fully recessed. He asked if the assumption should be some elevation of the first level to accommodate a semi-recessed garage. Jensen said the thought was to have the garage be fully underground. He agreed the elevations are such that the slope going away would present a challenge. Work was being done to try to get the height to be no taller than the barn. If this meant a three story building had to be done, then that would be what would be brought back. Schneider said the city usually requires for a one underground parking space per unit arrangement that there also be some parking for guests and deliveries. The most units that could be built for mid-density zoning would be 27. He said a potential discussion point was whether the city would want to deviate from that number. Preserving the barn was a great idea but he would shy away from getting the whole area designated as a historic area. This barn had been renovated a number of times and had probably lost a lot of its historic value. He noted the city owned Lone Lake Park and the cemetery. He encouraged Shelter Corporation to look at some reduction to determine if the proposal would get to mid-density. He was generally supportive of the affordable housing element.

Wagner said the mass of the building should be looked at. He was concerned with parking on the site if the ratio was one space per unit. He noted one of the comments was there was no real bus service on the road but that would change in four years if the light rail goes through. There likely be a lot of feeder buses but there was a gap in the interim.
associated with transit in the area. The council would have to discuss this. The council tended to want to put affordable housing into transit corridor areas so there was access. This had to be considered. In general he was not adverse to the concept and there was some benefit to keeping the barn. He didn’t want to see the barn be an afterthought to the development that looked like it was accidentally leftover. As far as the comments about affordable housing goals for both Hopkins and Minnetonka he noted planning exercises had been done for many years to identify targets and where the affordable housing would be located. The areas usually were around village centers and areas that had transit potential.

Acomb said when she first looked at the plan there were a few things that caught her attention. One was there are not a lot of services, including transit, in the area. Things could change but she was nervous that they weren’t currently available. She was concerned about the impacts to the woodland preservation area. The number of units likely would not have a huge impact on traffic but she thought it would be somewhat cumbersome not to be able to turn north and this could lead to problems on the nearby streets. She also was concerned with the size of the building.

Allendorf said the term neighborhood was one the council tried to stay away from because it becomes controversial. He said Beachside was a neighborhood and he thought the plan clashed with the neighborhood. A lot of work needed to be done with the architecture to make sure it didn’t scream at the neighbors to the east how different it was. It didn’t need to match but it also didn’t have to clash. The architecture also had to respect the barn. The barn was unique and almost out of place with anything new but this didn’t mean the architecture couldn’t respect the barn. Several people said they weren’t against development but they were against this development. He said people needed to realize whatever would go on the site when it was developed would create some traffic. A traffic study would be used to determine that a development would not adversely affect the neighbors. Whatever traffic from this project would not be to the north. He thought the massing was too great and if something went on the site it had to have good architecture. He said affordability was wonderful and was what the city wanted to do. This wasn’t necessarily a “Section 8” project but rather a project that fit in with other areas of the city and he wasn’t concerned this was an apartment project rather than a homeownership project.

Wiersum agreed with Allendorf about respecting the barn. He didn’t think retaining the barn would make a bad project good. The barn was incidental to the project. There had to be a good project and then saving the barn would the icing on the cake. The site was challenging. It was not
a big site. The plan would require a zoning change and that was always more challenging than if a zoning change was not required. He suggested the developer look at if he could make the project fit with the existing zoning. This would make the path for approval easier. This would mean the size and the density would go down. Wiersum also agreed with Allendorf that architectural creativity would be needed to ensure the project didn’t clash with the area. He didn’t think he could support the plan as drawn but the developer was not proposing it as drawn. He said people spend a lot of time thinking about where they live, next and past houses, and where their kids were going to live. The number of younger people interested in owning homes has decreased. Renting is a different ballgame than it was ten years ago. A quality rental project made a lot of sense for the city, potentially at this site. This could fill a niche.

Bergstedt said he heard general agreement that something would be done on the site. It likely would never be a park. There was no historical designation for the barn. With the current traffic amounts on Shady Oak Road, whatever went on the property would not impact the overall traffic. Site specific issues would have to be addressed but to not approve a project based on traffic did not make sense. Whatever was built whether it was owner occupied or rental housing, affordable housing, the key thing was a quality development. If the barn could be maintained and tied in with everything that would make sense but a quality development trumped everything else. He was concerned about having children living in the site because it was not easily accessible to Lone Lake Park and there was a lot of traffic. Potentially senior housing or something that wouldn’t have a bunch of young people running around might make sense. He agreed it was a very sensitive site representing what was best about Minnetonka. There were slopes, trees and a close proximity to park land. When he looked at the proposed intensity to try to figure out parking, grading, tree preservation and all the things that make the city special he was concerned if this density could allow that to happen. He said at first look 38 units looked way too intense and he didn’t want to see a typical four story apartment building. The type of architecture and creativity would make the difference.

Ellingson asked the maximum number of units possible on the site under the comprehensive guide plan. Wischnack said the maximum was 27 units. Ellingson noted this would then require not just a zoning change but a guide plan change as well.

Schneider agreed not having the ability to turn north was a challenge for the site. There was the potential with the removal of trees that an access road north of the median could happen. He wasn’t sure if this was good or
bad but was worth looking at. He said having an appropriately designed project that fit better in the area was a higher priority than saving the barn.

Ellingson asked what percentage of the units would be considered affordable. Jensen said all the units would be in the $800 to $1,000 per month range so all would be technically affordable but not low income. Ellingson asked if there was a limit to the number eligible for Section 8 vouchers. Jensen said the company generally tried to keep the number between 10 percent to 20 percent for any building.

Schneider said one of the comments was about a cozy relationship existing between Shelter Corporation and the city. He said there were Shelter owned projects in the city but there was no special relationship. He noted the company had a good reputation for doing this type of project.

Schneider called a recess at 8:16 p.m.

C. Ordinance amending the city charter regarding purchasing

Schneider called the meeting back to order at 8:24 p.m.

City Attorney Corrine Heine gave the staff report.

Wagner moved, Bergstedt seconded a motion to adopt Ordinance No. 2014-12. All voted “yes.” Motion carried.

Allendorf was excused at 8:27 p.m.

B. Preliminary plat, with lot width at right-of-way variance, at 12701 and 12689 Lake Street Extension and an unaddressed parcel

Wischnack gave the staff report.

Wagner asked for confirmation that the three lots directly to the west were off of a private drive and not a public street. Wischnack indicated that was correct.

Wiersum said the staff report noted the city had a lot of property that fronts major thoroughfares. He asked if the city had ever enabled frontage along one of the major thoroughfares where there was no access to the roads as was being proposed for this development for the basis for a setback measurement. Wischnack said there were situations where they might be frontage on two different roads and maybe one road was not accessible because it was in a slope area or wetland or something like that. As far as a freeway she was not aware of a similar situation. She pointed to the
12. Introduction of Ordinances:

A. Ordinance rezoning the “Music Barn” properties at 5740 and 5750 Shady Oak Road from R-1, low density residential, to PUD, planned unit development

Planner Susan Thomas and Community Development Director Julie Wischnack gave the staff report.

Wagner said the pictures indicated the aesthetics of the barn would be reflected. He said there was a town home look to the design. He indicated he would prefer something that blended in better with the barn. He suggested the notification area be expanded to include all of the Beachside neighborhood south of Smetana Road.

Bergstedt said during the concept plan review the council asked the applicant to continue to look very carefully at tree preservation, steep slopes and the other natural resources. He said if the applicant chose to keep the barn he agreed with Wagner it would be best to tie the project in to that. He hoped the barn would be a functional useable piece of the development. He didn’t want the barn kept as an add on.

Schneider said the barn was one of the few that was in good condition. There was some benefit to trying to keep the character. He would be cautious about trying to make the apartment building look like the barn or vice versa. He commended the designer on fitting a fairly good size building into the hill with minimal disruption. He also commended the affordable piece.

Wagner moved, Allendorf seconded a motion to introduce the ordinance and refer it to the planning commission with an extended notification area. All voted “yes.” Motion carried.

13. Public Hearings:

A. Items concerning At Home Apartments at 5709 Rowland Road

Thomas and Wischnack gave the staff report.

Mike Cashill with At Home Apartments said originally a market rate project was brought forward and it was indicated that affordable housing was a very important aspect to multi-family housing in the community. With the TIF, rent caps for a one bedroom apartment would be around $750. A market rate apartment would be around $1,400. The rent cap for a two
COMMENTS RECEIVED
Dear Susan and Bob,

I recently received a flyer in the mail informing me of the proposed apartment building located at 5740 and 5750 Shady Oak Rd. This is particularly concerning given the article I read in the Star Tribune this past weekend about the Met Council's desire to expand Section 8 housing. The Met Council's plan is modeled after a program in the Baltimore area and I think it is obvious that Baltimore is not a city we wish to become. As a homeowner in the area I think you can understand why I would be concerned with Section 8 housing moving next door. Admittedly my apprehension is based on circumstantial observations of other neighborhoods and the affect on adjacent property values.

Can you please confirm or deny that this property will not be used for Section 8 housing and if you confirm that it will, can you please provide evidence as to why a current homeowner would benefit from this addition to the neighborhood. Thank you for your time and attention to this matter and forgiving my closed minded attitude. I would just like to know whether or not I need to divest myself of property located in that area.
Hi Susan,
As I told you over the phone that I realise that I am late and the project has been in the process for long time. But It was not intentional. For the last few years I have been very busy and I believe that even at this stage my comments may be of value.
We own about 4.4 Acres of land adjacent to the subject property. There is a proposal in front of Planning Commission to build 27 unit apartment building on the subject property. I would like to submit my comments for your kind consideration.
The subject site and our site has some challenging issues such as steep slopes, close frontage to the very busy road, adjacent to cemetery etc.
I was told by the city officials in the past that all the above said properties should be developed as PUD. As such, it should be of significant value to develop all these properties (subject properties plus our 4.4 acre parcel) under ONE Comprehensive plan. It will make much more effective use of buildable area, cut down the number of entrances from the busy road and may eliminate some of the concerns of the neighborhood. It will also provide a uniform flow of structure.
I am very willing to work with Shelter Corporation to come up and submit a Comprehensive plan to City. I intend to call and discuss it with Shelter Corporation. As such, I am recommending that additional time (60 to 90 days) be given to us to work together for a comprehensive plan.
Thanks.
Sohan Uppal
For Fudosan Toshi LLC

Sent from my iPad
In my opinion, this revised project still has many short-comings. It just doesn’t make sense to “stuff” an apartment complex on a postage stamp sized piece of property. The property bordered by a significant back hill slope and trees, the need for minimum front setback from a 40+mph county roadway, and squeezed ends of the property, make the building and parking “fit” not compatible with the rest of the neighborhood. All neighborhood properties are well planned with appropriate setbacks and distribution of the buildings. This proposal stuffs everything on the limited sized property.

Other concerns I have include:

1) The grading for entry/exits off Shady Oak Road onto the property is a concern. Vehicles entering the properties will have to really slow down to right turn into the property. If someone is exiting the property at the same time, the turn in will be more difficult. The right turn exiting from the property could be a real problem when slippery, trying to hold on the hill and then quickly turning onto Shady Oak Road during rush hour.
2) There are a limited number of parking spaces, two spaces per unit, and there are no plans for providing visitor or service vehicle spaces. Oversized tenant vehicles or trailers will not have spaces to park. We have such problems from time to time in our Beachside neighborhood, but via rules of the associations we can control this problem. It also doesn’t make sense in these current times, that an allocation of two parking spaces per unit is sufficient for the three bedroom units.
3) There is a definite need for water retention and control. Currently the property has gravel drive spaces and grass. With all the proposed hard surfaces, (the roof and hard surface parking and drive space) the water will run-off somewhere and a sufficient plan needs to control that run off. The run-off should not include the pond on Shady Oak Road @ Sanibel Drive. That pond level remains high normally and fills up during our current rains.
4) The open space planning really needs some attention from the initial meeting I attended. There will potentially be children of all ages residing there. Where do these children play outside and being so close to Shady Oak Road, how safe is that space? In another conversation, I was told the kids could play at Lone Oak Park. In these days, at what age do you send these kids to Lone Oak Park by themselves? There is a must to have on site child play space, a separate space for outside dog activities, and then too where does the snow from the parking areas get stored. In Beachside we have numerous problems with the dog feces on our townhouse properties. Our associations have to deal with this issue weekly, and we have rules and fines for violators. Who polices such on this property? Snow storage is a must and utilizing parking spaces should not be an option. Remember, this is a postage stamp sized piece of property.
5) With the Sundial Center across Shady Oak Road, tenants and the children will be crossing the roadway to utilize the retail outlets in the Center. I can see Yo-Yo, the Popping Corn store, and Scoreboard as businesses that everyone enjoys. How are we protecting people crossing Shady Oak Road? This is a real accident looking for a place to happen. Many vehicles are NOT obeying the speed limit. There is not a protected walk area to cross the street without going down to Bren Road, and that’s not going to happen.

I trust the County will provide the current projections of traffic on Shady Oak Road that include the fully occupied OPTUM complex and the new development on Shady Oak Road @ Rowland Road. The current build up of traffic has significantly increased and the OPTUM development is NOT yet 50% occupied I’m told. I am super concerned about the safety of pedestrians trying to cross Shady Oak Road.

Once these 5 major concerns get properly addressed, we need discuss the architectural design, landscaping and the expected operational details.
Due to prior commitments, I cannot attend the Planning Commission Meeting. David Kidscht from our neighborhood, has conducted quite an extensive study on the complex “fit” on the property. David has said he plans to attend the scheduled meetings. His vast experience on such projects is valuable for everyone.

If you have any questions or comments on my concerns, please contact me.

Larry Rose  
5651 Sanibel Drive  
Minnetonka, MN
April 30, 2015

Ms. Susan Thomas, AICP
Principal Planner
City of Minnetonka

RE: MUSIC BARN PROPOSAL

A revision to the 2014 submission for the Music Barn Site, Shelter Corporation now proposes a reduction from 38 to 27 apartment units in what remains a massive multi-family structure on a site with severe development constraints.

I feel obligated to point out that this latest submission was dictated by the site constraints and when the ‘math’ did not work out the decision to revise became apparent. This is illustrated by:

1) The 38 unit plan would have been a total site imposition and rezoning from R-1 to the requirements of Median Density Zoning, even PUD, could not have been satisfied.

2) The revised 27 unit plan barely fits the site even with inherent variances granted by PUD approval. It remains both a site and neighborhood imposition.

Unit access by tenants is proposed primarily through the garage space, otherwise guests and tenants enter through the Barn, with exception that five units have porches to provide additional outside access on the east side.
This proposed apartment is a 204 foot long structure, replacing one small house and garage, on a site with severe horizontal and vertical grades. The apartment and parking are located on what appears to be level ground attempting to avoid a large percentage of existing trees, primarily on severe slopes.

Plans submitted for the project are prepared by licensed Professionals. Nevertheless they require close scrutiny by all the departments of the regulatory agencies to ensure health, safety and welfare of the tenants and the general public, regardless of meeting ordinance requirements.

Regardless of what appears to be a compromise, this site dictated the change, and it would be a gross misuse of the Minnetonka PUD Ordinance requirements. Satisfying one or more of the PUD Ordinance requirements must also address concerns and ensure safety.

The following two (2) primary areas of concern regarding this Proposed Development list items [Not necessarily in order of importance] that the City of Minnetonka approval process needs to thoroughly consider.

1. GENERAL CONCERNS and QUESTIONS:

- Massive structure (VISUALLY INAPPROPRIATE) for this tight site requiring the building to be 10-12’ closer to Shady Oak Road than the existing house, and a retaining wall 8 feet from the sidewalk.
- Virtually little or no open outdoor space for tenant use, ie, supervised children play, grilling, walking pets, etc. The undeveloped balance of the site is comprised of the existing Barn and steep wooded slopes.

- Plans for the Barn renovation for contemplated use. Is the Barn structurally sound, and if not what is proposed to capitalize on the Barn ‘theme’?

- Trash removal vehicular access and movements?

- Snow removal and storage? Hennepin County plows Shady Oak with snow pushed on the walk and beyond potentially blocking the driveways.

- Site lighting and signage, and what will be the visual impact?

- Exterior underground parking ventilation?

- On site security and general building maintenance?

- What will be the landscape guarantee together with routine site/landscape maintenance? The 3:1 slope from retaining wall to Shady Oak walk will be very difficult to maintain.
- Landscaping along west side of building will be high maintenance, probably not necessary particularly since it won’t be visible.

- Storm drainage on west side of building is likely to be compromised during heavy rains with the predictable heavy leaf litter, not to mention potentially high maintenance.

- Vehicles parking over sidewalk reducing useable dimensions.

- Where is the property line along Shady Oak and how does it relate to the proposed structure and retaining walls?

- Is it not normal to require screening of parking from adjacent property regardless if it is developed as exists at the south property line?

2. SAFETY CONCERNS and QUESTIONS:

- Shady Oak Road traffic volumes and speed limit rarely observed, relating to tenant driving patterns. Turning movements will not doubt be an issue.

- ‘Fitting’ about all that is physically possible on this unique site concerns me relating to the proposed grading that I will discuss at the Public Hearing.
- Tenants, children in particular, attempting to cross Shady Oak under varying road and traffic conditions.

- Are railings required to be located at the top of various retaining walls?

- Flagrant abuse of setbacks appears to be a key ingredient of a PUD zoning proposal.

Thank you for reviewing this information. I hope it will assist you in your review process.

Respectfully submitted,

David Kirscht
5664 Sanibel Drive
Minnetonka MN 55343
APPROX TOP CURB ALONG FRONTAGE GRACE CHANGE = 13.18' (567.98' @ NORTH - 554.80 @ SOUTH)
ORDINANCE AND RESOLUTION
Ordinance No. 2015-

Ordinance rezoning the existing properties at 5740 and 5750 Shady Oak Road from R-1 to PUD and adopting a master development plan

The City Of Minnetonka Ordains:

Section 1.

1.01 The properties at 5740 and 5750 Shady Oak Road are hereby rezoned from R-1, low-density residential, to PUD, planned unit development.

1.02 The properties are legally described in EXHIBIT A.

Section 2.

2.01 This ordinance is based on the following findings:

1. The rezoning would result in the provision of affordable housing, providing a public benefit.

2. The rezoning would be consistent with the intent of the zoning ordinance and of the comprehensive guide plan.

3. The rezoning would be consistent with the public health, safety, and welfare.

Section 3.

3.01 Approval is subject to the following conditions:

1. The site must be developed and maintained in substantial conformance with the following plans:

   a) Grading plan dated September 26, 2014
   b) Utility plan dated September 26, 2014
c) Landscape plan dated September 26, 2014

d) Building elevations received March 31, 2015 and May 4, 2015

The above plans are hereby adopted as the master development plan for The Music Barn Apartments.

2. Development must further comply with all conditions as outlined in City Council Resolution No. 2015-XXX, adopted by the Minnetonka City Council on May 18, 2015.

Section 4. A violation of this ordinance is subject to the penalties and provisions of Chapter XIII of the city code.

Section 5. This ordinance is effective immediately.

Adopted by the city council of the City of Minnetonka, Minnesota, on May 18, 2015.

Terry Schneider, Mayor

ATTEST:

David E. Maeda, City Clerk

ACTION ON THIS ORDINANCE:

Date of introduction: April 20, 2015
Date of adoption: May 18, 2015
Motion for adoption: 
Seconded by: 
Voted in favor of: 
Voted against: 
Abstained: 
Absent: 
Ordinance adopted.
Date of publication:

I certify that the foregoing is a correct copy of an ordinance adopted by the city council of the City of Minnetonka, Minnesota at a regular meeting held on May 18, 2015

David E. Maeda, City Clerk

Date:
EXHIBIT A

Parcel 1:
That part of the East 30.00 acres of the Southeast Quarter of the Northeast Quarter of Section 35, Township 117, Range 22, Hennepin County, Minnesota, described as follows:

Commencing at the Southeast corner of said Southeast Quarter of the Northeast Quarter; thence on an assumed bearing of South 87 degrees 06 minutes 28 seconds West along the South line of said Southeast Quarter of the Northeast Quarter a distance of 972.30 feet; thence North 2 degrees 53 minutes 46 seconds West a distance of 488.09 feet, said last described line if extended would intersect the North line of said Southeast Quarter of the Northeast Quarter at a point 1006.65 feet West of the Northeast corner of said Southeast Quarter of the Northeast Quarter; thence North 87 degrees 06 minutes 28 seconds East a distance of 97.56 feet to the point of beginning of the land to be described; thence South 20 degrees 34 minutes 09 seconds East a distance of 160.00 feet; thence North 63 degrees 25 minutes 51 seconds East a distance of 258.99 feet to the Southwesterly right of way line of County Road Number 61; thence Northwesterly along said right of way line to its intersection with a line bearing North 63 degrees 25 minutes 51 seconds East to the point of beginning; thence South 63 degrees 25 minutes 51 seconds West to the point of beginning.

Hennepin County, Minnesota
Abstract Property.

Parcel 2:
That part of the East 30 acres of the Southeast Quarter of the Northeast Quarter of Section 35, Township 117, Range 22, Hennepin County, Minnesota, described as follows:

Commencing at the East Quarter corner of Section 35; thence South 87 degrees 06 minutes 28 seconds West, assumed bearing, along the South line of said Southeast Quarter of the Northeast Quarter, 596.01 feet; thence North 1 degree 19 minutes 39 seconds West 398.02 feet; thence North 86 degrees 20 minutes 14 seconds East 12.59 feet, which point is marked by a Judicial Landmark; thence South 2 degrees 53 minutes 46 seconds East, along the last described line, 450.23 feet; thence North 87 degrees 06 minutes 28 seconds East 97.56 feet; thence North 63 degrees 25 minutes 51 seconds East 186.14 feet to the Southwesterly right-of-way line of County Road 61 (also known as Shady Oak Road); thence North 34 degrees 36 minutes 28 seconds West, along said right-of-way, 245.72 feet; thence North 35 degrees 23 minutes 15 seconds West, along said right-of-way, 173.57 feet, to its intersection with a line which bears North 50 degrees 09 minutes 52 seconds East from the point of beginning; thence South 50 degrees 09 minutes 52 seconds West, along said line, 42.72 feet to the point of beginning.

Hennepin County, Minnesota
Abstract Property.
Resolution No. 2015-

Resolution approving final site and building plans for the
Music Barn Apartments at 5740 and 5750 Shady Oak Road

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01 Community Housing Corporation of America/Shelter Corporation has requested approval of final site and building plans for the Music Barn Apartments.

1.02 The properties are located at 5740 and 5750 Shady Oak Road. They are legally described on EXHIBIT A of this resolution.

1.03 On May 7, 2015, the planning commission held a hearing on the proposal. The applicant was provided the opportunity to present information to the commission. The commission considered all of the comments received and the staff report, which are incorporated by reference into this resolution. The commission recommended that the city council approve the final site and building plans.

Section 2. Site and Building Plan Standards and Findings.

2.01 City Code §300.27, Subd. 5, outlines several items that must be considered in the evaluation of site and building plans. Those items are incorporated by reference into this resolution.

2.02 The proposal would meet site and building plan standards outlined in the City Code §300.27, Subd.5.

1. The proposal would result in a medium-density residential development consistent with the site’s comprehensive guide plan designation. Further, the proposal has been reviewed by city planning, engineering, and natural resources staff and found to be
generally consistent with the city’s development guides, including the water resources management plan.

2. The proposal is consistent with zoning ordinance standards.

3. The proposal would preserve much of the site in its natural state. The proposed building and associated parking would be appropriately situated at the base of the significant wooded slope on the site. There would be little encroachment into the steepest portions of the slope and, correspondingly, removal of just 19% of the site’s high-priority trees.

4. The proposal would result in a harmonious relationship of buildings and open space. Much of the site’s open space would be preserved.

5. The proposal has been designed to complement the site’s existing barn and to evoke the historical farm-use of the property.

6. As new construction, the building code would require use of energy saving features.

7. The proposal would visually and physically alter the site and the immediate area. However, it does not follow that visual change is unreasonable. In designing the proposal, the applicant has given consideration to natural resources and has taken visual “cues” from the existing site. The result is a thoughtfully designed development, which would contribute to the city’s affordable housing goals and expectations.


3.01 City Code §300.28, Subd. 20, outlines several standards for construction within code-defined steep slopes. Those standards are incorporated by reference into this resolution.

3.02 The proposal would meet the standards outlined in the City Code §300.28, Subd.20.

1. The property is physically suitable for the design and siting of the proposed development. The proposal will preserve significant natural features by minimizing disturbance to existing topographical forms.

   a) The proposal includes little grading outside of the building footprint and parking and driveway areas.
b) Retaining walls would be used as an alternative to banks of cut-and-fill.

c) The proposal would concentrate development on the least sensitive portion of the site to maximize the preservation of trees and natural features.

2. The development would not result in soil erosion, flooding, severe scarring, reduced water quality, inadequate drainage control, or other problems.

a) Impervious surface would be minimized.

b) Construction would occur at the base of the slope.

c) The proposal would avoid building on areas of the existing slope that has an average grade of 30 percent or more.

3. The proposed development provides adequate measures to protect public safety.

a) The slope of the private driveway would be less than 10 percent.

Section 4. City Council Action.

4.01 The above-described site and building plans are hereby approved subject to the following conditions:

1. Subject to staff approval, the Music Barn Apartments must be developed and maintained in substantial conformance with the following plans, except as modified by the conditions below:

a) Grading plan dated September 26, 2014
b) Utility plan dated September 26, 2014
c) Landscape plan dated September 26, 2014
d) Building elevations received March 31, 2015 and May 4, 2015

2. A grading permit is required. Unless authorized by appropriate staff, no site work may begin until a complete grading permit application has been submitted, reviewed by staff, and approved.

a) The following must be submitted for the grading permit to be considered complete.
1) An electronic PDF copy of all required plans and specifications.

2) Three full size sets of construction drawings and project specifications.

3) Final site, grading, stormwater management, utility, landscape, tree mitigation, and natural resource protection plans, and a stormwater pollution prevention plan (SWPPP) for staff approval.

   a. Final stormwater management plan must meet the requirements of the city’s Water Resources Management Plan, Appendix A. Design.

   b. Final utility plan must:

      1. Provide evidence of connection to an 8-inch watermain.

      2. Provide evidence of connection to an 8-inch sanitary sewer stub.

      3. Illustration location of a new hydrant to the site. The gate valve controlling service to the building must be located beyond the hydrant so the hydrant can remain operational in the event that water to the building is shut off.

      4. Include an 18-inch gate valve on the south side of connection point for isolation purposes.

      5. Confirm acceptance of storm casing under the building.

      6. Replace CSP pipe within the proposed stormwater facility with a city-approved material.

      7. Include a SAFL baffle or similar device used in conjunction with the proposed sump.
c. Final landscaping and tree mitigation plans must:

1. Meet minimum landscaping and mitigation requirements as outlined in city code. However, at the sole discretion of natural resources staff, mitigation may be adjusted based on site conditions.

2. Include an itemized plant material list to illustrate that the landscape value will meet city code requirement.

3. Any deciduous trees must be planted at least 15 feet behind the edge of trail or curb and evergreen trees at least 20 feet behind the edge of trail or curb.

4) A stormwater maintenance agreement for the review and approval of the city attorney.

5) Individual letters of credit or cash escrow for 125% of a bid cost or 150% of an estimated cost to construct parking lot and utility improvements, comply with grading permit, tree mitigation requirements, landscaping requirements, and to restore the site. One itemized letter of credit is permissible, if approved by staff.

a. The city will not fully release the letters of credit or cash escrow until:

   - A final as-built survey has been submitted showing floodplain alteration;
   - An electronic CAD file or certified as-built drawings for public infrastructure in microstation or DXF and PDF format have been submitted;
   - Vegetated ground cover has been established; and
   - Required landscaping or vegetation has survived one full growing season.
6) A construction management plan. The plan must be in a city approved format and must outline minimum site management practices and penalties for non-compliance.

7) A copy of the approved MPCA NPDES and MDH permits.

8) Evidence of closure/capping of any existing wells, septic systems, and removal of any existing fuel oil tanks.

9) All required administration and engineering fees.

10) Evidence that an erosion control inspector has been hired to monitor the site through the course of construction. This inspector must provide weekly reports to natural resource staff in a format acceptable to the city. At its sole discretion, the city may accept escrow dollars, in amount to be determined by natural resources staff, to contract with an erosion control inspector to monitor the site throughout the course of construction.

11) Cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion or grading problems.

b) Prior to issuance of the grading permit:

1) Install a temporary rock driveway, erosion control, tree and wetland protection fencing and any other
measures identified on the SWPPP for staff inspection. These items must be maintained throughout the course of construction.

2) Schedule and hold a preconstruction meeting with engineering, planning, and natural resources staff as determined by city staff.

c) Permits may be required from other outside agencies including, Hennepin County, the Nine-Mile Creek Watershed District, and the MPCA. It is the applicant’s responsibility to obtain any necessary permits.

3. Prior to issuance of a building permit:

a) Submit the following documents:

1) Proof of subdivision registration and transfer of NPDES permit.

2) A snow removal and salting application rate plan.

3) A construction management plan. This plan must be in a city approved format and outline minimum site management practices and penalties for non-compliance. If the builder is the same entity doing grading work on the site, the construction management plan submitted at the time of grading permit may fulfill this requirement.

b) Submit cash escrow in an amount to be determined by city staff. This escrow must be accompanied by a document prepared by the city attorney and signed by the builder and property owner. Through this document the builder and property owner will acknowledge:

- The property will be brought into compliance within 48 hours of notification of a violation of the construction management plan, other conditions of approval, or city code standards; and

- If compliance is not achieved, the city will use any or all of the escrow dollars to correct any erosion and/or grading problems.
If the builder is the same entity doing grading work on the site, the cash escrow submitted at the time of grading permit may fulfill this requirement.

c) Submit all required new hook-up fees and any outstanding hook-up fees.

4. Retaining walls on the site must be engineered.

5. During construction, the streets must be kept free of debris and sediment.

6. The property owner is responsible for replacing any required landscaping that dies.

7. The site plan term of approval outlined in City Code §300.27 Subd.10 is waived. The approval will expire on December 31, 2016.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 18, 2015.

______________________________
Terry Schneider, Mayor

ATTEST:

______________________________
David E. Maeda, City Clerk

ACTION ON THIS RESOLUTION:

Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.
I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on May 18, 2015.

______________________________________
David E. Maeda, City Clerk
EXHIBIT A

Parcel 1:
That part of the East 30.00 acres of the Southeast Quarter of the Northeast Quarter of Section 35, Township 117, Range 22, Hennepin County, Minnesota, described as follows:

Commencing at the Southeast corner of said Southeast Quarter of the Northeast Quarter, thence on an assumed bearing of South 87 degrees 06 minutes 20 seconds West along the South line of said Southeast Quarter of the Northeast Quarter a distance of 972.80 feet; thence North 2 degrees 55 minutes 46 seconds West a distance of 448.09 feet, said last described line if extended would intersect the North line of said Southeast Quarter of the Northeast Quarter at a point 1008.65 feet West of the Northeast corner of said Southeast Quarter of the Northeast Quarter; thence North 67 degrees 05 minutes 28 seconds East a distance of 97.55 feet to the point of beginning of the land to be described; thence South 25 degrees 34 minutes 06 seconds East a distance of 166.06 feet; thence North 63 degrees 25 minutes 51 seconds East a distance of 208.69 feet to the Southeastern right of way line of County Road Number 61; thence Northwesterly along said right of way line to its intersection with a line bearing North 63 degrees 25 minutes 51 seconds East to the point of beginning; thence South 63 degrees 25 minutes 51 seconds West to the point of beginning.

Hennepin County, Minnesota
Abstract Property

Parcel 2:
That part of the East 30 acres of the Southeast Quarter of the Northeast Quarter of Section 35, Township 117, Range 22, Hennepin County, Minnesota, described as follows:

Commencing at the East Quarter corner of Section 35; thence South 87 degrees 06 minutes 28 seconds West, assumed bearing, along the South line of said Southeast Quarter of the Northeast Quarter, 996.01 feet; thence North 1 degree 19 minutes 39 seconds West 398.02 feet; thence North 86 degrees 20 minutes 14 seconds East 12.59 feet, which point is marked by a Judicial Landmark; thence North 2 degrees 53 minutes 46 seconds West 460.27 feet to the point of beginning of the land to be described, which point is marked by a Judicial Landmark; thence South 2 degrees 53 minutes 46 seconds East, along the last described line, 460.23 feet; thence North 87 degrees 06 minutes 28 seconds East 97.56 feet; thence North 63 degrees 25 minutes 51 seconds East 188.14 feet to the Southwesterly right of way line of County Road 61 (also known as Shady Oak Road); thence North 34 degrees 35 minutes 25 seconds West, along said right of way, 246.72 feet; thence North 39 degrees 23 minutes 15 seconds West, along said right of way, 173.57 feet, to its intersection with a line which bears North 56 degrees 09 minutes 52 seconds East from the point of beginning; thence South 50 degrees 09 minutes 52 seconds West, along said line, 42.72 feet to the point of beginning.

Hennepin County, Minnesota
Abstract Property
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Memorandum

To: Planning Commission
From: Loren Gordon, AICP, City Planner
Date: May 7, 2015
Subject: Change Memo for the April 9th Planning Commission Agenda

ITEM 8B – One Twelve

The published resolution included several typographical errors. Please replace that resolution with the attached. The only changes are “typo” corrections.

The attached, more detailed programming information was provided by the applicant.

ITEM 8C – Music Barn Apartments

The attached comment was inadvertently not included in the published packet.
Julie, Elise, Susan and Loren,

Richard Anderson and his wife, Sandra, were two of the ten neighbors who attended last week’s neighborhood meeting for the Minnetonka Music Barn. Richard and I met after the meeting and I further explained the proposed Music Barn development. While they raised questions at the meeting, they now support the development as evidenced in his e-mail below.

See you tonight.

Jay

---

From: Richard Anderson [mailto:risa2948@hotmail.com]
Sent: Monday, April 20, 2015 4:28 PM
To: Jay Jensen
Subject: APPROVAL of SHELTER CORPORATION APPLICATION FOR BUILDING PERMIT et al

Monday, 20 Apr 2015

Mr. Jay Jensen
Shelter Corporation
1600 Hopkins Crossroad
Minnetonka, MN

Dear Mr. Jensen:

re: 750 and 740 Shady Oak Road, Minnetonka, MN ("SITE")

The undersigned are trustees of the Sandra J. Anderson Revocable Trust and the Richard W. Anderson Revocable Trust, which Trusts are the fee owners of a residence at 11623 Lone Lake Ridge, Minnetonka, MN 55343 that is located about 600 feet due north of subject SITE. You have applied
for a multi-family Building Permit on the SITE.

We have examined the SITE’s Hennepin County Real Estate Tax records, architectural sketches of the proposed Floor and Site plans and have received your comments about the proposed development.

Based on all the facts, we approve issuance of the Building Permit. The Project will be helpful to the community.

Yours truly.

SANDRA J. ANDERSON REVOCABLE TRUST  RICHARD W. ANDERSON REVOCABLE TRUST

By _______________________________    By___________________________
Trustee                                                                    Trustee

An executed copy will be mailed.
This item is tentatively scheduled to be reviewed by the city council at its meeting May 18, 2015.

C. Items concerning the Music Barn Apartments at 5740 and 5750 Shady Oak Road.

Chair Kirk introduced the proposal and called for the staff report.

Thomas and Gordon reported. Thomas recommended approval of the application based on the findings and subject to the conditions listed in the staff report.

Chair Kirk asked for information on the TIF part of the proposal. Wischnack explained that the applicant is not requesting to create a TIF district, but, instead, use the city's pooled tax increment funds. Tax increment pooling money refers to the tax increment funds created by existing TIF districts that may be used for affordable housing. The EDAC reviewed the proposal at its last meeting and agrees with using the tax increment funds. Chair Kirk noted that tax increment funds create an incentive for a developer to provide affordable housing.

Chair Kirk asked what the restrictions are for a steep slope and the site’s tree preservation requirements. Thomas explained that there is a steep slope ordinance that requires a development to meet certain findings outlined in the resolution. It does not restrict development, but gets to minimizing impact to the slope. Staff found that the application does minimize encroachment. The tree ordinance allows up to 35 percent of a woodland preservation area to be removed. Neither the tree or steep slope ordinances would restrict the proposal. It meets those ordinance requirements. Colleran explained the three types of tree classifications. There is a map in the packet that illustrates a woodland preservation area, but that map is not accurate. There is no woodland preservation area on the proposed site. Three high-priority trees of a total of 16 high-priority trees would be removed from the site.

Chair Kirk asked for the definition of medium-density. Thomas defined medium density as over 4 units per acre and up to 12 units per acre. The proposal is at the high end of medium-density. It would be just under 12 units per acre. The Beachside neighborhood across the road is at 9 units per acre. High-density is over 12 units per acre.

Jay Jensen, of Shelter Corporation, applicant, stated that:

- He appreciated the opportunity to present the proposal.
• He listened to the comments to the previous plan and reduced the number of units from 38 to 27. The height of the building was reduced from 4 stories to 3 stories. He spent a lot of time on the exterior design. He thanked staff for their suggestion on the exterior design.

• There would only be two high-priority trees removed. A large walnut tree would be able to be preserved. The focus would be to save as many trees as possible.

• The garage access was moved to the north side to provide a right-in on Shady Oak Road. There is room to do that.

• He is excited about the proposal and appreciates the commissioners’ consideration.

• He is available for questions.

Calvert appreciated the applicant moving the structure closer to the road to protect the trees and slope. She would like a depiction of the landscape in the front. Mr. Jensen answered that the landscape plan includes a row of trees across the front. Colleran provided the types of salt-tolerant trees that would be added on Shady Oak Road. The trees must be planted off of the right of way to provide room for maintenance.

Mr. Jensen provided the landscape plan.

Knight asked if the expected tenants would be families or single people. Kids riding bikes on the path would concern him a little. Mr. Jensen anticipated the whole spectrum of residents including families with one or two parents, young couples, and single people. He would anticipate a number of young, single residents who work in the Opus business park. Wischnack noted that affordable housing allows tenants with 60 percent of the median area income. That equals $50,000 per year salary. There are other projects in the city with the same affordable range including The Ridge. This would not be low-income housing.

In response to Chair Kirk’s question, Colleran explained that the trees on the slope would be protected. If 30 percent or more of the critical root zone of a tree would be impacted, then the tree is considered lost. The trees adjacent to the retaining wall would be saved. The trees to the west would still be there. The trees on the north side would remain.

Chair Kirk asked about stormwater management. Mr. Jensen answered that his engineer is working with city engineering staff to come up with a plan to put stormwater management features underground, underneath the parking lot. The features would include a holding area and drains to release the water into the
ground. He has used that plan on other projects. Stout added that the proposal would meet the city’s stormwater management requirements for runoff rate control. The water quality treatment goals and infiltration requirements would be met. All of the water would be captured from the roof and treated and released into the existing storm sewer system on Shady Oak Road. That eventually discharges into a wetland on the south side of Sanibel, on the east side of Shady Oak Road. A permit would be required by the Nine Mile Creek Watershed District.

Chair Kirk confirmed with Stout that the site currently has no stormwater management. The proposal would improve the site’s water quality.

Chair Kirk appreciated the architectural features not commonly seen with affordable housing including front porches and articulated rooflines. He likes how residential it looks. Mr. Jensen confirmed that is the plan that would be used.

The public hearing was opened.

Sohan Uppal, resident of 8334 Virginia Avenue South, Bloomington, and owner of the property adjacent to the south border of the proposed site, commended Mr. Jensen for being very professional. He supports the project for being a residential project. This is a prime location. The road is popular. He requests that a comprehensive plan be looked at for this site and his property. He is not against the project, but he would like the area to be looked at overall. He has been busy the last few years. This project is much better than what was previously considered.

David Kirscht, 5664 Sanibel Drive, stated that:

- He is a retired landscape architect.
- He provided exhibits illustrating the site. He described the grade changes.
- He complemented Shelter Corporation for fitting everything that could be fit on the site; however, there are some elements that do not work.
- The people across the street would look at a major change.
- He asked if the barn would be structurally sound for the intended use.
- He pointed out trees that would be removed.
- The driveway would be located where the grade is 4.5 percent.
• There would be 10 parking stalls on the slope. He would not propose parking on that slope. He was concerned with sliding in the winter, doors opening, and maneuvering.
• The grade at 28 percent is unmanageably steep.
• He questioned how a garbage truck would get to the garbage pad.
• The entrances would be difficult on the 45 mph road.
• There is no typical boulevard that he could see.
• He asked of what material the retaining wall would be made.
• There would be a lot of tree disturbance.
• The south end of the property would have a 3 percent slope on the driveway. He questioned if there would be screening.
• He questioned if the sidewalk or retaining walls would have to have railings.
• The spruce tree would be removed for the driveway.
• There would be 3 feet between the sidewalk and the building.
• Primary access for the tenants would be through the garage and surface parking. Visitors would walk through the barn and take an elevator. "All of this is done for that" which he does not think enhances the treatment of the area.
• He superimposed the previous and current plans to show the difference. Everything is dictated by the elevation of the barn.
• He reviewed elevations of the sidewalk, stoop, and wall.
• The retaining wall would be 8 feet from the sidewalk. It does not fit.
• He is not in favor of the project.
• Traffic, grades, and various issues have not been addressed. The city must consider the safety issues.
• Thirty-eight units would not have fit at all.
• It is like trying to fit a Kleenex box into a toilet paper roll.

Jill Schaefer, 5400 Sanibel Drive, stated that:

• She is concerned with the traffic on Shady Oak Road. She supports a left-turn lane added for both directions.
• The thoroughfare is so busy and there are no side streets to accommodate school buses, garbage trucks, and deliveries.
• She is concerned with the loss of green space. The renderings are very nice, but she did not think they accurately depict the appearance of 27 vehicles parked in the lot. She questioned what all of the vehicles would look like.
• It would not be a good fit for the area.
Kristine Soleta, 5656 Sanibel Drive, stated that:

- The proposal would be a monster building on a tiny lot.
- It would not be livable.
- The building would be too close to the road.
- Traffic travels 45 mph to 50 mph.
- It was great the trees would be saved, but it would not be livable.

Paul Hines, 11112 Abbot Lane, stated that:

- It was hard to hear from the back of the city council chambers.
- He bet a person could not walk from the site to the lite rail station in 15 minutes.
- He was unable to understand the definition of affordable housing. He did not think residents living in affordable housing would “be dining at Jimmy’s on a regular basis.”
- Traffic congestion is the issue.
- He said that the project would be good for the property owner, the development company, and for the city if a person thinks having more affordable housing is good for the city. He has not heard why it would be good for the neighborhood.

David Kirscht, 5664 Sanibel Drive, learned that there would be American Linden trees proposed along the front of the project between the retaining wall and the street. It will not look good because the trees would be planted on a 3:1 slope.

No additional testimony was submitted and the hearing was closed.

Mr. Jensen stated that:

- The barn is structurally sound.
- The grades are challenging. His engineers, from Loucks and Associates, are working with the city engineers. The plan has been approved by city engineering staff.
- The requirements for handicap accessibility would be met.
- The engineers are working with Hennepin County to create a left-turn in lane on Shady Oak Road.
- He has a similar project in Oakdale. The residents include young professionals and some families. The project is a good fit in the residential neighborhood. The rent is not super affordable, but good in comparison to today's rental rates which are very high. People
Chair Kirk asked about the concern for noisy traffic. Mr. Jensen said that he built a project right on the Crosstown and worked with insulation and windows to mitigate noise. The setback is 20 to 30 feet. The playground would be south of the barn with the adjacent park around the corner.

Chair Kirk asked if the porches are driving the need for the retaining wall. Mr. Jensen answered affirmatively. The porches create a residential look. The barn has been integrated into the farm feel.

Chair Kirk questioned if railings would be needed on the retaining wall. Thomas answered that the building code would have a requirement depending on the height of the retaining wall. That would be reviewed during the building permit review process.

Calvert wondered what accommodation would be made for a school bus stop. Gordon explained that the bus would stop on the road with its stop arm out. That happens on every county road in the city.

Chair Kirk confirmed with Thomas that there would not be enough street right of way to construct a right-turn lane traveling south bound on Shady Oak Road. The proposal would include adding a left-turn lane traveling north bound on Shady Oak Road.

Chair Kirk suggested the garage entrance be located on the south side to minimize grade issues. Mr. Jensen described a project done in Eden Prairie with the same garage entrance and grade. The garbage would be removed the same way and there has not been a problem in 12 years.

Calvert asked if the access would only allow a right turn to exit. She asked how turning left onto Shady Oak Road would work. Thomas explained that the north access would allow a turn in both directions. The south access would allow only a right-turn in and a right-turn out.

Odland has personal experience with The Colony. It is a well built and well maintained complex. Shelter Corporation did a super job on that. She commended the developer for listening to the commission and neighbors.

Chair Kirk asked for comments on the impact to the neighborhood outside of the traffic. Knight likes the look of the building more than the original plan. It looks
more inviting and more residential than a big apartment building. When the owner of the property to the south spoke, it made him wonder what could be proposed for that site.

Rettew felt that it depends on how one defines the nature of the neighborhood. He was sad to lose the open space. If the comprehensive guide plan determines the nature of the neighborhood to be medium-density and that there is a need for affordable housing, then the proposal has done a great job in designing affordable housing that has character like front porches, a barn, and is in close proximity to transit. Affordable housing provides housing for teachers and police officers. There is a need for that. Given the comprehensive guide plan, the developer has done a masterful job incorporating the input from a year ago and coming back with a new plan.

Calvert concurred. Change is hard, but there is a need for affordable housing and opportunities for young families to move into the area. Housing costs are very expensive in the city. This gives single professionals and young people a chance to move into a wonderful community with amenities located close by, an adjacent park, and dining facilities across the street. It is sad to lose the green space, but it is an attractive building and it does meet the goals of the comprehensive guide plan.

Magney echoed Calvert. He appreciated the developer listening to the comments from a year ago and scaling down the building and number of units. He likes the looks of it. It would fit in with the neighborhood. It would help meet the city’s affordable housing goals. He supports the proposal.

Chair Kirk concurred. He appreciates when community members research the projects. He trusts staff to check the slopes and structural aspects. The scale and mass of the building was reduced and the architecture has been articulated to fit in with residential housing. The architectural elements come with a price. He supports the proposal.

Odland moved, second by Knight, to recommend that the city council adopt the following with modifications provided in the change memo dated May 7, 2015:

- An ordinance on pages A53-A56 of the staff report rezoning the existing property from R-1, low-density residential, to PUD, planned unit development, and adopting a master development plan for Music Barn Apartments.
• A resolution on pages A57-A66 of the staff report approving final site and building plans for the Music Barn Apartments.

Odland, Rettew, Calvert, Knight, Magney, and Kirk voted yes. O’Connell was absent. Motion carried.

This item is tentatively scheduled to be reviewed by the city council at its meeting May 18, 2015.

9. Adjournment

Knight moved, second by Calvert, to adjourn the meeting at 9:15 p.m. Motion carried unanimously.

By: ____________________________

Lois T. Mason
Planning Secretary
City Council Agenda Item #14B
Meeting of May 18, 2015

Brief Description: 2016–2020 Capital Improvements Program (CIP)

Recommended Action: Adopt the resolution

Background

As stewards of the city of Minnetonka’s assets, our core responsibilities include ensuring that we preserve what we have – our streets, utilities, parks, facilities and equipment – and continue to position the city for the future – our Strategic Vision of what we will become and how we will work. The Capital Improvements Program (CIP) is the city’s plan to provide and maintain facilities and major equipment for the citizens and businesses of Minnetonka within the constraints of limited resources.

Similar to the annual operating budget, the CIP is a policy document. While it details capital expenditures in the city of Minnetonka over the next five years, changes in the city’s priorities and available resources require that the plan be reevaluated on an annual basis.

The city council held a study session on April 27, 2015, to discuss aspects of the five-year plan and to provide additional direction. As in the past years, the recommended CIP continues to be consistent with the city’s capital improvement policy, which establishes funding priorities for projects that: (1) contribute to the public health and safety, (2) maintain an existing system or make it more efficient, and (3) expand public services.

What the CIP funds

The recommended 2016-20 CIP funds $111.6 million of capital projects over the next five years. This amount is over five percent higher than last year’s CIP, and reflects the city’s ongoing commitment to needed road and storm sewer infrastructure improvements as well as increasing requirements of aging water and sewer utility systems that must be positioned to accommodate the city’s current and future needs.

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While streets continue to be the largest city investment, still accounting for not quite half of the total five-year CIP, beginning last year water, sewer and storm water infrastructure has become the other most significant outlay within the capital program. Annual street improvement funding and much of the major water, sewer and storm water expenditures vary with project scheduling. Projects include: Grays Bay Boulevard and Libbs Lake area streets and storm sewer improvements in 2016; Opus Light Rail Transit (LRT) area improvements beginning 2016 with additional major work in 2017 and 2019; and significant investments in the roads and utilities of the Ridgedale Mall area, including Cartway (2016), Plymouth Road (2017) and Ridgedale Drive (2019). This CIP also includes significant funding for the necessary completion of all lining of sewer force main pipes that flow from the Williston lift station and the city’s main lift station, where only emergency linings were completed in 2013 and 2014.

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2016-20 CIP

- Streets: 44%
- Utilities: 31%
- Equipment: 15%
- Parks & Rec: 7%
- Buildings: 3%
Higher funding over last year’s CIP for buildings reflects needed maintenance and renovations to several fire stations plus a second year of a plan to renew functional interior components of City Hall and the Community Center that have exceeded their life cycle effectiveness.

**How the CIP is funded**

<table>
<thead>
<tr>
<th>CIP Funding Sources</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>49%</td>
</tr>
<tr>
<td>User Fees</td>
<td>35%</td>
</tr>
<tr>
<td>Other City</td>
<td>8%</td>
</tr>
<tr>
<td>Non-City</td>
<td>8%</td>
</tr>
</tbody>
</table>

Almost one-half of the recommended CIP is financed with property taxes, which will grow modestly during the next five years. Local taxes traditionally support investments in streets, parks and trails, public buildings and equipment. Steady, modest tax growth is consistent with the city’s long term financial plan to protect city assets as well as with the city’s Strategic Vision, and avoids the higher costs of deferred maintenance.

As has been past practice, a portion of the property tax resources includes monies transferred over the five years from the general fund balance as provided by the council’s policy for determining adequate fund balances. Per Council Policy 2.13, amounts in the balance’s Budget Stabilization Reserve above forty percent of the following year’s operating budget may be considered available to be transferred and appropriated by the council for capital needs.
By the end of 2015, the general fund balance is conservatively projected to have around $3.7 million in funds above the minimum required to meet the forty-percent threshold. The 2016-20 CIP anticipates transferring for capital expenditures nearly $3.3 million of that total over the five years. This includes funds above the threshold realized in past years and already programmed in the current 2015-19 CIP. The remainder will ensure there is adequate fund balance to meet needs over that period for projected rising operating costs in the general fund.

The next largest share of the CIP is funded through user fees, which pay for all water, sewer and storm drainage utility projects. In addition, the franchise fees on customer electric utility bills fund the city’s program to bury utility lines along major roadways and to retrofit city street lights with energy efficient technology. Further, the franchise fees on customer cable service bills fund a majority of communication technology and electronic infrastructure.

Due to the improving but continued slower than historic rates of return on investments, less than two percent of total resources continue to be from earnings in the Community Investment Fund (CIF). These funds are allocated in the CIP for the last two years of the Minnehaha Creek Corridor project (2016, 2017) and payback (2018-2019) of an interfund loan being spent this year, 2015, to make the city’s ice arena compliant with the federal Environmental Protection Agency (EPA) standard for refrigerants that becomes effective in 2020. There are a number of significant projects for potential future use of the CIF that continue to be included as unfunded in the budget should resources become available in the future.

Non-city funds are from the city’s allocation of the state fuel sales tax, along with the city of Hopkins and Hopkins School District partnerships.

**2016-20 CIP Highlights**

**Road improvement projects.** In addition to nearly $23 million dedicated over the five years of the CIP to *local street rehabilitation* and *local street preservation*, the 2016-20 CIP dedicates significant funding to several critical road improvement projects. Major road, infrastructure, lighting, and pedestrian/biking improvements are planned for the **Ridgedale area** ($15.7 million), **Opus Area** ($16.2 million), and **Southwest Light Rail Transit (LRT) area near the Shady Oak Station** ($1.5 million). While portions of these projects were previously included in prior capital budgets, they had remained mostly unfunded. Now they are primarily financed with the city’s own revenue sources, but nonetheless, several funding partnerships will continue to be pursued, and should the Minnesota Legislature ever pass legislation permitting the establishment of municipal street improvement districts, this additional tool would be available as a potential funding source for the projects.
**Water, sanitary sewer and storm water utilities.** Deliberations of the city council during two study sessions in 2014 resulted in the adoption of a long-term bonding and user rate plan to support the capital costs required to keep the city’s critical water and sanitary sewer infrastructure systems in appropriate working order. 2015 is the first year of the proactive capital plan, which includes water main replacements and the sale of revenue bonds planned for later this year. Beginning with the second year into the plan, the 2016-20 CIP includes funding for necessary and expensive sewer force main lining, key sustainability improvements recommended by our engineering consultant, and complete utility water main replacement, new storm sewer and road reconstruction for the **first of three priority targeted areas**, Gray’s Bay Boulevard/Minnetonka Boulevard/Oakland Road.

Due to significantly higher than anticipated costs for the water, sanitary and storm sewer replacement and improvements for all three of the initial priority targeted areas, which include the aforementioned area as well as the Tonka-Woodcroft neighborhood and Groveland Road/Bay Street local street improvement areas, the latter two areas have been moved to years beyond this five-year CIP horizon. Staff plans to update the analysis of the long term capital plan for the water and sanitary sewer systems and its related financial blueprint. An updated plan will be presented to council along with utility rates and bonding options before the final 2017 budget is adopted. Approved utility rates will remain for now as discussed at the 2014 council study sessions.

The 2016-20 CIP also finances costs to implement a new initiative developed by staff to **assess the risk of storm sewer system failure and related damages**. The two-step approach will identify high-risk portions of the city’s storm sewer system that should be targeted for inspection and/or replacement. The new system will proactively address Minnetonka’s topography and proximity to several creek watersheds that necessitate the development and maintenance of a substantial and effective storm sewer system that will protect properties, maintain the integrity of the city’s streets, and meet state and federally mandated water quality control requirements. Budget amounts will be further refined in 2015 as data becomes available.

**Public Safety.** In addition to financing the regular and ongoing replacement of critical equipment such as police patrol vehicles and expensive public safety technology, the 2016-20 CIP highlights funding for three other significant public safety capital initiatives. The first realigns the **structure of the city’s fire department apparatus** to meet its current deployment and operations model. The revised configuration fully takes into account the city’s duty crews, mutual aid agreements and call box alarm system without impacting the city’s high ISO (Insurance Services Office) rating.

The capital plan also provides $200,000 each year over the five years from the Utility Fund for a city program to assume **responsibility for operating and maintaining private fire hydrants located in Minnetonka**. As the program moves forward, staff will propose to the council revisions to ordinances needed to enact the program. The
budgeted funds will pay for inspection of the 564 private hydrants as well as repairing those that are found not to be in working order.

Finally, the 2016-20 CIP addresses some significant deficiencies in several key public safety facilities. Because staff has determined that maintaining the existing five fire station locations is the most feasible and financially responsible for the long term, the CIP finances critical repairs to a building wall and the insulation system of Fire Station #2 and interior upgrades to Fire Station #3. Additionally, the capital plan includes funding for a formal needs study to identify key improvements for the central public safety facilities at the Civic Center campus of the fire and police departments to address current day operations. The operational demands on the campus facilities have changed significantly since they were built in 1975 and 1989, respectively. The study will assess options given current configurations, location impediments and opportunities, as well as provide greater details with cost estimates for future capital improvement discussions.

**Recreational Facilities.** Recreational amenities to fulfill the needs of all current residents and to attract and retain future residents as articulated in the city’s Strategic Vision are a core component of Minnetonka’s assets. In addition to a major renovation of Ice Arena A with construction to be completed this year, last year’s CIP introduced two new project concepts for consideration in the development of the city’s capital plan. The 2016-20 CIP reflects a continuation and/or follow-up for all three of those projects.

As adopted by council in the 2015 budget, $1.7 million to replace refrigeration and dasher board systems for Ice Arena A is being funded initially from the Special Assessment Construction Fund and will be repaid back by the Community Investment Fund (CIF) as dollars become available. The payback is incorporated in the 2016-20 CIP. Staff is confident that the project meets all the requirements for use of the CIF, and hearings for use of the CIF will be scheduled over the next few months.

Results from a yet-to-be completed feasibility study this year for the replacement of the existing Glen Lake Activity Center (GLAC) will seek to address a current shortage of recreational programming space needs. Depending upon the results of the study including adequate site capacity, programming concepts and cost estimates, introduction of this potential project would also be incorporated into the continuing work on the Glen Lake village area study. The 2016-20 CIP includes an unfunded placeholder in the budget for 2018 anticipated to be financed by the Community Investment Fund if monies were to become available. A preliminary cost estimate is scheduled for completion by mid-June.

As with the previously adopted CIP, this year’s five-year capital plan continues to include monies from the Parks & Trails Fund in 2016 to conduct a study to determine the feasibility of converting the existing regulation baseball field at Big Willow Park from natural to artificial turf. And, a second phase of funding would be included to add an outdoor skating facility to the same space. All funding for both phases of any final
projects is dependent upon finding the financial resources to support them, including the successful application and award of Hennepin County Youth Sports Grants. The Community Investment Fund is noted as the city’s resource, although the projects are presently listed as unfunded.

**Other CIP highlights.** Numerous critical and important projects are also included in the plan, which amongst other things improve the city’s energy conservation and ensure appropriate maintenance and updating of the city’s backbone facility that is City Hall.

The 2016-20 capital plan includes **energy efficiency LED retrofit projects** in conjunction with the major road projects in the Ridgedale and Opus LRT areas, which will be funded by the city’s electric franchise fee revenue. Others retrofits to be completed between 2016 and 2018 include: North CR101 with the Grays Bay Marina parking lot, Minnetonka Boulevard and CR101 area, signal lights above traffic semaphores, Civic Center parking lots and Williston Road thruway, parking lots in city parks, and select lighting in the Glen Lake area.

And finally, the 2016-20 CIP includes the second year of funding a refurbishment and ongoing maintenance plan for **Minnetonka City Hall and the Community Center**, which are vital for local government services, the public and city staff. The plan includes phased refurbishment of these facilities and, in particular, infrastructure components that have reached and exceeded their life-cycle effectiveness. Due to limited resources, only the first year updates to the general services area of city hall are funded. The remaining unfunded projects include enhancements to the building office layout, security, furnishings, and technology. Other areas that are in need of updating include the recreation department lobby, public restrooms, and meeting rooms. Staff anticipates seeking additional dollars for the remainder of the projects as funding becomes available in future years.

**Recommendation**

As always, the proposed CIP reflects previous council direction, and addresses the capital priorities of the city of Minnetonka in a prudent and cost effective manner. This responsible approach preserves the city’s outstanding financial condition, as reflected in the Aaa bond rating and reasonable tax and utility rates. Staff recommends approval of the resolution adopting the 2016-20 Capital Improvements Program.

Submitted through:
- Geralyn Barone, City Manager
- Perry Vetter, Assistant City Manager

Originated by:
- Merrill King, Finance Director
Resolution No. 2015-

Resolution Adopting the 2016-2020 Capital Improvements Program

Be it resolved by the City Council of the City of Minnetonka, Minnesota as follows:

Section 1. Background.

1.01. The preliminary 2016-2020 Capital Improvements Program was presented to the City Council for its consideration on April 27, 2015.

1.02. As a result of that review, it was concluded that the preliminary Capital Improvements Program provides for an effective and orderly allocation of resources for the community’s needs.

Section 2. Council Action.

2.01. That the 2016-2020 Capital Improvements Program as presented and discussed by the City Council on April 27, is hereby adopted.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 18, 2015.

______________________________
Terry Schneider, Mayor

ATTEST:

______________________________
David E. Maeda, City Clerk

Action on this resolution:

Motion for adoption: 
Seconded by: 
Voted in favor of: 
Voted against: 
Abstained: 
Absent: 
Resolution adopted.
I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on.

________________________________________
David E. Maeda, City Clerk
City of Minnetonka Capital Improvement Program 2016–2020

Adopted May 18, 2015

"Reflections" by Gloria Tews at the Minnetonka Community Center
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<td>Athletic Field Improvements</td>
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<td>Burwell House</td>
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<td>Upper Minnehaha Creek Corridor</td>
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<td>Park Investment Plan</td>
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<td>Oakhaven Park Phase II</td>
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<tr>
<td>Trail Improvement Plan</td>
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<td>Trail Segments - Unscheduled</td>
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<td>Trail Rehabilitation</td>
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<td>Trail Connections-Miscellaneous</td>
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<td>Purgatory Park Improvements</td>
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<td>Big Willow Park Enhancements</td>
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<td>Ridgedale Area Park Improvements - Unfunded</td>
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<tr>
<td>Dump/Plow Truck Replacements</td>
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<tr>
<td>Fleet Vehicles</td>
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<tr>
<td>Rubber-Tired Loader</td>
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<tr>
<td>Sidewalk &amp; Trail Maintenance Vehicle</td>
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<tr>
<td>Street Sweeper</td>
<td>6-5</td>
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<tr>
<td>Excavator</td>
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<tr>
<td>Aerial Bucket Truck</td>
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<tr>
<td>Electric Ice Resurfacer</td>
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<tr>
<td>Skidsteer</td>
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<tr>
<td>Patch Truck</td>
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<tr>
<td>Sewer Jetter</td>
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<td>Vacuum Sewer Cleaner</td>
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<td>Street Flusher Truck</td>
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<td>Fuel Pump &amp; Leak Detection Replacement</td>
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<td>Pumper Truck Replacement</td>
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<td>Fire JPA SCBA Program</td>
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<td>Air 2 Refurbishment</td>
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<td>Fire Technology Update</td>
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<td>Rescue Truck Program</td>
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<td>Body Cameras</td>
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<td>Microwave Radios</td>
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<td>Ballistic Tactical Vests</td>
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<td>PSAP VoIP Servers</td>
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<td>800 MHz Portable Radios</td>
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<tr>
<td>800 MHz Mobile Radios</td>
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<td>Emergency Response Vehicle</td>
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<td>Audio/Visual Equipment Replacement</td>
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<td>Technology Infrastructure</td>
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Enclosures:
Trail System Map
Proposed Local Street Construction Map
Capital Improvements Policy

The Capital Improvements Program (CIP) is the city’s five-year plan to provide and maintain public facilities for the citizens and businesses of Minnetonka, balanced against the constraint of available resources.

Funding Priorities

Reinvestment for the replacement, maintenance or increased efficiency of existing systems will have priority over the expansion of existing systems or the provision of new facilities and services. Priority rankings include:

1. Projects necessary for public health and safety, or to meet legal mandates.
2. Projects which help maintain or make existing systems more efficient. Cost-benefits and coordination with related projects will be considered.
3. Projects expanding existing systems, providing new services, or for general community betterment.

Planning Principles

- The CIP will support achievement of the city’s long-term Strategic Goals.
- The CIP will be updated annually to reflect changing capital needs for new construction and maintenance of the city’s substantial investments in streets, utilities, parks, buildings and equipment.
- Development of the CIP will be consistent with the annual operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- Fund balance guidelines will be established for each capital fund, and will reflect the type of fund, subsequent-year budget needs, annual cash flow requirements, replacement reserves and potential contingencies. The guidelines will be used to responsibly manage balances over the five-year planning horizon.
### Table I

**Capital Improvements Program**  
**2016-2020**

**EXPENDITURES BY PROGRAM CATEGORY & METHOD OF FINANCING**

<table>
<thead>
<tr>
<th>Program Category</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>TOTAL</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Municipal Buildings</strong></td>
<td>$1,385,000</td>
<td>$435,000</td>
<td>$518,000</td>
<td>$675,000</td>
<td>$475,000</td>
<td>$3,488,000</td>
<td>3.1%</td>
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<tr>
<td><strong>Recreational Facilities</strong></td>
<td>$489,500</td>
<td>$344,500</td>
<td>$1,069,500</td>
<td>$1,029,500</td>
<td>$989,500</td>
<td>$3,922,500</td>
<td>3.5%</td>
</tr>
<tr>
<td><strong>Parks, Trails and Open Space</strong></td>
<td>$1,084,000</td>
<td>$1,149,000</td>
<td>$490,000</td>
<td>$795,000</td>
<td>$575,000</td>
<td>$4,093,000</td>
<td>3.7%</td>
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<tr>
<td><strong>Major Equipment</strong></td>
<td>$3,548,100</td>
<td>$3,162,900</td>
<td>$3,685,800</td>
<td>$3,091,400</td>
<td>$2,923,200</td>
<td>$16,411,400</td>
<td>14.7%</td>
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<td><strong>Street Improvements</strong></td>
<td>$10,810,000</td>
<td>$12,565,000</td>
<td>$5,870,000</td>
<td>$15,825,000</td>
<td>$4,475,000</td>
<td>$49,545,000</td>
<td>44.4%</td>
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<tr>
<td><strong>Storm Drainage Improvements</strong></td>
<td>$3,300,000</td>
<td>$1,300,000</td>
<td>$1,400,000</td>
<td>$1,600,000</td>
<td>$1,200,000</td>
<td>$8,800,000</td>
<td>7.9%</td>
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<tr>
<td><strong>Water &amp; Sewer System Imp</strong></td>
<td>$8,423,000</td>
<td>$4,971,000</td>
<td>$4,757,000</td>
<td>$5,285,000</td>
<td>$1,895,000</td>
<td>$25,331,000</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$29,039,600</td>
<td>$23,927,400</td>
<td>$17,790,300</td>
<td>$28,300,900</td>
<td>$12,532,700</td>
<td>$111,590,900</td>
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<td><strong>Hennepin County Road Projects</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
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</table>

| **Method of Financing**                 |          |          |          |          |          |           |           |
| **City Funding**                        |          |          |          |          |          |           |           |
| Property Taxes †                        | $11,938,000 | $12,949,000 | $8,454,000 | $13,704,300 | $7,861,400 | $54,906,700 | 49.2%     |
| User Fees                               | $12,873,600 | $7,059,800 | $7,223,100 | $7,520,100 | $3,787,300 | $38,936,300 | 34.9%     |
| Community Investment Fund               | $250,000   | $150,000  | $500,000  | $500,000  | $500,000  | $1,900,000  | 1.7%      |
| Other **                                | $1,893,700  | $2,181,100 | $1,042,200 | $1,494,000 | $313,000  | $6,924,000  | 6.2%      |
| **Subtotal City Funding**               | $26,955,300 | $22,339,900 | $17,719,300 | $23,218,400 | $12,461,700 | $102,694,600 | 92.0%     |
| **Other Funding**                       |          |          |          |          |          |           |           |
| Municipal State Aid                     | $2,000,000  | $1,500,000 | $0       | $5,000,000 | $0       | $8,500,000  | 7.6%      |
| Other ***                               | $84,300    | $87,500   | $71,000   | $82,500   | $71,000   | $396,300    | 0.4%      |
| **Subtotal Other Funding**              | $2,084,300  | $1,587,500 | $71,000   | $5,082,500 | $71,000   | $8,896,300  | 8.0%      |
| **Total Method of Financing**           | $29,039,600 | $23,927,400 | $17,790,300 | $28,300,900 | $12,532,700 | $111,590,900 | 100.0%    |

† Amounts are budgeted costs, not levy levels.  
* Includes city portions of Hennepin County road projects.  
** Includes franchise fees, Development Fund, Grants and forfeiture/seizure fines.  
*** Includes funds from the City of Hopkins, Minnetonka School District, Hennepin County and Hopkins School District.
## Table II
### CIP 2016-2020
### CAPITAL REPLACEMENT FUND
#### Funding Sources and Expenditure Projections

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<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<th>2020</th>
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<tr>
<td>Auction Proceeds</td>
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<td><strong>Total Funding Sources</strong></td>
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<td>$1,775,000</td>
<td>$2,082,000</td>
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</table>

|                      |          |          |          |          |          |          |
| **Expenditures**     |          |          |          |          |          |          |
| Municipal Buildings  |          |          |          |          |          |          |
| Energy Conservation Measures | $20,000 | $20,000 | $0       | $0       | $15,000  |          |
| Miscellaneous Building Components | 150,000 | 125,000 | 100,000  | 300,000  | 150,000  |          |
| Building Roof Replacements | 140,000 | 70,000   | 200,000  | 150,000  | 150,000  |          |
| Alarm Panel Upgrades | 30,000   | 30,000   | 30,000   | 30,000   | 30,000   |          |
| Building Automation Replacement | 165,000 | 110,000  | 37,500   | 150,000  | 100,000  |          |
| Civic Center Improvements | 200,000 | 50,000   | 30,000   |          |          | $600,000 |
| Public Safety Space Needs Study | 50,000   |          |          |          |          |          |
| Fire Station Refurbishment | 600,000 |          |          |          |          |          |
| Salt Dome Panels     | 50,000   |          |          |          |          |          |
| Recreation Facilities |          |          |          |          |          |          |
| Lindbergh Center Improvements | $29,000 | $29,000  | $29,000  | $29,000  | $29,000  |          |
| Equipment            |          |          |          |          |          |          |
| Dump/Plow Truck Replacements | $502,000 | $258,500 | $266,300 | $548,600 | $300,100 |          |
| Fleet Vehicles       | 662,300  | 511,900  | 604,600  | 459,500  | 690,800  |          |
| Patch Truck          | 228,500  |          |          |          |          |          |
| Skidsteer            | 50,700   | 78,800   |          |          |          |          |
| Aerial Bucket Truck  | 162,700  |          |          |          |          |          |
| Sidewalk & Trail Maintenance Vehicle | 79,000 | 79,000   |          |          |          |          |
| Fuel Pump & Leak Detection Replacement | 50,000   |          |          |          |          |          |
| Street Flusher Truck | 183,600  |          |          |          |          |          |
| **Total Expenditures** | $2,548,300 | $1,483,600 | $1,588,900 | $1,746,100 | $1,777,500 | $600,000 |

| Surplus (deficiency) of funding sources over (under) expenditures | ($605,300) | $98,400 | $221,100 | $28,900 | $304,500 |

| Estimated Beginning Fund Balance | 407,689 | (197,611) | (99,211) | 121,889 | 150,789 |

| Estimated Ending Fund Balance | ($197,611) | ($99,211) | $121,889 | $150,789 | $455,289 |

| Fund Balance Guideline | $370,900 | $397,200 | $436,500 | $444,400 | $457,200 |
### Funding Sources

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
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<tbody>
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<td>Tax Levy</td>
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<td>$550,000</td>
<td>$550,000</td>
<td>$550,000</td>
<td>$750,000</td>
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<td>Other, incl. Transfers In</td>
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<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
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<tr>
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<td><strong>$652,000</strong></td>
<td><strong>$851,000</strong></td>
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### Expenditures

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<tr>
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<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020</th>
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<tbody>
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<td>800 Mhz Mobile Radios</td>
<td>$143,000</td>
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<tr>
<td>Emergency Response Vehicle</td>
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<tr>
<td>800 Mhz Portable Radios</td>
<td>422,200</td>
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<td>$16,100</td>
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<td>Body Cameras</td>
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<tr>
<td>Fire Technology Updates</td>
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<td>$50,000</td>
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<td>Fire Rescue Equipment</td>
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<td>Rescue Truck Program</td>
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<td>Fire JPA SCBA Program</td>
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<td>Pumper Truck Replacement</td>
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<td>$465,000</td>
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<td>Ballistic Tactical Vests</td>
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<td>$30,000</td>
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<td>Microwave Radios</td>
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<td>Air 2 Refurbishment</td>
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<td>$332,600</td>
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<td>Police In-Car Video System</td>
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<tr>
<td>Public Safety Space Needs</td>
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<table>
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<tr>
<th>Description</th>
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<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus (deficiency) of funding sources over (under) expenditures</td>
<td>$160,800</td>
<td>($225,600)</td>
<td>$71,000</td>
<td>$54,400</td>
<td>$306,000</td>
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<tr>
<td><strong>Estimated Beginning Fund Balance</strong></td>
<td>158,690</td>
<td>319,490</td>
<td>93,890</td>
<td>164,890</td>
<td>219,290</td>
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<tr>
<td><strong>Estimated Ending Fund Balance</strong></td>
<td>$319,490</td>
<td>$93,890</td>
<td>$164,890</td>
<td>$219,290</td>
<td>$525,290</td>
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<table>
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<th>Description</th>
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<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020</th>
</tr>
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<tbody>
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<td>Fund Balance Guideline</td>
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**Table IV**

**CIP 2016-2020**

COMMUNITY INVESTMENT FUND

Funding Sources and Expenditure Projections

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
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<tbody>
<tr>
<td><strong>Funding Sources</strong></td>
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<tr>
<td>Interest on Investments</td>
<td>$200,000</td>
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<tr>
<td>Other Revenue*</td>
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<td><strong>Total Funding Sources</strong></td>
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<td><strong>$457,500</strong></td>
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<td>Projects of General Public Benefit:</td>
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<tr>
<td>Upper Minnehaha Creek Corridor</td>
<td>$250,000</td>
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<tr>
<td>Ice Arena Improvements</td>
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<td>500,000</td>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td>Park &amp; Open Space Purchases</td>
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<td>Trail Improvement Plan</td>
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<td>1,400,000</td>
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<tr>
<td>Glen Lake Activity Center Facility</td>
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<tr>
<td>Big Willow Park Enhancements</td>
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<td>1,600,000</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$250,000</strong></td>
<td><strong>$150,000</strong></td>
<td><strong>$500,000</strong></td>
<td><strong>$500,000</strong></td>
<td><strong>$500,000</strong></td>
<td><strong>$18,800,000</strong></td>
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<td>Surplus (deficiency) of funding sources over (under) expenditures</td>
<td>$107,500</td>
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<td>$(92,500)</td>
<td>$(67,500)</td>
<td>$(42,500)</td>
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<tr>
<td><strong>Estimated Beginning Fund Balance</strong></td>
<td>$19,945,909</td>
<td>$20,053,409</td>
<td>$20,285,909</td>
<td>$20,193,409</td>
<td>$20,125,909</td>
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<tr>
<td><strong>Estimated Ending Fund Balance</strong></td>
<td><strong>$20,053,409</strong></td>
<td><strong>$20,285,909</strong></td>
<td><strong>$20,193,409</strong></td>
<td><strong>$20,125,909</strong></td>
<td><strong>$20,083,409</strong></td>
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<tr>
<td>Required Fund Balance</td>
<td>19,843,858</td>
<td>19,863,858</td>
<td>19,886,358</td>
<td>19,911,358</td>
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<td><strong>Available Ending Fund Balance</strong></td>
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<td><strong>$307,052</strong></td>
<td><strong>$214,552</strong></td>
<td><strong>$144,552</strong></td>
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* Other Revenue is $63,000 annually transferred in from the General Fund until the year 2048 for ownership conveyance of the Arts Center on 7 to the Minnetonka Independent School District in 2010 (a cumulative $2.4 million total cost beginning 2009); and $94,500 annually from the Williston Center Fund over ten years for repayment of a portion of the Williston Center improvement project constructed in 2010-11.
### Table V
**CIP 2015-2019**

**WILLISTON CENTER FUND**

*Funding Sources and Expenditure Projections*

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership Fees</td>
<td>$1,480,000</td>
<td>$1,591,000</td>
<td>$1,591,000</td>
<td>$1,591,000</td>
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<tr>
<td>Tennis Court Fees</td>
<td>682,500</td>
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<td>682,500</td>
<td>716,600</td>
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<tr>
<td>Other Fees</td>
<td>309,000</td>
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<td>309,000</td>
<td>331,000</td>
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<tr>
<td>Miscellaneous Revenue</td>
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<tr>
<td>Interest on Investments</td>
<td>2,500</td>
<td>3,000</td>
<td>4,000</td>
<td>4,000</td>
<td>5,000</td>
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<tr>
<td><strong>Total Funding Sources</strong></td>
<td><strong>$2,574,000</strong></td>
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<td><strong>$2,686,500</strong></td>
<td><strong>$2,742,600</strong></td>
<td><strong>$2,862,900</strong></td>
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<table>
<thead>
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<th>Expenditures</th>
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<th></th>
</tr>
</thead>
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<tr>
<td>Operating Expenditures</td>
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<td>Operating Expenses</td>
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<tr>
<td><strong>Subtotal Operating Expenditures</strong></td>
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<td><strong>$2,257,100</strong></td>
<td><strong>$2,331,600</strong></td>
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<td>Capital Expenditures</td>
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<tr>
<td>Williston Center Improvements</td>
<td>$349,500</td>
<td>$194,500</td>
<td>$469,500</td>
<td>$394,500</td>
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<tr>
<td><strong>Subtotal Capital Expenditures</strong></td>
<td><strong>$349,500</strong></td>
<td><strong>$194,500</strong></td>
<td><strong>$469,500</strong></td>
<td><strong>$394,500</strong></td>
<td><strong>$389,500</strong></td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$2,464,700</strong></td>
<td><strong>$2,379,500</strong></td>
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<td><strong>$2,798,100</strong></td>
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<tr>
<td>Surplus (deficiency) of funding sources over (under) expenditures</td>
<td>$109,300</td>
<td>$306,000</td>
<td>$(40,100)</td>
<td>$16,500</td>
<td>$64,800</td>
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</tr>
</tbody>
</table>

**Estimated Beginning Cash Reserve**  

| Estimated Ending Cash Reserve        | $1,195,002 | $1,501,002 | $1,460,902 | $1,477,402 | $1,542,202 |          |

**Cash Reserve Target - 20% Accumulated Depreciation & 3 mos. WC**

| % of Target Achieved | 96.2% | 114.0% | 104.9% | 100.7% | 100.0% |          |

2-5
### Table VI
**CIP 2016-2020**
**PARK & TRAIL IMPROVEMENT FUND**
**Funding Sources and Expenditure Projections**

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Levy</td>
<td>$560,000</td>
<td>$560,000</td>
<td>$560,000</td>
<td>$560,000</td>
<td>$560,000</td>
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<td>Misc. Income (includes Field Fees)</td>
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<tr>
<td>Park Dedication Fees</td>
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<tr>
<td>Interest on Investments</td>
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<tr>
<td><strong>Total Funding Sources</strong></td>
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<table>
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<tr>
<th>Expenditures</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
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<tr>
<td>Burwell House/City Housing</td>
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<tr>
<td>Park Investment Plan</td>
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<td>175,000</td>
<td>125,000</td>
<td>150,000</td>
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<tr>
<td>Trail Improvement Plan</td>
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<tr>
<td>Trail Rehabilitation</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
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</tr>
<tr>
<td>Miscellaneous Trail Connections</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
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<td></td>
</tr>
<tr>
<td>Athletic Field Improvements</td>
<td>95,000</td>
<td>85,000</td>
<td>20,000</td>
<td>270,000</td>
<td>20,000</td>
<td>$140,000</td>
</tr>
<tr>
<td>Oakhaven Park Phase II</td>
<td>70,000</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Big Willow Park Enhancements</td>
<td>75,000</td>
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<td>Shady Oak Beach Improvements</td>
<td>26,700</td>
<td>33,500</td>
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<td>23,500</td>
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<tr>
<td>Purgatory Park Improvements</td>
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<td>Energy Conservation Measures</td>
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<td>15,000</td>
<td>15,000</td>
<td></td>
<td></td>
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<tr>
<td>Building Automation Replacement</td>
<td></td>
<td></td>
<td></td>
<td>35,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opus Area LRT - Infrastructure</td>
<td></td>
<td></td>
<td>250,000</td>
<td></td>
<td>250,000</td>
<td></td>
</tr>
<tr>
<td>Ridgedale Area Park Improvements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td>Trail Segments - Unfunded</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11,235,000</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$631,700</strong></td>
<td><strong>$878,500</strong></td>
<td><strong>$630,500</strong></td>
<td><strong>$673,500</strong></td>
<td><strong>$665,000</strong></td>
<td><strong>$11,875,000</strong></td>
</tr>
</tbody>
</table>

| Surplus (deficiency) of funding sources over (under) expenditures | 9,900 | (236,400) | 12,100 | (30,400) | (21,400) |          |

| Estimated Beginning Fund Balance | 581,020 | 590,920 | 354,520 | 366,620 | 336,220 |          |

| Estimated Ending Fund Balance | **$590,920** | **$354,520** | **$366,620** | **$336,220** | **$314,820** |          |

| Reserve for Athletic Field Capital Maintenance | 60,170 | 68,770 | 77,370 | 85,970 | 94,570 |          |

| Available Ending Fund Balance | **$530,750** | **$285,750** | **$289,250** | **$250,250** | **$220,250** | **2** |

| Fund Balance Guideline | $219,625 | $157,625 | $158,035 | $162,710 | $173,960 |          |

---

1 Available balance excludes $250,000 reserved cash for Gray's Bay Causeway, which will not be expended until 2015 or later.
2 In addition to the unfunded projects within this table, an additional $375,000 is needed for the Park Investment Plan between 2020 and 2022.
Table VII
CIP 2016-2020
FORESTRY FUND
Funding Sources and Expenditure Projections

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Levy</td>
<td>$54,000</td>
<td>$54,000</td>
<td>$60,000</td>
<td>$60,000</td>
<td>$75,000</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td><strong>$56,000</strong></td>
<td><strong>$56,000</strong></td>
<td><strong>$62,000</strong></td>
<td><strong>$62,000</strong></td>
<td><strong>$77,000</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Emerald Ash Borer Program</td>
<td>$154,000</td>
<td>$154,000</td>
<td>$160,000</td>
<td>$160,000</td>
<td>$160,000</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$154,000</strong></td>
<td><strong>$154,000</strong></td>
<td><strong>$160,000</strong></td>
<td><strong>$160,000</strong></td>
<td><strong>$160,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Surplus (deficiency) of funding sources over (under) expenditures</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>($98,000)</td>
<td>($98,000)</td>
<td>($98,000)</td>
<td>($98,000)</td>
<td>($83,000)</td>
</tr>
</tbody>
</table>

| Estimated Beginning Fund Balance | 859,934 | 761,934 | 663,934 | 565,934 | 467,934 |
| Estimated Ending Fund Balance   | $761,934 | $663,934 | $565,934 | $467,934 | $384,934 |

| Fund Balance Guideline          | $38,500 | $40,000 | $40,000 | $40,000 | $41,200 |
### Table VIII

**CIP 2016-2020**  
**MUNICIPAL STATE AID FUND**  
**Funding Sources and Expenditure Projections**

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Allotment</td>
<td>$2,178,700</td>
<td>$2,178,700</td>
<td>$2,178,700</td>
<td>$2,178,700</td>
<td>$2,178,700</td>
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</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td>$2,178,700</td>
<td>$2,178,700</td>
<td>$2,178,700</td>
<td>$2,178,700</td>
<td>$2,178,700</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cartway Lane</td>
<td>$2,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plymouth Road</td>
<td>$1,500,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ridgedale Drive Improvements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plymouth Road (61) - Cedar Lake to Hillway</td>
<td>$4,100,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hopkins Crossroad (73) - Cedar Lake to I-394</td>
<td>6,700,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Future Major Road Projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>19,500,000</td>
</tr>
<tr>
<td><strong>Total Capital Expenditures</strong></td>
<td>$2,000,000</td>
<td>$1,500,000</td>
<td>$0</td>
<td>$5,000,000</td>
<td>$0</td>
<td>$30,300,000</td>
</tr>
</tbody>
</table>

| MSA Bond Debt Service*               | 174,794  | 170,263  | 165,575  | 185,325  | 173,809  |          |

| **Total Expenditures**               | $2,174,794 | $1,670,263 | $165,575 | $5,185,325 | $173,809 | $30,300,000 |

| Surplus (deficiency) of funding sources   |          |          |          |          |          |          |
| over (under) expenditures                | $3,906   | $508,437 | $2,013,125 | ($3,006,625) | $2,004,891 |          |

| Estimated Beginning Available Allotment  | 2,014,380 | 2,018,286 | 2,526,723 | 4,539,848 | 1,533,223 |          |

| Estimated Ending Available Allotment     | $2,018,286 | $2,526,723 | $4,539,848 | $1,533,223 | $3,538,114 |          |

* MSA bond debt service is for Shady Oak Road (Bren to Excelsior) project. Final payment for the $5.8 million project is due in 2024.
## Table IX
### CIP 2016-2020
### STREET IMPROVEMENT FUND
#### Funding Sources and Expenditure Projections

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funding Sources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Levy</td>
<td>$6,100,000</td>
<td>$6,300,000</td>
<td>$6,500,000</td>
<td>$6,700,000</td>
<td>$6,900,000</td>
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</tr>
<tr>
<td>Other</td>
<td>567,500</td>
<td>502,500</td>
<td>2,500</td>
<td>2,500</td>
<td>2,500</td>
<td></td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>25,000</td>
<td>10,000</td>
<td>10,000</td>
<td>5,000</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td>$6,692,500</td>
<td>$6,812,500</td>
<td>$6,512,500</td>
<td>$6,707,500</td>
<td>$6,922,500</td>
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</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Street Preservation</td>
<td>1,560,000</td>
<td>1,615,000</td>
<td>1,670,000</td>
<td>1,725,000</td>
<td>1,725,000</td>
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<tr>
<td>Local Street Rehabilitation</td>
<td>4,000,000</td>
<td>3,400,000</td>
<td>3,200,000</td>
<td>1,500,000</td>
<td>2,500,000</td>
<td>7,100,000</td>
</tr>
<tr>
<td>Opus Area LRT - Infrastructure</td>
<td>1,000,000</td>
<td>3,000,000</td>
<td>6,000,000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Cartway Lane</td>
<td>340,000</td>
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<td></td>
<td></td>
<td></td>
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<td>Plymouth Rd</td>
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<td>400,000</td>
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<tr>
<td>Shady Oak Area LRT - Infrastructure</td>
<td>800,000</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ridgedale Drive Improvements</td>
<td>400,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plymouth Rd/CR 61 (Cedar Lk Rd to Hilloway Rd)</td>
<td></td>
<td></td>
<td></td>
<td>$200,000</td>
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</tr>
<tr>
<td>Hopkins Crossroads/CR 73 (Cedar Lk Rd to I-394)</td>
<td></td>
<td></td>
<td></td>
<td>200,000</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$6,900,000</td>
<td>$9,215,000</td>
<td>$4,870,000</td>
<td>$9,625,000</td>
<td>$4,225,000</td>
<td>$7,500,000</td>
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<tr>
<td><strong>Surplus (deficiency) of funding sources over (under) expenditures</strong></td>
<td>($207,500)</td>
<td>($2,402,500)</td>
<td>$1,642,500</td>
<td>($2,917,500)</td>
<td>$2,697,500</td>
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<tr>
<td><strong>Estimated Beginning Fund Balance</strong></td>
<td>3,606,557</td>
<td>3,399,057</td>
<td>996,557</td>
<td>2,639,057</td>
<td>(278,443)</td>
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</tr>
<tr>
<td><strong>Estimated Ending Fund Balance</strong></td>
<td>$3,399,057</td>
<td>$996,557</td>
<td>$2,639,057</td>
<td>($278,443)</td>
<td>$2,419,057</td>
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<td>Fund Balance Guideline</td>
<td>$2,303,750</td>
<td>$1,217,500</td>
<td>$2,406,250</td>
<td>$1,056,250</td>
<td>$1,741,750</td>
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<tr>
<td>-----------------------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>Electric Franchise Fees</td>
<td>$813,000</td>
<td>$813,000</td>
<td>$813,000</td>
<td>$813,000</td>
<td>$813,000</td>
<td>$813,000</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>15,000</td>
<td>8,000</td>
<td>5,000</td>
<td>10,000</td>
<td>15,000</td>
<td>500,000</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td><strong>$828,000</strong></td>
<td><strong>$821,000</strong></td>
<td><strong>$818,000</strong></td>
<td><strong>$823,000</strong></td>
<td><strong>$828,000</strong></td>
<td><strong>$813,000</strong></td>
</tr>
<tr>
<td>Other Expenditures</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Subtotal Other Expenditures</td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$750,000</td>
<td>$1,650,000</td>
<td>$150,000</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Shady Oak Area LRT - Infrastructure</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Opus Area LRT - Infrastructure</td>
<td>100,000</td>
<td>$500,000</td>
<td>$400,000</td>
<td>$400,000</td>
<td>$400,000</td>
<td>$400,000</td>
</tr>
<tr>
<td>Ridgedale Drive Improvements</td>
<td>0</td>
<td>800,000</td>
<td>800,000</td>
<td>800,000</td>
<td>800,000</td>
<td>800,000</td>
</tr>
<tr>
<td>Subtotal Capital Expenditures</td>
<td><strong>$1,250,000</strong></td>
<td><strong>$1,850,000</strong></td>
<td><strong>$750,000</strong></td>
<td><strong>$1,200,000</strong></td>
<td><strong>$0</strong></td>
<td><strong>$0</strong></td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$1,260,000</strong></td>
<td><strong>$1,860,000</strong></td>
<td><strong>$760,000</strong></td>
<td><strong>$1,210,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
</tr>
<tr>
<td>Surplus (deficiency) of funding sources over (under) expenditures</td>
<td>($432,000)</td>
<td>($1,039,000)</td>
<td>$58,000</td>
<td>($387,000)</td>
<td>$818,000</td>
<td>$818,000</td>
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<tr>
<td>Estimated Beginning Fund Balance</td>
<td>2,282,196</td>
<td>1,850,196</td>
<td>811,196</td>
<td>869,196</td>
<td>482,196</td>
<td>482,196</td>
</tr>
<tr>
<td><strong>Estimated Ending Fund Balance</strong></td>
<td><strong>$1,850,196</strong></td>
<td><strong>$811,196</strong></td>
<td><strong>$869,196</strong></td>
<td><strong>$482,196</strong></td>
<td><strong>$1,300,196</strong></td>
<td><strong>$1,300,196</strong></td>
</tr>
</tbody>
</table>

ELECTRIC FRANCHISE FEES FUND
Funding Sources and Expenditure Projections
### Table XI
CIP 2016-2020
STORM WATER FUND
Funding Sources and Expenditure Projections

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
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</thead>
<tbody>
<tr>
<td>Storm Sewer Utility Fees</td>
<td>$2,453,400</td>
<td>$2,535,400</td>
<td>$2,620,100</td>
<td>$2,707,600</td>
<td>$2,798,100</td>
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<tr>
<td>Other Revenue</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td><strong>$2,454,400</strong></td>
<td><strong>$2,536,400</strong></td>
<td><strong>$2,621,100</strong></td>
<td><strong>$2,708,600</strong></td>
<td><strong>$2,808,100</strong></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenditures</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Operating Expenses</td>
<td>$683,600</td>
<td>$649,400</td>
<td>$668,100</td>
<td>$702,400</td>
<td>$724,000</td>
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<tr>
<td>Transfers</td>
<td>174,700</td>
<td>180,500</td>
<td>186,500</td>
<td>192,700</td>
<td>199,100</td>
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</tr>
<tr>
<td><strong>Subtotal Operating Expenditures</strong></td>
<td><strong>$858,300</strong></td>
<td><strong>$829,900</strong></td>
<td><strong>$854,600</strong></td>
<td><strong>$895,100</strong></td>
<td><strong>$923,100</strong></td>
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</tr>
<tr>
<td>Capital Expenditures</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Street Rehabilitation</td>
<td>2,500,000</td>
<td>800,000</td>
<td>1,000,000</td>
<td>800,000</td>
<td>1,000,000</td>
<td>4,100,000</td>
</tr>
<tr>
<td>Storm Sewer Risk Assessment</td>
<td>200,000</td>
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<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td>Cartway Lane</td>
<td>600,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shady Oak Area LRT - Infrastructure</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Plymouth Rd</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>McKenzie Point Rd Storm Sewer</td>
<td>100,000</td>
<td></td>
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<tr>
<td>Street Sweeper</td>
<td>202,600</td>
<td>229,000</td>
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</tr>
<tr>
<td>Opus Area LRT - Infrastructure</td>
<td></td>
<td></td>
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<tr>
<td>Vacuum Sewer Cleaner</td>
<td>282,200</td>
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<tr>
<td>Ridgedale Drive Improvements</td>
<td>600,000</td>
<td></td>
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<tr>
<td>Fleet Vehicles</td>
<td>57,400</td>
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</tr>
<tr>
<td>Plymouth Rd/CR 61 (Cedar Lk Rd to Hilloway Rd)</td>
<td>200,000</td>
<td></td>
<td></td>
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<tr>
<td>Hopkins Crossroad/CR 73 (Cedar Lk Rd to I-394)</td>
<td>200,000</td>
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<tr>
<td><strong>Subtotal Capital Expenditures</strong></td>
<td><strong>$3,300,000</strong></td>
<td><strong>$1,502,600</strong></td>
<td><strong>$1,911,200</strong></td>
<td><strong>$1,657,400</strong></td>
<td><strong>$1,200,000</strong></td>
<td><strong>$4,500,000</strong></td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$4,158,300</strong></td>
<td><strong>$2,332,500</strong></td>
<td><strong>$2,765,800</strong></td>
<td><strong>$2,552,500</strong></td>
<td><strong>$2,123,100</strong></td>
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<tr>
<td>Surplus (deficiency) of funding sources over (under) expenditures</td>
<td>($1,703,900)</td>
<td>$203,900</td>
<td>($144,700)</td>
<td>$156,100</td>
<td>$685,000</td>
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<tr>
<td><strong>Estimated Beginning Fund Balance</strong></td>
<td><strong>1,850,535</strong></td>
<td><strong>146,635</strong></td>
<td><strong>350,535</strong></td>
<td><strong>205,835</strong></td>
<td><strong>361,935</strong></td>
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<tr>
<td><strong>Estimated Ending Fund Balance</strong></td>
<td><strong>$146,635</strong></td>
<td><strong>$350,535</strong></td>
<td><strong>$205,835</strong></td>
<td><strong>$361,935</strong></td>
<td><strong>$1,046,935</strong></td>
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</tbody>
</table>

Cash Reserve Target -
5% accumulated depreciation & 3 mos. WC: $947,391, $1,037,926, $1,090,231, $1,139,411, $1,168,866
Percent target achieved: 15.5%, 33.8%, 18.9%, 31.8%, 89.6%
### Table XII
CIP 2016-2020
UTILITY FUND
Funding Sources and Expenditure Projections

#### Draft: 4/14/2015

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Proceeds</td>
<td>$5,118,400</td>
<td>$3,435,000</td>
<td>$0</td>
<td>$3,556,000</td>
<td>$6,189,700</td>
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<tr>
<td>Water Sales &amp; Sewer Services</td>
<td>12,667,600</td>
<td>13,367,500</td>
<td>14,106,100</td>
<td>14,885,400</td>
<td>15,707,900</td>
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<tr>
<td>Interest on Investments</td>
<td>74,500</td>
<td>86,700</td>
<td>92,500</td>
<td>64,800</td>
<td>72,500</td>
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<tr>
<td>Hookup Fees</td>
<td>400,000</td>
<td>165,000</td>
<td>170,000</td>
<td>175,100</td>
<td>180,400</td>
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<tr>
<td>Miscellaneous Income</td>
<td>362,200</td>
<td>369,000</td>
<td>375,900</td>
<td>383,000</td>
<td>390,300</td>
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<tr>
<td><strong>Total Funding Sources</strong></td>
<td>$18,622,700</td>
<td>$17,423,200</td>
<td>$14,744,500</td>
<td>$19,064,300</td>
<td>$22,540,800</td>
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#### Expenditures

<table>
<thead>
<tr>
<th>Non-Capital Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses</td>
<td>$5,219,700</td>
<td>$5,360,800</td>
<td>$5,506,000</td>
<td>$5,655,300</td>
<td>$5,809,100</td>
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<tr>
<td>Sewer Service Charge</td>
<td>4,379,700</td>
<td>4,642,500</td>
<td>4,921,000</td>
<td>5,216,300</td>
<td>5,529,300</td>
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<tr>
<td>Debt Service</td>
<td>1,278,964</td>
<td>1,081,785</td>
<td>1,340,350</td>
<td>1,339,788</td>
<td>1,617,445</td>
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</tr>
<tr>
<td>Transfers</td>
<td>1,215,100</td>
<td>1,255,200</td>
<td>1,296,600</td>
<td>1,339,400</td>
<td>1,379,600</td>
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<tr>
<td><strong>Subtotal Non-capital Expenditures</strong></td>
<td>$12,093,464</td>
<td>$12,340,285</td>
<td>$13,063,950</td>
<td>$13,550,788</td>
<td>$14,335,445</td>
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</table>

<table>
<thead>
<tr>
<th>Capital Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous Piping &amp; Improvements</td>
<td>$150,000</td>
<td>$150,000</td>
<td>$150,000</td>
<td>$150,000</td>
<td>$150,000</td>
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<tr>
<td>Water Tower Maintenance</td>
<td>875,000</td>
<td>50,000</td>
<td>875,000</td>
<td>50,000</td>
<td>450,000</td>
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<tr>
<td>Water System Sustainability Improvement</td>
<td>1,093,000</td>
<td>791,000</td>
<td>832,000</td>
<td>3,035,000</td>
<td>195,000</td>
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<tr>
<td>Fire Hydrant Program</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td>Removal of Watermain Break Excavation Pile</td>
<td>50,000</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Capital Expenditures</strong></td>
<td>$9,084,500</td>
<td>$5,362,700</td>
<td>$5,342,400</td>
<td>$5,468,200</td>
<td>$2,040,600</td>
<td>$7,020,000</td>
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</tbody>
</table>

| **Total Expenditures**                         | $21,177,964| $17,702,985| $18,406,350| $19,018,988| $16,376,045|

#### Surplus (deficiency) of funding sources over (under) expenditures

| Surplus (deficiency) of funding sources over (under) expenditures | ($2,555,264) | ($279,785) | ($3,661,850) | $45,312 | $6,164,755 |

#### Estimated Beginning Cash Reserve

| Estimated Beginning Cash Reserve | 9,192,986 | 6,637,722 | 6,357,937 | 2,696,087 | 2,741,399 |

#### Estimated Ending Cash Reserve

| Estimated Ending Cash Reserve | $6,637,722 | $5,367,937 | $2,696,087 | $2,741,399 | $8,906,154 |

#### Operating Reserve Target (6 mos. WC + debt svc)

| Operating Reserve Target (6 mos. WC + debt svc) | $5,881,500 | $6,342,000 | $6,553,300 | $7,053,200 | $7,469,500 |

#### Capital Reserve Target (10% accumulated deprec)

| Capital Reserve Target (10% accumulated deprec) | 8,779,200 | 8,978,800 | 8,978,800 | 8,978,800 | 8,978,800 |

#### Total Cash Reserve Target

| Total Cash Reserve Target | $14,660,700 | $15,320,800 | $15,532,100 | $16,032,000 | $16,448,300 |

<p>| % target achieved | 45.3% | 41.5% | 17.4% | 17.1% | 54.1% |</p>
<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Fee</td>
<td>$790,000</td>
<td>$790,000</td>
<td>$790,000</td>
<td>$790,000</td>
<td>$790,000</td>
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</tr>
<tr>
<td>Interest on Investments</td>
<td>15,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>16,100</td>
<td>16,100</td>
<td>16,100</td>
<td>16,100</td>
<td>16,100</td>
<td></td>
</tr>
<tr>
<td>Public Educ &amp; Govt (PEG) Fee</td>
<td>104,500</td>
<td>104,500</td>
<td>104,500</td>
<td>104,500</td>
<td>104,500</td>
<td></td>
</tr>
</tbody>
</table>

**Total Funding Sources**

| 2016   | 2017   | 2018   | 2019   | 2020   | 930,600 |

<table>
<thead>
<tr>
<th>Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenditures</td>
<td>$538,300</td>
<td>$556,100</td>
<td>$574,500</td>
<td>$593,500</td>
<td>$613,100</td>
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<tr>
<td>Transfers</td>
<td>31,400</td>
<td>32,500</td>
<td>33,600</td>
<td>34,800</td>
<td>36,000</td>
</tr>
</tbody>
</table>

**Subtotal Operating Expenditures**

| 569,700 | 588,600 | 608,100 | 628,300 | 649,100 |

<table>
<thead>
<tr>
<th>Capital Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Audio/Visual Equipment Replacement</td>
<td>$98,200</td>
<td>$60,100</td>
<td>$92,200</td>
<td>$69,000</td>
<td>$73,000</td>
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<tr>
<td>Public Educ &amp; Govt (PEG) Expenses</td>
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<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Security Equipment</td>
<td>150,500</td>
<td>51,000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Public Access Technology</td>
<td>40,000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Technology Purchases/Upgrades</td>
<td>70,000</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Infrastructure</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Electronic Election Pollbooks</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal Capital Expenditures**

| 458,700 | 311,100 | 292,200 | 294,000 | 273,000 | 95,000 |

| Total Expenditures                     | $1,028,400 | $899,700 | $900,300 | $922,300 | $922,100 |

| Surplus (deficiency) of funding sources over (under) expenditures | ($102,800) | $28,900 | $28,300 | $6,300 | $8,500 |

**Estimated Beginning Fund Balance**

| 1,837,600 | 1,734,800 | 1,763,700 | 1,792,000 | 1,798,300 |

| Estimated Ending Fund Balance          | 1,734,800 | 1,763,700 | 1,792,000 | 1,798,300 | 1,806,800 |

**Dedicated Future Transition Reserve**

| 1,584,000 | 1,622,600 | 1,644,400 | 1,671,900 | 1,728,000 |

**Estimated Ending Available Fund Balance**

| $150,800 | $141,100 | $147,600 | $126,400 | $78,800 |

* Reserve equates to two subsequent years of operating and ongoing capital costs.
### Table XIV

**CIP 2016-2020**

**TECHNOLOGY DEVELOPMENT FUND**

Funding Sources and Expenditure Projections

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funding Sources</strong></td>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Tax Levy</td>
<td>$345,000</td>
<td>$415,000</td>
<td>$415,000</td>
<td>$415,000</td>
<td>$415,000</td>
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<tr>
<td>Transfers In</td>
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<td>0</td>
<td>350,000</td>
<td>400,000</td>
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<tr>
<td>Interest on Investments</td>
<td>100</td>
<td>100</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td><strong>$345,100</strong></td>
<td><strong>$415,100</strong></td>
<td><strong>$766,000</strong></td>
<td><strong>$816,000</strong></td>
<td><strong>$416,000</strong></td>
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</tr>
<tr>
<td><strong>Expenditures</strong></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Office Equipment</td>
<td>$77,500</td>
<td>$112,500</td>
<td>$135,500</td>
<td>$29,500</td>
<td>$39,500</td>
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<tr>
<td>Technology Purchases/Upgrades</td>
<td>226,300</td>
<td>229,300</td>
<td>381,100</td>
<td>757,600</td>
<td>347,900</td>
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<tr>
<td>Security Equipment</td>
<td>108,000</td>
<td>65,000</td>
<td>69,000</td>
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<td></td>
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</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$303,800</strong></td>
<td><strong>$341,800</strong></td>
<td><strong>$624,600</strong></td>
<td><strong>$852,100</strong></td>
<td><strong>$456,400</strong></td>
<td><strong>$0</strong></td>
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<tr>
<td><strong>Surplus (deficiency) of funding sources over (under) expenditures</strong></td>
<td>$41,300</td>
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<td>$141,400</td>
<td>($36,100)</td>
<td>($40,400)</td>
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<td><strong>Estimated Beginning Fund Balance</strong></td>
<td>(34,938)</td>
<td>6,362</td>
<td>79,662</td>
<td>221,062</td>
<td>184,962</td>
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<tr>
<td><strong>Estimated Ending Fund Balance</strong></td>
<td><strong>$6,362</strong></td>
<td><strong>$79,662</strong></td>
<td><strong>$221,062</strong></td>
<td><strong>$184,962</strong></td>
<td><strong>$144,562</strong></td>
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<td>Fund Balance Guideline</td>
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<td>$213,025</td>
<td>$114,100</td>
<td>$129,000</td>
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</tbody>
</table>
Project Category: Municipal Buildings

Project Title: Alarm Panel Upgrades

Total Estimated Cost: $150,000

Funding Priority: 2

Account Number: 4101.XXXX.S16108

Source of Project Funding

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

Description:
This item funds the design of a reporting backbone and the replacement of the obsolete fire panels in the city's major buildings.

Justification:
A number of the city's building fire panels are in need of replacement because they are functionally obsolete.

In addition, the mechanism to transmit and receive notifications is deficient and in need of improvement. Rather than purchase an "off the shelf" product that is extremely expensive, staff has designed a system that utilizes the city's fiber system and sends all alarms to police dispatch for 24-hour monitoring.

Scheduling and Project Status:
In 2012 staff began the design of an electronic reporting backbone for the city's major buildings. A demonstration project was designed that connected the Glen Lake Activity Center and Fire #2 to dispatch using the city's fiber system. In 2014 public works and city hall were connected to the system. Fire stations 3, 4 and 5 are the next buildings to be connected to the system.

Relationship to General Plan and Other Projects:
The project is consistent with current technology and the policy of maintaining the city's infrastructure.

Effect on Annual Operations Costs:
This project does not increase annual operating costs.
Project Category: Municipal Buildings
Project Title: Energy Conservation Measures
Total Estimated Cost: $85,000
Funding Priority: 2
Account Number: 4101.XXXX.S16106

Description:
This item provides for the continued upgrade/replacement of energy consuming equipment such as light fixtures, ballasts, occupancy sensors, insulation, weather stripping, set-back thermostats and similar equipment that will save energy expense.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
<td>$20,000</td>
<td>$20,000</td>
<td>$15,000</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Parks and Trails Fund</td>
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<td></td>
<td></td>
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</tbody>
</table>

Justification:
The high cost of energy requires that the city undertake a variety of measures to conserve energy. The city has a comprehensive list of energy-saving improvements and implements those with the shortest payback first and progresses to those items with a longer payback.

Scheduling and Project Status:
Projects are undertaken such that those deriving the shortest payback of investment are completed first.

2016: Satellite fire stations
- Occupancy sensors
- Efficient water heaters
- Energy efficient lighting
- Low flow fixtures
2017: City Hall and Ice Arenas
- Occupancy sensors
- Energy efficient lighting
2018: Big Willow soccer lights
2019: Park restrooms
2020: Senior Landing shop

Relationship to General Plan and Other Projects:
This project is consistent with the policy of maintaining the city’s infrastructure.

Effect on Annual Operations Costs:
Resources spent in this area should have a return on investment of 5 years or less. Larger projects are economically feasible if the payback is 10 years or less.
**Project Category:** Municipal Buildings  

**Project Title:** Misc. Building Components  

**Total Estimated Cost:** $825,000  

**Funding Priority:** 2  

**Account Number:** 4111.XXXX.S16102

### Description:

This item provides for the scheduled replacement or unexpected repair of various major building components such as: flooring, HVAC items, doors, windows, lighting, plumbing, electrical wiring, painting and other associated items.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
<td>$150,000</td>
<td>$125,000</td>
<td>$100,000</td>
<td>$300,000</td>
<td>$150,000</td>
</tr>
</tbody>
</table>

### Justification:

This item provides for the replacement or repair of building sub-systems and components.

### Scheduling and Project Status:

*Scheduling for specific items within this capital project has been altered compared to the previous five-year CIP to reflect new priorities warranted by changing conditions.*

In addition to any unscheduled miscellaneous repairs or replacements, the following specific projects are anticipated:

- **2016:** Gift Shop HVAC  
  Fire #2 HVAC  
  Public Works RTU #2
- **2017:** Police dispatch RTU  
  Fire #1 boilers (3)
- **2018:** Meadow Park heat  
  Clean building ducts  
  Public Works RTU #4
- **2019:** Central fire generator  
  Tile refurbishment
- **2020:** Fleet Services epoxy floor re-coat

### Relationship to General Plan and Other Projects:

This project is consistent with the policy of maintaining the city’s infrastructure.

### Effect on Annual Operations Costs:

This item generally does not affect operating costs except for projects that replace building components with energy efficient replacements.
**Project Category:** Municipal Building

**Project Title:** Building Automation Replacement

**Total Estimated Cost:** $598,000

**Funding Priority:** 2

**Account Number:** 4101.XXXX.S16104

### Description:

This project funds the replacement of the computer controlled system that monitors and remotely controls the heating, ventilating and air conditioning in each of the city’s buildings.

### Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
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</tr>
</tbody>
</table>

### Justification:

The current building automation system is no longer supported and replacement parts are difficult to obtain.

### Scheduling and Project Status:

Each year’s improvement project would be initiated and completed in the year of funding.

- **2016** Community Center
- **2017** Central Fire and Public works
- **2018** Williston Center and Burwell
- **2019** Satellite fire stations & Glen Lake Act Ctr
- **2020** Ice Arena A and Ice Arena B

### Relationship to General Plan and Other Projects:

The project is consistent with current technology and the policy of maintaining the city’s infrastructure.

### Effect on Annual Operations Costs:

This project would have an impact on operational costs by having remote control and set-back of building temperatures and lighting.
Project Category: Municipal Buildings
Project Title: Building Roof Replacements
Total Estimated Cost: $850,000
Funding Priority: 2
Account Number: 4101.XXXX.S16109
5110.XXXX.S16109

Source of Project Funding

<table>
<thead>
<tr>
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</tr>
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</table>

Justification:

All roofing systems have a life expectancy that varies depending on the type of roof system. Single-ply membrane roofs have a life of approximately 20 years. Built-up roofs made of felts and bituminous asphalt generally last 20 to 30 years provided repairs are made when needed. Re-roofing provides an opportunity to evaluate insulation and make upgrades for energy savings. All roof insulating capabilities will be evaluated during replacement of each roof system.

Scheduling and Project Status:

Projects will be bid and completed in the year that they are budgeted. Bids will be solicited in the early spring for completion during those periods when weather effects will be minimized during construction.

Description:

This item provides for the scheduled replacement of roof systems for major community and utility buildings.

2016: Rink B
Well #15
2017: Fire #2
Well #13
2018: Community Center sky light
Ice Rink A roof
Well #11
2019: Park building roofs
Well #3
2020: Central Fire
WTP #16

Relationship to General Plan and Other Projects:

This project is consistent with the policy of maintaining the city’s infrastructure.

Effect on Annual Operations Costs:

Added insulation during re-roofing will decrease heating and cooling expenses.
Project Category: Municipal Building
Project Title: Fire Station Refurbishment
Total Estimated Cost: $600,000
Funding Priority: 1

Account Number:

Source of Project Funding | 2016 | 2017 | 2018 | 2019 | 2020
---|---|---|---|---|---
Capital Replacement Fund | $600,000 | | | | |

Justification:
The city's fire stations were constructed between 1972 and 1991. Fire #3 was built in 1987, and in 2013, a new roof was installed on the facility. Now, there are a number of interior upgrades that are needed similar to the renovations completed on Fire #4 in 2011. Less than $400,000 is estimated above for this portion of the work.

Constructed in 1976 and remodeled in 1997, Fire #2 has a failing exterior wall and insulation system (EFIS) that needs replacement along with a new roof. At least $200,000 of the above costs are estimated for this portion of the work.

Scheduling and Project Status:
Improvements to Fire #3 were delayed pending a decision regarding relocation. Staff has determined that this location and structure will be most cost effective and operationally efficient location for this station at this time.

Relationship to General Plan and Other Projects:
There are a number of structural remediation projects that need to be completed as soon as possible at Fire #3 and Fire #5 in 2015. At a cost of $80,000, staff will be submitting a CIP amendment to adopt a budget for the completion of this work before more damage is sustained. Fire #5 has a section of leaking roof that needs repair, and Fire #3 has some drywall damage that needs immediate replacement for environmental safety reasons.

This item is consistent with the policy of maintaining the city’s infrastructure. The public safety study completed in 2010 evaluated the current location. Staff recommends these upgrades to provide efficient emergency services to the southeast area of the city and to maintain the value of the building.

Effect on Annual Operations Costs:
Repairs will not increase operating costs. Energy conservation upgrades will save electrical and heat energy expenses however.

Description:
This item provides for the repair and refurbishment of fire stations #2 and #3. Anticipated repairs include: windows, drywall, concrete, flooring, painting, EFIS exterior wall system (#2), appliances and lighting.

Description:
This item provides for the repair and refurbishment of fire stations #2 and #3. Anticipated repairs include: windows, drywall, concrete, flooring, painting, EFIS exterior wall system (#2), appliances and lighting.
Project Category: Municipal Building
Project Title: Salt Dome Panels
Total Estimated Cost: $50,000
Funding Priority: 2
Account Number: N/A

Source of Project Funding | 2016 | 2017 | 2018 | 2019 | 2020
--- | --- | --- | --- | --- | ---
Capital Replacement Fund |  |  | $50,000 |  |  

Description:
The item provides for the replacement of the fabric panels that cover the salt storage facility.

Justification:
The road salt storage facility was constructed in 2005. Its roof is constructed of fabric panels that have a useful life of approximately 15 years. Minor defects are starting to occur presently and these are being patched.

Scheduling and Project Status:
Replacement of the fabric panels will occur in the summer/fall of the funding year.

Relationship to General Plan and Other Projects:
The project is consistent with the city's policy of maintaining the city's infrastructure.

Effect on Annual Operations Costs:
This project will decrease maintenance costs by approximately $500 per year.
Source of Project Funding | 2016       | 2017       | 2018       | 2019       | 2020       |
--------------------------|-----------|-----------|-----------|-----------|-----------|
Capital Replacement Fund – | $200,000  | $50,000   | $30,000   |           | $150,000  |
Capital Replacement Fund - Unfunded | 150,000      | 150,000   |           | $150,000  |           |

Justification:

City hall was built in 1971 and the community center in 1987. Adequate facilities are vital for city staff to perform the council’s vision for Minnetonka to be the community of choice where people live, work, play and conduct business in a naturally beautiful environment and where employees will deliver dependable, quality services with a positive, helpful attitude.

Various infrastructure components have reached the end of their useful life and need replacement or updating. In 2015 the Building Maintenance Manager position was added to the budget and this person will prioritize need for 2016 improvements.

Scheduling and Project Status:

These projects will include enhancements to the furnishings, office layout and security. City Hall improvements will be continued in 2016 with possible Civic Center improvements occurring in late 2016.

City Hall Projects (2015-2016)
- Recreation lobby
- Employee lunchroom
- Mezzanine conference room
- Public restrooms
- Main floor office carpeting

Community Center Projects
- Grays Bay meeting room
- Lake Rose room
- Oak Knoll room
- Purgatory Creek room
- St. Albans room
- Public restrooms
- Carpeting

Relationship to General Plan and Other Projects:

The city began implementation of the Civic Center Master Plan in 2005 and 2006 through upgrades of the Civic Center roadway, parking lots, landscaping and recreational facilities. This project will be consistent with that plan. As part of the overall 2009 city budget, some portions of the project were delayed and other portions were financed with the center’s general fund operating budget in 2008 and 2009. These projects will include enhancements to the furnishings, technology, building structure and security of the respective facilities. In 2015 a Buildings Manager will be hired to provide needed expertise to facilitate these improvements. Also in 2015 the community center courtyard will be updated to improve function and usability.

Effect on Annual Operations Costs:

Facility improvements will help to provide a quality facility that can be marketed to outside groups and organizations at competitive rates that could potentially increase revenues.
**Project Category:** Municipal Buildings

**Project Title:** Public Safety Space Needs Study

**Total Estimated Cost:**
- $50,000 Funded
- $3,000,000 - $5,000,000 Unfunded

**Funding Priority:** 2

**Account Number:** NA

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tr>
<td>Unfunded</td>
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</tbody>
</table>

**Description:**
This project would identify both Police and Fire future facility space needs.

The estimated future improvement is a gross estimate that will be verified by the study.

**Justification:**
The city's fire stations were constructed between 1972 and 1991. Fire Station #1 which was built in 1975 and is located at the City Hall Campus was originally designed and occupied with a mostly volunteer staff and without 24 hour a day staffing. Several issues affect the operation of the department currently: inefficient station layout, lack of sufficient locker room space, office space, storage, laundry, barrier free accessibility and other improvements needed to effectively and safely administer and operate the fire department. Since the station was built the department has doubled in the number of firefighters, doubled in the amount of vehicles housed at the station and tripled in the amount of support staff and administrative personnel. Although there was a remodel completed in 2008 for the on-duty crew program, no additional square footage has been added to the facility.

In addition, the police department lacks interior parking areas for patrol squads, which is needed to protect costly high tech equipment that is now standard for the vehicles and is vulnerable to extreme temperatures. The project will also support shared areas for meeting and training space to be utilized for both police and fire staffs.

**Scheduling and Project Status:**
The project is in the needs assessment phase in order to identify current and future improvements for the city's public safety facilities.

A needs study is being proposed for 2016 which will provide detailed information and costs for future capital improvement discussions.

**Relationship to General Plan and Other Projects:**
The item is consistent with the policy of maintaining the city's infrastructure and maintaining a paid on call department by providing adequate facilities to enable this type of work by meeting the departments needs now and in the future. It also reflects the findings of a 2009 Public Safety Study.

**Effect on Annual Operations Costs:**
It would be anticipated that annual operating and maintenance costs would increase. The installation of energy efficient heating, lighting and construction materials would help to minimize operational cost increases.
**Project Category:** Recreational Facilities

**Project Title:** Lindbergh Center Improvements

**Total Estimated Cost:**
- City cost: $145,000
- Total cost: $500,000

**Funding Priority:** 2

**Account Number:** 4123.6530.S16103

**Description:**
Constructed in 1996, the Lindbergh Center is jointly owned and operated by the City of Minnetonka and the Hopkins School District. The facility has five regulation basketball courts, seven volleyball courts, competitive running track, walking & jogging track and an exercise and conditioning room.

**Source of Project Funding**

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Replacement Fund</th>
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<tr>
<td>2020</td>
<td>$29,000</td>
<td>71,000</td>
</tr>
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</table>

**Justification:**
The joint agreement between the city of Minnetonka and the Hopkins School District provides for the sharing of the operating and capital expenses of the Lindbergh Center. The facility is instrumental to the joint recreation division’s ability to offer high demand youth and adult community programs. In 2013, the city’s 29% share of operating costs totaled $117,100.

**Scheduling and Project Status:**
Due to the Hopkins School District capital bond referendum, the renovation of certain items may be completed at different times than expected. The city will still adhere to its funding schedule. Projects are regularly put into the CIP to spread the cost of equipment replacement over a number of years rather than replace a large amount of equipment at one time. The city would be responsible for 29% of the following improvements:

- 2005-14: Walking/jogging track surface, weight/cardiovascular equipment, HVAC upgrades, divider curtains, basket cable system, facility lighting, fitness equipment, scoreboards
- 2015: Bleacher replacement
- 2016: Replace exterior concrete ramp and stairs
- 2017: Weight/cardio equipment
- 2018: Walking jogging track surface
- 2019: Volleyball standards/Basketball backboards

**Relationship to General Plan and Other Projects:**
These improvements are in keeping with efforts to provide and maintain an efficiently operated facility.

**Effect on Annual Operations Costs:**
Lindbergh Center rental revenues collected by the school district off-sets total operating costs.

Preventative maintenance costs tend to rise as equipment ages. A consistent replacement schedule of older equipment will allow operating costs to be maintained.
Project Category: Recreational Facilities
Project Title: Williston Center Improvements
Total Estimated Cost: $1,325,000 (net cost)
Funding Priority: 2-3
Account Number: 5410.6530.S16107

### Source of Project Funding

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<th>Year</th>
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<td>2017</td>
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<tr>
<td>2020</td>
<td>$389,500 ($94,500)</td>
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</tbody>
</table>

### Justification:

Williston Center underwent a significant renovation in 2011. Items on this page reflect work that was not included in the 2011 project.

Roofing projects scheduled in 2016 and 2018 include the existing flat roof around the pool building and tennis building roof. Roofing around the pool area was installed in 1997 and was expected to last 15-20 years. The tennis building roof is original to the building and is approximately 40 years old. All roofing projects scheduled were not part of the facility remodel completed in 2011.

Pool improvements include resurfacing the pool deck, installing a UV system to assist with disinfecting the pool water to improve water and air quality, and replacing the pool HVAC unit (will be 9 years old, 10 year life).

The cardiovascular equipment (treadmills, ellipticals, and bikes) scheduled to be replaced will be six years old at that time and at the end of its useful life. Weight equipment scheduled to be replaced will be 10 years old and at the end of its useful life.

The facility has not had a generator since the facility was acquired in 1995. The addition of a generator is funded in 2020.

### Relationship to General Plan and Other Projects:

The roofing projects, fitness equipment replacement and remaining projects are necessary to maintain a quality facility that provides recreation and fitness opportunities to residents at a reasonable cost.

### Effect on Annual Operations Costs:

The projects listed above will not affect annual costs, but will protect the investments made within the building over the past few years.

### Description:

These projects preserve the future usefulness of the facility for its traditional functions, including both a reasonably-priced fitness facility serving 7,300 Minnetonka residents and 33,800 daily users annually, and also as a cost-effective location to host 70 Recreation Services programs.
Project Category: Recreational Facilities

Project Title: Shady Oak Beach Improvements

Total Estimated Cost: $83,700 (city cost)
$125,000 (total cost)

Funding Priority:

Description:
Shady Oak Beach is jointly operated by the cities of Hopkins and Minnetonka. The facility is open from June – August each summer with the revenues generated from season pass sales and daily admissions. The facility was most recently renovated in 1998.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
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<td>City of Hopkins</td>
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<td>$11,500</td>
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Justification:
The joint agreement between the city of Minnetonka and city of Hopkins provides for the sharing of the operating and capital expenses of Shady Oak Beach. These expenses are split 67% city of Minnetonka and 33% city of Hopkins.

Scheduling and Project Status:
2016: Landscape improvements ($15,000), patio tables and chairs ($25,000)
2017: Entrance monument sign ($50,000)
2019: Replacement of lifeguard building cabinets ($5,000), windows/screens ($10,000), exterior and interior lighting ($15,000), irrigation improvements ($5,000)

Relationship to General Plan and Other Projects:
These improvements are in keeping with the efforts to maintain a quality facility.

Effect on Annual Operations Costs:
Maintenance costs tend to rise as facilities age. A consistent replacement schedule of older items will allow operating costs to be maintained. These capital projects will not have an effect on the facility’s annual operating costs or revenues long-term.
Project Category: Recreational Facilities
Project Title: Glen Lake Activity Center Facility
Total Estimated Cost: $15,000,000 Unfunded
Funding Priority: 2
Account Number: NA

Description:
Completion of a feasibility study to determine if the current Glen Lake Activity Center (GLAC) site is suitable to construct a new facility to house existing shortages in space for youth, adult and senior programming; as well as shortages in available meeting spaces for resident, civic and community organizations.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tr>
<td>Community Investment Fund – Unfunded</td>
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<td></td>
<td>$15,000,000</td>
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</tbody>
</table>

Justification:
Shortages in recreational programming space are evident by the impacts facilities such as the Williston Center and Community Center are facing when trying to accommodate current demands. In addition, increased rental costs and increased demand on school district facilities has resulted in reduced availability for city programming.

Due to its location, the GLAC is attractive to both community and senior oriented programming needs. However the facility, initially constructed as a satellite fire station, is aging and in need of increasing maintenance, upkeep and capital improvements.

Scheduling and Project Status:
2015: Contracted with an outside consultant to complete a feasibility study to determine if the current GLAC site could support a community recreational facility.
2018: Demolish existing GLAC and construct new facility on site ($15,000,000)

Relationship to General Plan and Other Projects:
Construction of a facility that would include programming and gymnasium space would significantly reduce the high demands currently in place at the Williston Center and Community Center. In addition, such a facility would prepare the city for the projected increased programming need for the 55+ age demographic.

Effect on Annual Operations Costs:
Completion of this study would not have any impacts on annual operating budgets; however the feasibility study would help determine what future operational and capital costs would be if such a facility were to be constructed.

It is conceivable that this facility, if constructed, could be a partner facility to the Williston Center and allow for the extension of programming and membership between the two facilities. While this facility as proposed would not be financially self-supporting, the budgets of the two facilities combined could be.
**Project Category:** Recreational Facilities  
**Project Title:** Ice Arena Improvements  
**Total Estimated Cost:** $1,700,000 Total  
$1,500,000 Funded  
**Funding Priority:** 1 & 3

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
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<td></td>
<td>$200,000</td>
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**Justification:**
Replacement of the 40+ year old direct refrigeration system is needed to become more energy efficient, eliminate the use of the soon to be obsolete R22 refrigerant and to avoid a major loss of ice time, revenue and the potential of extreme expenses with the possible failure of the aging system. The aging 20+ year old dasher board system is showing significant wear and requires upgraded advanced safety measures now featured in dasher board production.

**Scheduling and Project Status:**
2005-13: Replacement of Rink A resurfer and cooling tower, Rink B entrance redesign, Rink B public use safety flooring replacement, HVAC units, Rink B non-public safety flooring replacement, Rink A public area safety flooring replacement, seven HVAC units Rink A (lobby, offices, locker rooms, rest rooms), Rink B ice resurfer, four HVAC units Rink A (locker rooms, west restrooms), renovate concession stand

2014-15: Replacement of Rink A refrigeration system, rink floor and dasher board system ($1.7 million).

2018-21: Interfund loan payback from the Community Investment Fund (CIF) to the Special Assessment Construction Fund as adopted in the 2015 Budget and pending formal public hearings for use of the CIF.

**Relationship to General Plan and Other Projects:**
These improvements are in keeping with efforts to provide and maintain a safe and efficient facility.

**Effect on Annual Operations Costs:**
Maintenance costs on the new refrigeration system will be reduced due to better energy efficiency and the elimination of expensive R22 refrigerant. The project is estimated to reduce Ice Arena expenditures by an estimated $33,000 annually due to energy efficiency, the elimination of R22 refrigerant, and reduced mechanical breakdowns.

**Description:**
Rink A refrigeration system and rink floor provides cooling to maintain ice. Dasher boards provide the boundary for hockey and figure skating. The project will be initially funded by the Special Assessment Construction Fund and repaid back by the Community Investment Fund per an interfund loan.
Description:
This program funds asset-related costs associated with the arrival of the Emerald ash borer (EAB) insect.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
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<td>Forestry Fund</td>
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<td>$154,000</td>
<td>$160,000</td>
<td>$160,000</td>
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</table>

Justification:
The emerald ash borer is an insect now present in the metropolitan area that will eventually kill all native ash trees. As a result, the city is pro-actively designing a management program that deals with the anticipated costs of the infestation. These costs include tree removal, stump grinding, reforestation and chemical treatments.

Scheduling and Project Status:
In 2014, the city initiated a program that will begin to deal with the anticipated effects of infestation. Additional staff will be hired to assist with the development of work plans for both public and private trees. 2015 will be the first full year of the program, and the annual amounts indicated for the remaining years through 2019 are projected costs assuming infestation has not yet been detected.

Relationship to General Plan and Other Projects:
This program is being coordinated with other forestry programs.

Effect on Annual Operations Costs:
The costs above reflect only the capital budget portion of the program. The program will also increase operating costs of the city. The first full year of operating costs for the program are estimated to be approximately $200,000 annually beginning 2015.
Project Category: Parks, Trails and Open Space

Project Title: Park and Open Space Purchase

Total Estimated Cost: $600,000 - Unfunded

Funding Priority: 4

Account Number: NA

Description:
The city’s open space preservation implementation strategy calls for the preservation of open space that meets certain criteria. In addition, the Park Board has identified certain parcels that would expand existing parkland.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tbody>
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<td>$300,000</td>
<td>$300,000</td>
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Justification:
The Minnetonka Park Board developed a property acquisition list that identifies desirable parcels for purchase by the City. The list is updated on a regular basis and includes properties within the Minnehaha Creek Preserve and properties that are adjacent to existing City park land to serve in expanding the City's parks. This funding provides resources to purchase land identified by the Park Board.

In addition, in 2001 Minnetonka voters approved a $15,000,000 bond referendum for parks renewal and open space preservation. About half of these funds were used for open space preservation.

Scheduling and Project Status:
As parcels from the prioritization list become available, they will be acquired or preserved by other means (e.g., conservation easements) based on funding availability and City Council approval. Parcels classified as urgent and high priority for open space preservation will be actively pursued.

Relationship to General Plan and Other Projects:
This project is consistent with the Council Policy on an Open Space Preservation Program and the Management of Natural Resources.

Effect on Annual Operations Costs:
Costs related to additional land stewardship are expected to increase dependent upon the size and environmental features of parcels acquired.
Project Category: Parks, Trails & Open Space
Project Title: Athletic Field Improvements
Total Estimated Cost: $705,000 Total Cost
$490,000 City Cost
$75,000 Grant Funding
$140,000 Unfunded
Funding Priority: 2
Account Number: 4701.XXXX.S16207

Source of Project Funding

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Justification:

With a lack of available city property for athletic field expansion, lighting of existing fields, along with partnerships with local school districts, provides the best opportunities to expand access to community fields. This program also funds major upgrades to dedicated city owned athletic fields to maintain acceptable playing standards.

Scheduling and Project Status:

2016: $75,000 is allocated to light the existing Civic Center fields. An additional $75,000 would be funded from a Hennepin County Youth Sports Grant. $20,000 is allocated for field renovations at city owned athletic fields.
2017: $85,000 is allocated for Phase II safety improvements (spectator and bleacher protection) at Big Willow Park.
2018: $20,000 is allocated for field improvements at city owned athletic fields. $140,000 is included as an unfunded request for the lighting of the two existing fields at Lone Lake Park.
2019: $200,000 is allocated to replace the lighting on the softball fields at Big Willow Park.
2020: $20,000 is allocated for field improvements at city owned athletic fields.

Relationship to General Plan and Other Projects:

The city of Minnetonka has a history of partnerships with the Minnetonka and Hopkins School Districts to provide quality community facilities, most notably, the Lindbergh Center, Arts Center on 7 and athletic improvements at Hopkins West Junior High.

Effect on Annual Operations Costs:

Under the terms of the partnership agreements in place for previous improvements completed on school district property, the school districts are responsible for all operational and capital replacement costs. Increased energy costs due to field lighting will be recouped through field use fees.

Description:

The park board’s 2012 update of the city’s Athletic Field Needs Study continues to indicate a moderate need for increased game quality athletic fields for the sports of soccer, lacrosse and football; and increased access to quality practice fields for youth softball and baseball through partnerships.

1998: The city provided $100,000 for the redevelopment of fields at Hopkins West Junior High with the Hopkins School District.
2008 – 2010: The city provided $250,000 towards the $3.5 Million construction of Minnetonka School Districts Veterans Field (baseball/football fields).
2009: The city provided $95,000 towards the $1.2 Million construction of Legacy Fields (four youth softball fields) with Minnetonka School District.
2010: The city provided $50,000 towards a $250,000 upgrade of an existing multi-purpose field at Bennett Family Park.
2014: $20,000 is allocated for field renovations at city owned athletic fields and $65,000 for Phase I safety improvements (foul ball netting) at Big Willow Park.
2015: $25,000 is allocated for improvements to youth baseball and softball fields through a matching $25,000 partnership with the Hopkins School District. The district will also be applying for an additional $50,000 to come from a Hennepin County Youth Sports Grant.
**Project Category:** Parks, Trails & Open Space  
**Project Title:** Burwell House  
**Total Estimated Cost:** $250,000  
**Funding Priority:** 1  
**Account Number:** 4732.XXXX.S16202  

**Description:**  
This project provides for maintenance and improvements to the Burwell House.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund - Maintenance Expenditures</td>
<td>$115,000</td>
<td>$65,000</td>
<td>$35,000</td>
<td>$15,000</td>
<td>$20,000</td>
</tr>
</tbody>
</table>

**Justification:**  
Major maintenance projects are necessary at the Burwell House and other properties to keep the city's investment in good repair.

**Scheduling and Project Status:**  
Painting of the Burwell House and a roofing replacement study was completed in 2012. Staff will pursue grant opportunities to assist with the 2016 roofing project and HVAC improvements that will be needed in the future. In 2017 irrigation for the gardens and lawn are planned. The large investment in plants ($40-$50,000) warrants this investment. In 2018 the city-wide building automation software that controls the HVAC system will be upgraded. The allocated portions covering the Burwell House are listed with the Building Automation project.

**Relationship to General Plan and Other Projects:**  
These projects are necessary to ensure these facilities and houses meet the standards for public health and protect the investment of the city for the long term.

**Effect on Annual Operations Costs:**  
None.
Project Category: Parks, Trails & Open Space

Project Title: Upper Minnehaha Creek Corridor

Total Estimated Cost: $400,000

Funding Priority: 3

Account Number: 4200.XXXX.S16208

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Investment Fund</td>
<td>$250,000</td>
<td>$150,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Description:
Development of the visioning plan for Minnehaha Creek is underway. The goals of the plan are to establish the Upper Minnehaha Creek Corridor as the focal point of the Minnetonka community and to enhance the creek’s value as a truly unique community asset.

Justification:
A creek visioning plan developed in 2006 focused on the integration of the creek’s environmental, recreational, historic and economic resources. Conceptual ideas were generated for the corridor and discussed by the city council.

Over the last several years, the city has partnered with the Minnehaha Creek Watershed District (MCWD), Three Rivers Park District, Hennepin County, Minneapolis Park Board and the cities of Hopkins, Edina and St. Louis Park, to discuss creek projects of joint interest.

In 2010, the city and MCWD formed a steering committee to explore the potential for a joint facility to include public amenities and the district’s headquarters on city-owned property. Discussions ended in 2012 when the study determined it was not feasible.

Other projects included improvements to the canoe landings along the creek and development of the Minnetonka Mills Park (west of the Burwell House). Constructed in 2011 and 2012, the park project includes trails and boardwalks, bridges across the creek, park entrance features, and a botanical garden west of the historic house site and along the creek.

Potential future projects include:
- land acquisition in the corridor
- construction of additional trails and boardwalks throughout the corridor
- I494/Minnetonka Boulevard gateway improvements
- addition of a community play lot in the recreation core

Scheduling and Project Status:
The required public hearings on use of the Community Investment Fund for creek corridor projects were held in 2009, and the city council subsequently approved these expenditures. In addition to the funds above, $200,000 for the remainder of this project is budgeted in 2015.

Relationship to General Plan and Other Projects:
The visioning plan complements the city’s Parks, Open Space and Trails (POST) plan, Natural Resources Restoration and Management Plan, Comprehensive Guide Plan and City Council Policy on Open Space Preservation and Management of Natural Resources.

Effect on Annual Operations Costs:
Costs related to additional land stewardship are expected to increase dependent upon the size and environmental features of parcels acquired. Operating expenses associated with an expanded trail and park use have been incorporated into annual operating budgets and the 30-year improvement schedule.
Project Category: Parks, Trails and Open Space
Project Title: Park Investment Plan
Total Estimated Cost: $575,000
Funding Priority: 2
Account Number: 4701.62XX-63XX.S16203

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund</td>
<td>$55,000</td>
<td>$70,000</td>
<td>$175,000</td>
<td>$125,000</td>
<td>$150,000</td>
</tr>
</tbody>
</table>

Justification:
An implementation schedule was created for the park and trail system on a 30 year basis. Improvements will be made upon final evaluation of the listed amenity in order to maintain the park and trail infrastructure. As we move toward 2018, five playgrounds replaced as part of park renewal will reach 15 years old.

Scheduling and Project Status:
Staff has created a 30-year schedule guideline.

2016
- Arbor Gazebo Painting – Linner, Covington
- Hard Court Resurface – Linner, Covington
- Site Amenities
- Dock and Boardwalk Decking select replacement/refurbishment

2017
- Arbor Gazebo Painting – Meadow, Gro Tonka, Woodgate
- Hard Court Resurface – Glen Moor, Knollway
- Site Amenities

2018
- Playground equipment and surfacing replacement – Meadow and Pioneer

2019
- Playground equipment and safety surfacing replacement – Ford and Mini-Tonka

2020
- Playground equipment and safety surfacing replacement – Linner and Sunrise Ridge.

2021-2023 – Future $300,000
- Playground Equipment Replacement – Orchard, Covington, Glen-Moor, Gro-Tonka, McKenzie and Woodgate Parks
- Tot Lot Safety Surface Improvements

Relationship to General Plan and Other Projects:
The Park Board has adopted a goal of renewing and maintaining the parks and trails. This plan will meet the objective to implement the long-term capital funding plan for ensuring the long-term vitality of parks. This project is in keeping with the City’s policy of maintaining its infrastructure in a quality condition.

Effect on Annual Operations Costs:
This rehabilitation will not increase annual maintenance costs.

Description:
This item provides for the scheduled improvements to amenities within the park system on a 30 year schedule.
**Project Category:** Parks, Trails and Open Space  
**Project Title:** Oakhaven Park Phase II  
**Total Estimated Cost:** $70,000  
**Funding Priority:** 2  
**Account Number:** N/A

**Description:**
In 2007, the Park Board and City Council approved a master plan for Oakhaven Park at 13608 Spring Lake Road (former MNDOT parcel) for the development of a neighborhood park. The initial development of the park was funded in 2008. Phase II funds will be used to construct the remaining amenities approved at the park.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund</td>
<td>$70,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Justification:**
The Park Board and Council approved the master plan for Oakhaven Park in 2007. The initial phase funded the park development and playground structure. Additional funding is necessary to implement the remaining phase.

**Scheduling and Project Status:**
Oakhaven Park construction in 2008 included a hard-court with a basketball hoop, a playground structure with equipment for the 2-5 age group and 5-12 age group and swings. Phase II construction would include horseshoes, a picnic shelter with seating, additional walks, landscaping and additional vegetative buffers.

**Relationship to General Plan and Other Projects:**
The development of Oakhaven Park allowed for better access to a Neighborhood Park Service Area that had been deficient of park access.

**Effect on Annual Operations Costs:**
Annual operating costs have been included since the 2008 budget. Staff will inventory new amenities upon construction and include them in the 30-year improvement schedule.
**Project Category:** Parks, Trails and Open Space

**Project Title:** Trail Improvement Plan

**Total Estimated Cost:**
- $2,145,000 Total Cost
- $745,000 City Cost
- $1,400,000 Unfunded

**Funding Priority:** 3

**Account Number:** 4701.XXXX.S16206

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund (PTF)</td>
<td>$120,000</td>
<td>$300,000</td>
<td>$25,000</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Hennepin County Funds (HC)*</td>
<td></td>
<td></td>
<td></td>
<td>$1,400,000</td>
<td></td>
</tr>
<tr>
<td>Community Investment Fund (Unfunded)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1,400,000</td>
</tr>
<tr>
<td>Annual Trail Funding</td>
<td>$120,000</td>
<td>$300,000</td>
<td>$25,000</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
</tbody>
</table>

**Description:**
The Trail Improvement Plan is a multi-year plan created to maintain and enhance the City’s trail and sidewalk system within the city. New trails and walks added to the system provide connections between existing trails, parks, schools and village center points of interest.

### Scheduled/Unfunded Segments

<table>
<thead>
<tr>
<th>Description</th>
<th>Funding</th>
<th>Length in Miles</th>
<th>Estimated City Cost</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civic Center east to McGinty Rd – Boardwalk</td>
<td>PTF</td>
<td>0.8</td>
<td>$120,000</td>
<td>$120,000</td>
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<tr>
<td>Plymouth Rd – Wayzata Blvd to Sherwood Pl</td>
<td>PTF</td>
<td>1.1</td>
<td>$275,000</td>
<td>$275,000</td>
</tr>
<tr>
<td>Crosby Rd – Portico to Wayzata city limits</td>
<td>OTHER</td>
<td>0.5</td>
<td>$0</td>
<td>TBD</td>
</tr>
<tr>
<td>Trail wayfinding and navigation signage</td>
<td>PTF</td>
<td>na</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Woodhill Road – Atrium Way to Hwy 7</td>
<td>OTHER</td>
<td>1.1</td>
<td>$0</td>
<td>TBD</td>
</tr>
<tr>
<td>Trail wayfinding and navigation signage</td>
<td>PTF</td>
<td>na</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Smetana Rd - Westbrooke Way to Sanibel Dr</td>
<td>PTF</td>
<td>0.9</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Parkers Lake Rd - Twelve Oaks Dr to Plymouth limits</td>
<td>PTF</td>
<td>0.5</td>
<td>$150,000</td>
<td>TBD</td>
</tr>
<tr>
<td>CR 60 – CR5 to CR3 (with Three Rivers/HC)</td>
<td>CIF</td>
<td>1.7</td>
<td>$600,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>CR 60 – CR62 to CR3 (with Three Rivers/HC)</td>
<td>CIF</td>
<td>1.9</td>
<td>$800,000</td>
<td>$3,000,000</td>
</tr>
</tbody>
</table>

**Justification:**
There is strong community support for the Minnetonka Trail System as evidenced by the heavy use of the completed trail segments and inquiries received about opportunities for extensions. When completed, these trails and walkways will connect five community parks, adjacent communities, and allow users to travel throughout the city on trails physically separated from motorized vehicles.

**Scheduling and Project Status:**
*The Opus Area Improvements page additionally designates $520,000 from the Community Investment Fund to construct trail connections to the new Light Rail Transit platform in 2019.*

Staff conducted an educational and community dialogue for missing trail links to assist the Park Board and City Council in recommending projects to be constructed. The avenues for information were the Minnetonka Memo, Summer Festival and Open House.

**Relationship to General Plan and Other Projects:**
This is an integral part of the Parks, Open Space and Trail System and the Comprehensive Guide Plans to construct the Minnetonka Trail for walkers, joggers and bicyclists.

The vision for trail segments uses a feasibility score made up of Community Access (40%), Nature of Use (30%), Cost Effectiveness (20%) and Degree of Construction Difficulty (10%).

**Effect on Annual Operations Costs:**
Maintenance costs will increase by approximately $1,500/mile.
Project Category: Parks, Trails and Open Space - Unfunded
Project Title: Trail Segments - Unscheduled
Total Estimated Cost: $11,235,000
Funding Priority: 3
Account Number: N/A

Description:
This project involves the construction of the trails described in the table on the following page.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund</td>
<td>$11,235,000</td>
</tr>
<tr>
<td>– Unfunded</td>
<td></td>
</tr>
</tbody>
</table>

Justification:
There is strong community support for the Minnetonka Trail System as evidenced by the heavy use of the completed trail segments and inquiries received about opportunities for extensions.

Scheduling and Project Status:
These projects are currently unscheduled. Some trail segments may qualify for funding from outside sources. Staff conducted an educational and community dialogue for missing trail links to assist the Park Board and City Council in recommending projects to be constructed. The avenues for information were the Minnetonka Memo, Summer Festival and Open House.

Relationship to General Plan and Other Projects:
This is an integral part of the Parks, Open Space and Trail System and Comprehensive Guide Plans to construct the Minnetonka Trail System for walkers, joggers, and bicyclists. When completed, these trails and walkways will connect five community parks, adjacent communities, and allow users to travel throughout the City on trails and walkways physically separated from motorized vehicles.

Trails are evaluated by using a feasibility score made up of Community Access (20%), Cost Effectiveness (20%), Degree of Difficulty (15%) and Nature of Use (10%).

Effect on Annual Operations Costs:
Although this project is currently unfunded, proposed funding source and timetable data are provided. Maintenance costs will increase by approximately $1,500/mile.
<table>
<thead>
<tr>
<th></th>
<th>Unscheduled and Unfunded Trail Segments</th>
<th>Length (miles)</th>
<th>Est Cost w road reconstruct</th>
<th>Feasibility (10=High 1=Low)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CR 3 - Glen View to Caribou (IHM)</td>
<td>0.6</td>
<td>$400,000</td>
<td>8.0</td>
</tr>
<tr>
<td>2</td>
<td>CR 3 - Pioneer to Nelson/CR 61</td>
<td>0.6</td>
<td>$200,000</td>
<td>8.0</td>
</tr>
<tr>
<td>3</td>
<td>Vine Hill Rd - Delton Ave to Covington Rd</td>
<td>0.5</td>
<td>$150,000</td>
<td>8.0</td>
</tr>
<tr>
<td>4</td>
<td>Minnehaha Creek Trail - Headwaters to Jidana Park</td>
<td>1.1</td>
<td>$600,000</td>
<td>7.8</td>
</tr>
<tr>
<td>5</td>
<td>TH 7 - Cattle Pass to CR 101 on north side</td>
<td>0.6</td>
<td>$100,000</td>
<td>7.5</td>
</tr>
<tr>
<td>6</td>
<td>Pioneer Rd - Carlton Rd to CR 61</td>
<td>0.6</td>
<td>$100,000</td>
<td>7.0</td>
</tr>
<tr>
<td>7</td>
<td>CR 5 - CR 101 west to Deephaven city limits</td>
<td>0.2</td>
<td>$135,000</td>
<td>7.0</td>
</tr>
<tr>
<td>8</td>
<td>Delton Ave - Vine Hill Rd to Old Excelsior Blvd</td>
<td>1.5</td>
<td>$234,000</td>
<td>7.0</td>
</tr>
<tr>
<td>9</td>
<td>Rowland Rd - CR 60 to SWLRT Trail</td>
<td>0.2</td>
<td>$100,000</td>
<td>7.0</td>
</tr>
<tr>
<td>10</td>
<td>Ridgedale Dr - White Birch Rd to Target</td>
<td>0.8</td>
<td>$126,000</td>
<td>6.5</td>
</tr>
<tr>
<td>11</td>
<td>McGinty Rd E - CR 5 to Surry La</td>
<td>0.6</td>
<td>$99,000</td>
<td>6.5</td>
</tr>
<tr>
<td>12</td>
<td>CR 5 - The Marsh to Fairchild Lane</td>
<td>0.6</td>
<td>$500,000</td>
<td>6.5</td>
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<tr>
<td>13</td>
<td>CR 73 - Cedar Lake Rd to Wayzata Blvd</td>
<td>0.2</td>
<td>$300,000</td>
<td>6.5</td>
</tr>
<tr>
<td>14</td>
<td>Woodland Rd - Townline Rd to Hwy 7</td>
<td>2.0</td>
<td>$300,000</td>
<td>6.5</td>
</tr>
<tr>
<td>15</td>
<td>CR 16 - CR 101 to Crosby Rd (partly in Wayzata)</td>
<td>0.8</td>
<td>$130,000</td>
<td>6.5</td>
</tr>
<tr>
<td>16</td>
<td>Sheridan Hills Rd - Linner Park to Portico</td>
<td>0.3</td>
<td>$40,000</td>
<td>6.5</td>
</tr>
<tr>
<td>17</td>
<td>CR 16 - Crosby Rd to existing trail on west side of I-494</td>
<td>2.0</td>
<td>$320,000</td>
<td>6.0</td>
</tr>
<tr>
<td>18</td>
<td>Stone Rd/Meeting St - RR tracks to Linner Rd</td>
<td>1.0</td>
<td>$162,000</td>
<td>6.0</td>
</tr>
<tr>
<td>19</td>
<td>CR 73 - CR 5 to Minnetonka Mills Rd</td>
<td>1.0</td>
<td>$154,500</td>
<td>6.0</td>
</tr>
<tr>
<td>20</td>
<td>Vine Hill Rd - Delton Ave to Covington Rd</td>
<td>0.9</td>
<td>$145,000</td>
<td>6.0</td>
</tr>
<tr>
<td>21</td>
<td>CR 5 - Fairchild Ave to Woodlawn Ave</td>
<td>0.7</td>
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<tr>
<td>22</td>
<td>Pioneer Rd- CR 3 to Merilee Dr</td>
<td>0.5</td>
<td>$181,000</td>
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<tr>
<td>23</td>
<td>Merilee Dr - Pioneer Tr to Minnesota River Bluffs LRT</td>
<td>0.5</td>
<td>$110,000</td>
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<tr>
<td>24</td>
<td>Ford Park to Lindbergh Dr</td>
<td>0.2</td>
<td>$78,000</td>
<td>5.5</td>
</tr>
<tr>
<td>25</td>
<td>Old Excelsior Blvd - Vine Hill Rd to CR 101 (north side of Hwy 7)</td>
<td>1.5</td>
<td>$240,000</td>
<td>5.5</td>
</tr>
<tr>
<td>26</td>
<td>Hillside La - CR 73 to Tanglen School</td>
<td>1.3</td>
<td>$213,000</td>
<td>5.5</td>
</tr>
<tr>
<td>27</td>
<td>CR 3 - Woodland Rd to Clear Springs Rd/101 Library</td>
<td>1.1</td>
<td>$165,000</td>
<td>5.5</td>
</tr>
<tr>
<td>28</td>
<td>Berkshire Dr/Junction Rd - CR 60 to CR 3</td>
<td>0.9</td>
<td>$150,000</td>
<td>5.5</td>
</tr>
<tr>
<td>29</td>
<td>Minnetonka Mills Rd - CR 61 to CR 73</td>
<td>0.7</td>
<td>$108,000</td>
<td>5.5</td>
</tr>
<tr>
<td>30</td>
<td>CR 61 - CR 5 to Hwy 7</td>
<td>0.7</td>
<td>$70,000</td>
<td>5.5</td>
</tr>
<tr>
<td>31</td>
<td>Hilloway Park to YMCA La</td>
<td>0.4</td>
<td>$35,000</td>
<td>5.5</td>
</tr>
<tr>
<td>32</td>
<td>NTC - Maywood La from I-494 crossing to CR 3</td>
<td>0.2</td>
<td>$180,000</td>
<td>5.5</td>
</tr>
<tr>
<td>33</td>
<td>Clear Spring Rd - connect trail to Hwy 7</td>
<td>0.1</td>
<td>$20,000</td>
<td>5.5</td>
</tr>
<tr>
<td>34</td>
<td>Orchard Rd/Huntingdon Dr - CR 60 to CR 61</td>
<td>0.8</td>
<td>$126,000</td>
<td>5.0</td>
</tr>
<tr>
<td>35</td>
<td>Knollway Park to CR 60</td>
<td>0.6</td>
<td>$97,500</td>
<td>5.0</td>
</tr>
<tr>
<td>36</td>
<td>Knollway Park to Wayzata Blvd/Horn Dr</td>
<td>0.3</td>
<td>$45,000</td>
<td>5.0</td>
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<tr>
<td>37</td>
<td>Tonkawood Road - CR 5 to Hwy 7</td>
<td>0.3</td>
<td>$40,000</td>
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</tr>
<tr>
<td>38</td>
<td>NTC - Meeting St to existing trail on west side of I-494</td>
<td>0.1</td>
<td>$20,000</td>
<td>5.0</td>
</tr>
<tr>
<td>39</td>
<td>Williston Rd - CR 5 to Hwy 7</td>
<td>1.0</td>
<td>$220,000</td>
<td>5.0</td>
</tr>
<tr>
<td>40</td>
<td>Stone Rd - Saddlebrooke Cir to Sheffield Cur</td>
<td>0.2</td>
<td>$36,000</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Length</td>
<td>Cost</td>
<td>Duration</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>41</td>
<td>Cottage Grove Ave - Groveland Park to Grays Bay Blvd</td>
<td>0.2</td>
<td>$24,000</td>
<td>5.0</td>
</tr>
<tr>
<td>42</td>
<td>CR 61 - CR 5 to Hilloway Rd</td>
<td>0.2</td>
<td>$32,000</td>
<td>5.0</td>
</tr>
<tr>
<td>43</td>
<td>Sunset Dr and Marion Lane West segments</td>
<td>0.1</td>
<td>$19,500</td>
<td>5.0</td>
</tr>
<tr>
<td>44</td>
<td>CR 73 to Ford Road on Runnymeade La</td>
<td>1.6</td>
<td>$260,000</td>
<td>4.5</td>
</tr>
<tr>
<td>45</td>
<td>Fairchild Ave - CR 5 to Grays Bay Blvd</td>
<td>0.8</td>
<td>$120,000</td>
<td>4.5</td>
</tr>
<tr>
<td>46</td>
<td>East side of I-494 - CR 5 to Wentworth Tr</td>
<td>0.5</td>
<td>$82,500</td>
<td>4.5</td>
</tr>
<tr>
<td>47</td>
<td>Lake St Ext - CR 60 to CR 61</td>
<td>0.4</td>
<td>$66,000</td>
<td>4.5</td>
</tr>
<tr>
<td>48</td>
<td>Victoria Evergreen to McKenzie Park</td>
<td>0.3</td>
<td>$145,000</td>
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</tr>
<tr>
<td>49</td>
<td>58th St W - Mahoney Ave into Purgatory Park</td>
<td>0.2</td>
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<tr>
<td>50</td>
<td>Lake St Ext - Williston Rd to Spring Lake Rd</td>
<td>0.1</td>
<td>$118,000</td>
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</tr>
<tr>
<td>51</td>
<td>North Lone Lake Park - along RR tracks to Dominick Rd</td>
<td>0.1</td>
<td>$116,000</td>
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</tr>
<tr>
<td>52</td>
<td>Fairview Ave/Lake St Ext - CR 3 to CR 61</td>
<td>1.0</td>
<td>$156,000</td>
<td>4.5</td>
</tr>
<tr>
<td>53</td>
<td>Rowland Rd/Bren Rd - Lone Lake Park to Opus trail system</td>
<td>0.9</td>
<td>$140,000</td>
<td>4.5</td>
</tr>
<tr>
<td>54</td>
<td>Cedar Lake Rd - Big Willow to CR 73</td>
<td>0.7</td>
<td>$108,000</td>
<td>4.5</td>
</tr>
<tr>
<td>55</td>
<td>Oberlin Park along Park Ave to Ridgemount Ave</td>
<td>0.4</td>
<td>$160,000</td>
<td>4.5</td>
</tr>
<tr>
<td>56</td>
<td>Ridgedale Connections</td>
<td>0.2</td>
<td>$300,000</td>
<td>4.5</td>
</tr>
<tr>
<td>57</td>
<td>Covington Park east side connection to CR 101</td>
<td>1.3</td>
<td>$213,000</td>
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</tr>
<tr>
<td>58</td>
<td>Woodland Rd to Williston Rd - Through Woodgate Park</td>
<td>1.1</td>
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<tr>
<td>59</td>
<td>Highwood Dr - Williston Rd to Tonkawood Rd</td>
<td>1.0</td>
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<td>60</td>
<td>Holiday Rd/Seymore Rd - Woodland Rd to Spring Hill Park</td>
<td>0.7</td>
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<tr>
<td>61</td>
<td>Westmill Rd - Spring Hill Park to Clear Spring Dr</td>
<td>0.6</td>
<td>$106,000</td>
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<tr>
<td>62</td>
<td>Orchard Rd/Westmark Dr - Minnetonka Dr</td>
<td>0.5</td>
<td>$80,000</td>
<td>4.0</td>
</tr>
<tr>
<td>63</td>
<td>Stodola Rd - Purgatory Park to Scenic Heights Dr</td>
<td>0.3</td>
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<tr>
<td>64</td>
<td>Covington Rd - Vine Hill Rd to Mahoney Ave</td>
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<td>$117,000</td>
<td>4.0</td>
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<tr>
<td>65</td>
<td>CR 3 - Glen Oak St to Woodland Rd</td>
<td>1.0</td>
<td>$160,000</td>
<td>3.5</td>
</tr>
<tr>
<td>66</td>
<td>Woodridge Rd - CR 3 to Gaywood Dr</td>
<td>0.7</td>
<td>$108,000</td>
<td>3.5</td>
</tr>
<tr>
<td>67</td>
<td>Wayzata Blvd - Claredon Dr to Wayzata city limits</td>
<td>0.9</td>
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<td>3.5</td>
</tr>
<tr>
<td>68</td>
<td>South St - Mayview Rd to CR 60</td>
<td>0.6</td>
<td>$99,000</td>
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</tr>
<tr>
<td>69</td>
<td>Kinsel Rd/Mayview Rd - CR 3 to Glen Moor Park</td>
<td>0.2</td>
<td>$40,000</td>
<td>3.5</td>
</tr>
<tr>
<td>70</td>
<td>Meadow Park to Ridgedale</td>
<td>0.2</td>
<td>$250,000</td>
<td>3.5</td>
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<tr>
<td>71</td>
<td>Old Bren Rd - Bren Rd to Clarion Cir trailhead</td>
<td>0.5</td>
<td>$82,000</td>
<td>3.3</td>
</tr>
<tr>
<td>72</td>
<td>CR 101 Underpass structure at Purgatory Creek</td>
<td>1.7</td>
<td>$300,000</td>
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<tr>
<td>73</td>
<td>The Strand - Lake Minnetonka LRT to CR 5</td>
<td>0.5</td>
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<tr>
<td>74</td>
<td>Hilloway Park to CR 73 on Park Ridge Dr</td>
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<td>3.0</td>
</tr>
<tr>
<td>74</td>
<td>Oak Ridge Rd - CR 5 to Hopkins city limits</td>
<td>0.5</td>
<td>$80,000</td>
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<tr>
<td>75</td>
<td>Essex Rd - Ridgedale Dr to Oakland Rd</td>
<td>1.1</td>
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<tr>
<td>76</td>
<td>Carlson Parkway to Linner Park</td>
<td>0.5</td>
<td>$80,000</td>
<td>2.0</td>
</tr>
</tbody>
</table>

**Total** 51.4 | **Total Cost** $11,235,000
**Project Category:** Parks, Trails and Open Spaces

**Project Title:** Trail Rehabilitation

**Total Estimated Cost:** $250,000

**Funding Priority:** 1

**Account Number:** 4764.6560.S16204

---

**Source of Project Funding**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

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**Justification:**

There is strong community support for the Minnetonka Trail System as evidenced by the heavy use of the completed trail segments. Some of the trail sections are approaching 20 years old and have reached a condition beyond what regular maintenance can address.

**Scheduling and Project Status:**

This project is to replace and rebuild existing trail segments. A rating system will be used to determine which segments will be addressed each year. Signage on the trail system will be continually updated and revised maps will be produced.

2016 – Dominick to Shady Oak Beach/Beachside II
2017 – Pavement Management Updates - crack filling, culvert inspection/replacement and asphalt surface sealing
2018 – Pedestrian Ramps and ADA Upgrades
2019 – Ridgedale Area Sidewalks
2020 – Stone Road – Wellington to Oakland Rd.

---

**Description:**

Rebuilding and resurfacing existing Minnetonka Trail System and neighborhood trail connections. Replace and expand trail signage and maps.

**Relationship to General Plan and Other Projects:**

This is an integral part of the plan to maintain the Trail System for walkers, joggers and bicyclists. The trails and walkways connect five community parks, adjacent communities and allow users to travel throughout the city on trails separated from motorized vehicles.

**Effect on Annual Operations Costs:**

Maintenance costs have already been taken into consideration for existing trails.
<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

**Justification:**

It is common for unanticipated opportunities to occasionally arise for the development of new trails or “missing links” when commercial or residential redevelopments are proposed. Additionally, residents or neighborhoods sometimes petition the city to add a safe connection to the Minnetonka Trail System or other community amenities. This item will provide the resources for a timely response to each situation and to accommodate unforeseen challenges in the construction of trails scheduled under the adopted improvement plan.

**Scheduling and Project Status:**

Individual projects are scheduled in response to unanticipated opportunities and challenges that arise throughout a given year related to improvement of the city’s trail system.

**Description:**

Funding is allocated annually as a resource for responding to unanticipated opportunities and challenges that arise throughout the year in the development of the city’s trail system.

**Relationship to General Plan and Other Projects:**

Decisions regarding the use of this funding will be based upon a set of criteria developed by staff during 2011. The criteria includes the level of participation by other parties such as the donation of rights-of-way by private commercial or residential property owners, as well support from other government entities and acceptable design standards for construction.

**Effect on Annual Operations Costs:**

Maintenance of additional trails increases operating costs by approximately $1,500 per mile.
**Project Category:** Parks, Trails & Open Space  

**Project Title:** Purgatory Park Improvements  

**Total Estimated Cost:** $250,000  

**Funding Priority:** 3  

**Account Number:** NA

---

**Description:**
In January of 2013 staff completed the purchase of the Penaz property adjacent to Purgatory Park. This project includes the rehabilitation and incorporation of the barn as a park amenity for the 158 acre Community Preserve.

**Recommended and Scheduled for Five Years**

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund</td>
<td></td>
<td>$250,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Justification:**
The park board and city council toured 17301 Excelsior Boulevard, a single family residence with a barn in 2012. The property was then acquired for Open Space and Park purposes in 2013. A structural review of the barn has been completed and renovation scenarios for a variety of recreational uses were discussed during the 2014 joint City Council and Park Board meeting. Those discussions will help formulate a public input process to be conducted in 2017. In addition to the open space value early ideas for the site are passive uses, such as picnics and outdoor programmed recreational space.

**Scheduling and Project Status:**
In 2015 funding will be used to correct structural deficiencies in the barn and secure the location. The parcel will be used primarily as open space until 2017 when funds to renovate the structures are allocated.

**Relationship to General Plan and Other Projects:**
These improvements are in keeping with efforts to provide and maintain quality recreational amenities and to respond to needs not previously identified. This 1.23 acre highly visible property is adjacent to and would function as part of Purgatory Park, a 158 acre Community Preserve. Staff has presented options to the City Council, which include selling surplus property adjacent to the park to further fund these improvements.

**Effect on Annual Operations Costs:**
Annual operating costs will be known when a final programming concept is approved. During the interim the parcel will be maintained as part of Purgatory Park.
Project Category: Parks, Trails & Open Space

Project Title: Big Willow Park Enhancements

Total Estimated Cost:
- $2,275,000 Total Cost
  - $75,000 City Cost
  - $600,000 Grant-Unfunded
  - $1,600,000 Unfunded

Funding Priority: 2

Account Number: NA

Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Fund</td>
<td>$75,000</td>
</tr>
<tr>
<td>Community Investment Fund – Unfunded</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>Hennepin County Grant – Unfunded</td>
<td>$600,000</td>
</tr>
</tbody>
</table>

Justification:
The existing baseball field at Big Willow Park has served as the premier community baseball field in the area since the 1980’s. Maintaining this field at a high level requires that the field be “rested” annually from September – April. Adding artificial turf would allow for extended fall use to meet the needs of youth soccer, a need identified in the 2012 Athletic Field Needs Study Update and better position the city for future programming needs. In addition, the new surface creates the ability to maintain refrigerated ice from late fall to early spring.

Scheduling and Project Status:
- 2016: Feasibility study and pre-engineering
- 2017: Replace current playing surface with new drainage system and artificial turf
- 2019: Construct public areas including bleachers, concessions and warming house/community room space; and purchase ice rink dasher boards, refrigeration equipment and resurfacing equipment.

Relationship to General Plan and Other Projects:
The ability to extend the use of the field for fall soccer and potentially April baseball helps to address needs addressed in the 2012 Athletic Field Needs Study.

Effect on Annual Operations Costs:
Cost savings for maintaining the surface, including mowing, dragging, and striping the baseball field would save an estimated $6,000 annually. In addition field rentals for extended baseball and soccer use would generate an estimated $3,000 annually.

The annual operating budget would be increased an estimated $20,000 annually for maintenance and supervision of the ice skating rink, with revenues of $5,000-7,000 anticipated to offset the maintenance costs.

The addition of a community skating rink may reduce the need for the eight neighborhood rinks currently being maintained, resulting in budget savings for both staffing and maintenance.

Description:
This project proposes to enhance the use of the Big Willow Baseball Field from essentially a four month use for baseball, to a year around use. This would be accomplished by adding artificial turf which would allow for use by youth soccer in the fall and recreational skating on a refrigerated ice sheet during the winter months. Improved spectator seating would be constructed; as well as spaces for concessions, skate rental and a warming house/community room.
**Project Category:** Parks, Trails & Open Space

**Project Title:** Ridgedale Area Park Improvements

**Total Estimated Cost:** $500,000 Unfunded

**Funding Priority:** 3

**Account Number:**

---

**Recommended and Scheduled for Five Years**

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Trail Improvement Fund</td>
<td></td>
<td></td>
<td></td>
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<td>$250,000</td>
</tr>
<tr>
<td>– Unfunded</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

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**Description:**
In October 2012, the city completed the Ridgedale Village Center study. The study identified two park improvements: improvements to Crane Lake open space, and a new park, public square, and green space on the south side of the mall.

---

**Justification:**
The Ridgedale area is a major commercial and economic center in Minnetonka. The city’s comprehensive plan anticipates significant private development to occur in the Ridgedale area. In anticipation of development, the city completed a village center study for the Ridgedale area in 2012.

The elements of the vision plan include transforming the retail center into a mixed use community and enhancing the district’s natural features. Developing a park area on the south side of the mall would be a community gathering space which would be surrounded by an expansion to the mall and high density housing on the south side of Ridgedale Drive. Additional improvements are identified on the properties on the east side of Ridgedale Drive to enhance the natural area and open space surrounding Crane Lake.

**Scheduling and Project Status:**
Currently, the land on the south side of the mall is privately owned and the city owns the existing open space property on the southeast corner of Ridgedale Drive and Wayzata Blvd. An off-leash dog area, previously approved adjacent to Crane Lake, would be reconsidered as part of an overall review of park amenities in the area. Park improvements are anticipated to be constructed in conjunction with the improvements to Ridgedale Drive and the mall property, including pedestrian and bike amenities as appropriate.

**Relationship to General Plan and Other Projects:**
The project is consistent with the city’s 2030 Comprehensive Plan and the Ridgedale Village Center study.

**Effect on Annual Operations Costs:**
Annual operating costs will be known when a final programming concept is approved.
**Project Category:** Major Equipment  
**Project Title:** Dump/Plow Truck Replacements  
**Total Estimated Cost:** $2,401,300  
**Funding Priority:** 2  
**Account Number:** 4101.6540.S16306  
5110.6540.S16306  

### Description:

These purchases anticipate the scheduled 15-year replacement of 21 dump trucks in the city's fleet. Replacement costs include the chassis, dump body, hydraulics and snow equipment (plow, wing and sander). Dump boxes are refurbished after eight years at a cost of $5,000.

### Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
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<tr>
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</table>

### Justification:

These vehicles are used primarily for hauling and snow plowing and are included in the CIP due to their high individual and aggregate costs which are depreciable.

### Scheduling and Project Status:

The vehicles are purchased through the State Cooperative Purchasing Venture. Trucks are ordered in the spring for summer delivery. Pricing has escalated due to the cost of EPA compliant engines and increased cost of components.

### Relationship to General Plan and Other Projects:

These replacements are consistent with the city's Vehicle Replacement Guide.

### Effect on Annual Operations Costs:

Replacements can reduce repair costs by approximately $2,000 per year for the first five years following purchase.
Project Category: Major Equipment
Project Title: Fleet Vehicles
Total Estimated Cost: $3,535,100
Funding Priority: 2
Account Number: 4101.6540.S16310
5110.6540.S16310

Source of Project Funding

<table>
<thead>
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<tbody>
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<td>Capital Replacement Fund</td>
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<tr>
<td>Storm Water Fund</td>
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<td>Fleet Services</td>
<td></td>
<td></td>
<td></td>
<td>50,000</td>
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</table>

Justification:
These vehicles are used by staff for the delivery of city services and are included in the CIP due to their individual and aggregate costs which are depreciable.

Relationship to General Plan and Other Projects:
These purchases are consistent with the city’s Vehicle Replacement Guide. All replacements are evaluated for eligibility for replacement with energy efficient vehicles. City staff conducts ongoing analysis of vehicle use in order to eliminate underutilized equipment and provide appropriate vehicles for city operations.

Scheduling and Project Status:
The vehicles are purchased early in the year utilizing the State and County Cooperative Purchasing contracts when available.

Effect on Annual Operations Costs:
Scheduled replacements can reduce repair costs by $500 for the first three years following purchase.

Description:
This item provides for the scheduled replacement of departmental cars, pickups, light trucks, mowers and support equipment such as trailers, generators, rollers and turf care equipment.
**Project Category:** Major Equipment  
**Project Title:** Rubber-Tire Loader  
**Total Estimated Cost:** $241,300  
**Funding Priority:** 2  
**Account Number:**

### Description:
This item provides for the scheduled replacement of the three front-end loaders in the city's inventory. Cost includes the replacement of the machine and the attached snow equipment (plow and wing).

### Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility Fund</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$241,300</td>
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<td></td>
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</table>

### Justification:
These pieces are used for a variety of maintenance activities but primarily truck loading and snow plowing. These items are included in the CIP due to their individual and aggregate costs which are depreciable.

### Scheduling and Project Status:
Purchase will utilize the State’s Cooperative Purchasing program and will be purchased the year the machine is funded.

### Relationship to General Plan and Other Projects:
The replacement is consistent with the city’s Vehicle Replacement Guide.

### Effect on Annual Operations Costs:
This replacement can reduce repair costs by $1,750 a year for the first three years following purchase.
**Project Category:** Major Equipment  
**Project Title:** Sidewalk and Trail Maintenance Vehicle  
**Total Estimated Cost:** $158,000  
**Funding Priority:** 2  
**Account Number:** NA

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
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<td></td>
<td>$79,000</td>
<td>$79,000</td>
</tr>
</tbody>
</table>

**Justification:**  
These units are primarily snow removal machines used on sidewalks and trails.

**Scheduling and Project Status:**  
Machines would be ordered in the summer of the funding year

**Description:**  
This item provides for the scheduled replacement of three sidewalk/trail maintenance vehicles.

**Relationship to General Plan and Other Projects:**  
Replacement is consistent with the city’s Vehicle Replacement Guide.

**Effect on Annual Operations Costs:**  
Replacement can reduce repair costs by approximately $1,000 each year for the first three years
**Project Category:** Major Equipment

**Project Title:** Street Sweeper

**Total Estimated Cost:** $431,600

**Funding Priority:** 2

**Account Number:** NA

**Description:**

This item provides for the scheduled replacement of the city’s three street sweepers.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td>Storm Water Fund</td>
<td></td>
<td>$202,600</td>
<td>$229,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Justification:**

These machines are used to clean city streets during the period of March through October.

**Scheduling and Project Status:**

Sweepers would be purchased in January of the funding year for delivery prior to the spring cleanup. These machines are purchased utilizing the State Cooperative Purchasing contract.

**Relationship to General Plan and Other Projects:**

The purchase is consistent with the city’s Vehicle Replacement Guide.

**Effect on Annual Operations Costs:**

Replacement will save approximately $10,000 in repair expense following the first year of purchase.
### Project Category:
Major Equipment

### Project Title:
Excavator

### Total Estimated Cost:
$311,600

### Funding Priority:
2

### Account Number:
NA

### Description:
This item provides for the replacement of the two excavators used to dig storm water drainage maintenance items and watermain break repairs.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility Fund</td>
<td></td>
<td></td>
<td>$311,600</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Justification:
These machines are used for digging purposes throughout the city.

### Scheduling and Project Status:
This machine would be purchased in the spring of the funding year by utilizing the state cooperative purchasing venture.

### Relationship to General Plan and Other Projects:
This purchase is consistent with the city's Vehicle Replacement Guide.

### Effect on Annual Operations Costs:
Replacement would save an estimated $750 per year for the first five years following purchase.
Project Category: Major Equipment
Project Title: Aerial Bucket Truck
Total Estimated Cost: $276,000
Funding Priority: 2

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
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<td></td>
</tr>
<tr>
<td>Utility Fund</td>
<td>$113,300</td>
<td></td>
<td></td>
<td>$162,700</td>
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</tr>
</tbody>
</table>

Description:
This item provides for the scheduled replacement of the two aerial bucket trucks in the city’s fleet.

Justification:
These vehicles are used for tree trimming and street light replacement work.

Scheduling and Project Status:
Trucks would be ordered in the spring of the funding year.

Relationship to General Plan and Other Projects:
These replacements are consistent with the Vehicle Replacement Guide.

Effect on Annual Operations Costs:
Replacement would reduce annual repair costs by $750 per year for each of the first three years as well as annual inspection costs associated with boom certification.
**Project Category:** Major Equipment  
**Project Title:** Electric Ice Resurfacer  
**Total Estimated Cost:** $296,800  
**Funding Priority:** 2  
**Account Number:**  

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
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<tbody>
<tr>
<td></td>
<td>$139,600</td>
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</tbody>
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<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$157,200</td>
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</tbody>
</table>

**Description:** This item provides for the replacement of the two ice resurfacers used at the ice arenas.

**Justification:**
The current machine is ten years old and needs replacement due to the age of the battery packs and wear items on the mechanical section of the machine.

**Scheduling and Project Status:**
This machine would be ordered in late 2016 with delivery in early 2017.

**Relationship to General Plan and Other Projects:**
This replacement is consistent with the city’s Vehicle Replacement Guide.

**Effect on Annual Operations Costs:**
Replacement will save approximately $500 annually for three years after replacement.
Project Category: Major Equipment
Project Title: Skidsteer
Total Estimated Cost: $129,500
Funding Priority: 2
Account Number: NA

Description:
This item provides for the replacement of the city's three skid loaders.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
<td></td>
<td>$50,700</td>
<td>$78,800</td>
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</tbody>
</table>

Justification:
These machines are replaced on a 15-year basis and are used for snow removal around buildings and landscaping projects in the city.

Scheduling and Project Status:
These machines would be replaced in the spring of the funding year utilizing a Minnesota Cooperative Purchasing contract.

Relationship to General Plan and Other Projects:
This replacement is consistent with the Vehicle Replacement Guide.

Effect on Annual Operations Costs:
The city would save approximately $2,000 annually for the first two years following replacement.
Project Category: Major Equipment
Project Title: Patch Truck
Total Estimated Cost: $228,500
Funding Priority: 2
Account Number: NA

Description:
This item provides for the replacement of the vehicle used to patch the city’s bituminous streets.

Justification:
This truck is used to patch city streets on an 8-month basis. Bituminous material is contained and heated in the rear portion of the vehicle. It also carries tack material, compressed air and compaction equipment on the vehicle.

Scheduling and Project Status:
This truck would be ordered in early 2017 for delivery in the fall of the year.

Relationship to General Plan and Other Projects:
This replacement is consistent with the Vehicle Replacement Guide.

Effect on Annual Operations Costs:
This replacement will save approximately $1,000 in repair costs for the first two years following purchase.

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<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
<td></td>
<td></td>
<td>$228,500</td>
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</tbody>
</table>
Description:
This item provides for the scheduled replacement of the high-pressure jet machine and truck that is utilized to clean 100 miles of underground sewer pipe annually.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>Utility Fund</td>
<td></td>
<td></td>
<td>$169,300</td>
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</table>

Justification:
This machine is routinely used to clean sewer lines in order to assure their reliability. The machine is included in the CIP due to its costs and because it is depreciated.

Scheduling and Project Status:
This machine would be ordered in late 2017 for delivery in 2018. The machine would be purchased using the State Cooperative Purchasing program.

Relationship to General Plan and Other Projects:
This replacement is consistent with the city’s Vehicle Replacement Guide.

Effect on Annual Operations Costs:
This replacement can save approximately $1,500 annually for the first three years after purchase.
<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storm Water Fund</td>
<td></td>
<td></td>
<td></td>
<td>$282,200</td>
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</tbody>
</table>

**Justification:**
This machine is used on a year-round basis for sewer cleaning and pipe repairs.

**Scheduling and Project Status:**
This machine would be ordered in the spring for delivery later that year. The machine would be replaced using the State Cooperative Purchasing Venture.

**Description:**
This item provides for the replacement of the truck mounted vacuum machine that is used for sanitary sewer cleaning and watermain break dewatering.

**Relationship to General Plan and Other Projects:**
This replacement is consistent with the city’s Vehicle Replacement Guide.

**Effect on Annual Operations Costs:**
This will reduce repair costs by $1,000 for each of the first two years after purchase.
**Project Category:** Major Equipment

**Project Title:** Street Flusher Truck

**Total Estimated Cost:** $183,600

**Funding Priority:** 2

**Account Number:** NA

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**Description:**

This item provides for the replacement of the City’s street flusher, which is used for roadway cleaning, skating rinks, and tree and sod watering in the summer months.

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<table>
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<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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</thead>
<tbody>
<tr>
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<td></td>
<td>$183,600</td>
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</tbody>
</table>

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**Justification:**

This vehicle was purchased in 2005 and will be eligible for replacement in 2020. Corrosion of the tank and support metal primarily determines when this should be replaced.

**Scheduling and Project Status:**

This vehicle would be bid and ordered in late 2019 for delivery in the spring of 2020.

**Relationship to General Plan and Other Projects:**

This replacement is consistent with the Vehicle Replacement Guide.

**Effect on Annual Operations Costs:**

This replacement will reduce annual maintenance and repair costs by $750 per year for the first three years after purchase.
**Project Category:** Major Equipment  
**Project Title:** Fuel Pump and Leak Detection Replacement  
**Total Estimated Cost:** $50,000  
**Funding Priority:** 2  
**Account Number:** NA

### Description:
This item anticipates the replacement of the cabinets, pumps and leak detection equipment that is part of the city's fleet fueling system.

### Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Replacement Fund</td>
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<td></td>
<td>$50,000</td>
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</tbody>
</table>

### Justification:
This fuel pumps and leak detection equipment were installed in 2003 and will need replacement in 2020.

### Scheduling and Project Status:
This equipment will be replaced during the funding year and must be compatible with the city's fleet services computer software.

### Relationship to General Plan and Other Projects:
This project is consistent with the city’s policy of maintaining its infrastructure.

### Effect on Annual Operations Costs:
This project will not affect operating costs.
Project Category: Major Equipment
Project Title: Pumper Truck Replacement
Total Estimated Cost: $930,000
Funding Priority: 2
Account Number: N/A

Description:
This project provides for the scheduled replacement of the city’s fire pumper trucks.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tbody>
<tr>
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<td></td>
<td></td>
<td>$465,000</td>
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<td>$465,000</td>
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</tbody>
</table>

Justification:
The purchase in 2018 will replace the primary duty crew Engine. That purchase is proposed to be a heavier duty pumper, since it is the primary responding unit. The 2020 purchase will be placed at a satellite station, but it too will have the capability of pumping water, carrying hose and other necessary equipment.

Scheduling and Project Status:
Fire truck construction typically requires nine to twelve months. Each unit should be ordered as early as possible in the year scheduled. The purchasing schedule was adjusted from the previous CIP to reflect the usage and replacement of apparatus under the duty crew model.

Relationship to General Plan and Other Projects:
The city completed a long term strategic plan for public safety in 2010 that addressed the total equipment needs of the Fire Department. These apparatus contribute to the city’s overall ability to provide fire protection and are necessary to maintain the city’s ISO rating.

Effect on Annual Operations Costs:
Operating costs will remain consistent; however, during the first several years of service, maintenance costs should be reduced.
**Project Category:** Major Equipment

**Project Title:** Fire JPA SCBA Program

**Total Estimated Cost:** $500,000

**Funding Priority:** 2

**Account Number:** N/A

---

**Description:**

This project provides for the ongoing maintenance and replacement of the City's self-contained breathing apparatus (SCBA). These “air-packs” are essential to the City's ability to fight fires and rescue trapped persons.

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<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
<td></td>
<td>$500,000</td>
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**Justification:**

The City uses joint response as a critical component to its fire protection plan. The ability of its firefighters to use similar equipment with other jurisdictions is paramount to utilize this cost saving and efficient program.

In 2009, the City formed a Joint Powers Agreement (JPA) with 19 other Cities and Fire Departments to provide SCBA and SCBA maintenance to its firefighters. This innovative program allows all firefighters the ability to respond to other jurisdictions seamlessly while providing for the mandated maintenance and documentation of its SCBA.

This program includes:

- SCBA for firefighting and rescue
- Maintenance and care of SCBA
- Required record keeping
- Ability for seamless interaction of all JPA entities.

---

**Scheduling and Project Status:**

Under the terms of the JPA all equipment will be replaced every seven years.

---

**Relationship to the General Plan and Other Projects:**

This is consistent with the City’s policy of maintaining its essential safety equipment. This follows the JPA’s long term schedule.

---

**Effect on Annual Operations Costs:**

This will provide consistent, timely replacement while avoiding unscheduled repair costs.
Project Category: Major Equipment
Project Title: Air 2 Refurbishment
Total Estimated Cost: $332,600
Funding Priority: 2
Account Number: N/A

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
<td></td>
<td></td>
<td></td>
<td>$332,600</td>
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</tbody>
</table>

Justification:
This truck is a vital tool for refilling expended air tanks that firefighters use in atmospheres that are Immediately Dangerous to Life and Health (IDLH). Taking a unique approach, the city uses a mobile air supply truck to bring the air to the scenes, station or training grounds instead of having an air compressor and supply at each station.

Scheduling and Project Status:
This truck is currently in service and will have been for ten years at the time of the scheduled refurbishment. The goal is to get a total of twenty years out of the box and many of the components of the truck.

Description:
This is the city’s only air truck and provides a mobile means of bringing breathing air to scenes, stations and training to replenish self-contained breathing apparatus tanks.

Relationship to General Plan and Other Projects:
The city has completed a long term strategic plan for public safety in 2010 that addressed the total equipment needs of the Fire Department.

Effect on Annual Operations Costs:
These projects help maintain low operating cost by performing extensive maintenance and refurbishment at planned intervals.
Project Category: Major Equipment
Project Title: Lucas Device Purchase
Total Estimated Cost: $16,100
Funding Priority: NA
Account Number: NA

Source of Project Funding | 2016 | 2017 | 2018 | 2019 | 2020
---|---|---|---|---|---
Public Safety Fund | | $16,100 | | | |

Description:
The Lucas Device is used to administer CPR to persons experiencing a cardiac arrest.

Justification:
In order to be able to save the lives of sudden cardiac arrest patients and avoid neurological damage, a steady supply of oxygen to the heart and brain is necessitated. Life-sustaining circulation can be created through effective and uninterrupted chest compressions. The city has been operating one device since 2013 and it has proven to be an effective lifesaving tool.

Scheduling and Project Status:
This project has provided a second device for our Fire/Rescue truck at Station #1 and a device on the Fire/Rescue truck located at Station #5 in 2017.

Relationship to General Plan and Other Projects:
This is consistent with the City’s policy of providing essential lifesaving equipment.

Effect on Annual Operations Costs:
In the past more responders were required to respond to cardiac arrests in order to deliver effective chest compressions. Using these devices requires less staffing on scene and delivers better care than manual resuscitation.
Project Category: Major Equipment
Project Title: Fire Technology Update
Total Estimated Cost: $95,000
Funding Priority: 2
Account Number: N/A

Source of Project Funding
<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
<td></td>
<td>$45,000</td>
<td></td>
<td>$50,000</td>
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</tbody>
</table>

Justification:

**Pagers - 2017**
Each firefighting is issued a pager in order to be called out by dispatch to respond on call for emergency service. The technology of these voice pagers have changed tremendously in the past years and the current stock of pagers owned by the city have been discontinued by the manufacturer and will no longer be serviceable.

**Mobile Computers - 2019**
The mobile computers will be similar to units already in place on several fire vehicles and will allow for the same capabilities of receiving dispatch information, routing, fire hydrant location and other essential information while responding.

Scheduling and Project Status:
Technology improvements and changes necessitate these two projects as soon as feasible.

Description:
This project updates the pagers carried by firefighters to be alerted to emergency calls for service and installs computer aiding dispatching computers in front line vehicles and apparatus.

Relationship to General Plan and Other Projects:
This project is consistent with the policy of maintaining current technology.

Effect on Annual Operations Costs:
Annual maintenance of these two items will be less after initial purchase and then will require upkeep due to normal usage.
**Project Category:** Major Equipment

**Project Title:** Rescue Equipment

**Total Estimated Cost:** $75,000

**Funding Priority:** 2

**Account Number:** NA

**Description:**
This project will update essential rescue equipment, some of it 30 years old.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
<td></td>
<td></td>
<td>$75,000</td>
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</tbody>
</table>

**Justification:**
The City of Minnetonka provides basic rescue services such as vehicle extrication and surface water rescue. In 2010 the City of Minnetonka liquidated its technical rescue cache and disbanded our technical rescue team. We also fortified our mutual aid arrangements to provide low frequency and unpredictable technical services. Our vision at the time and continues to be that the city will maintain equipment and training for the most frequent or most likely rescue calls for service.

**Scheduling and Project Status:**
This project coincides with the city switching from 5 ladder trucks to 3 ladder trucks and 2 rescue units.

**Relationship to General Plan and Other Projects:**
This augments the plan for the city's fire apparatus deployment and reflects the way that most service is delivered with the duty crew model.

**Effect on Annual Operations Costs:**
There will be minimal annual maintenance cost for some of the items.
Project Category: Major Equipment
Project Title: Rescue Truck Program
Total Estimated Cost: $435,000
Funding Priority: 1
Account Number: NA

Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tr>
<td>Public Safety Fund</td>
<td></td>
<td>$220,000</td>
<td>$215,000</td>
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</tbody>
</table>

Description:
This program replaces the replacement of a ladder truck which would cost an estimated $1,050,000 in 2020. These trucks would carry rescue and firefighting equipment currently spread out among various apparatus.

Justification:
The fire department is responsible for not only responding to fire emergencies, but rescue emergencies as well. These calls require that specialized equipment be strategically placed within the city. This will allow us to consolidate equipment into two trucks and better reflects the deployment model used with duty crew staffing.

Scheduling and Project Status:
Staff is currently working on a long term rescue plan that will address critical emergencies such as vehicle entrapment, water rescue and serious medical emergencies. The 2019 costs reflected are less due to several pieces of equipment being recycled or re-purposed for the 2019 truck.

Relationship to General Plan and Other Projects:
The original plan called for purchasing a ladder truck in 2020 at more than double the cost of this program. Between the city’s equipment deployment plan and partnerships with neighboring communities, the necessity to maintain a ladder truck at each fire station has changed allowing staff to take a critical look at that plan. Staff has determined that utilizing lighter duty trucks paired with other heavy apparatus is efficient and will be highly effective for our most common emergency calls for service.

Effect on Annual Operations Costs:
The rescue trucks will significantly lower maintenance and fuel costs and will also save wear on other vehicles.
**Project Category:** Major Equipment

**Project Title:** Body Cameras

**Total Estimated Cost:** $40,000

**Funding Priority:** 2

**Account Number:** N/A

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**Description:**

This item would augment the current in-car video system to allow for the recording of audio and visual data in the field beyond what is currently captured on in-car video.

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**Source of Project Funding**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tr>
<td>DWI Forfeiture Account</td>
<td>$20,000</td>
<td>20,000</td>
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**Justification:**

There is discussion at the legislative level that body cameras may become required equipment for all police officers to wear while on duty. The current in-car video system purchased in 2015 would allow for body cameras to be incorporated should this become a mandate.

**Scheduling and Project Status:**

This project is funded and will not be implemented until such time as mandated or deemed to be of benefit to law enforcement, prosecution, and the community.

**Relationship to General Plan and Other Projects:**

This project is consistent with the city’s policy of maintaining current technology.

**Effect on Annual Operations Costs:**

This project will need to be closely monitored to see how captured video is going to be classified per data practices. If all data is considered public data this could have an impact on police records and IT staff time to produce these records under the Freedom of Information Act. There are also significant costs for maintaining storage of captured video based on required retention schedules.
Project Category: Major Equipment

Project Title: Microwave Radios

Total Estimated Cost: $85,000

Funding Priority: 2

Account Number: N/A

Recommended and Scheduled for Five Years

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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</thead>
<tbody>
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<td>Public Safety Fund</td>
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<td>$85,000</td>
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</tbody>
</table>

Description:
This item provides for the replacement of the microwave radios located at the Williston water tower as part of the 800 MHz Statewide Radio System.

Justification:
Police and Fire currently utilize the 800MHz Statewide Radio System by way of microwave radio technology. The current microwave radios have been discontinued and currently have been classified by the vendor as “Maintenance Only” until 2020. New microwave technology is IP based, smaller and consumes half the power of the existing system.

Scheduling and Project Status:
This project will be researched in 2017 for purchase and implementation in 2018.

Relationship to General Plan and Other Projects:
This project is consistent with the policy of maintaining current technology.

The next replacement/upgrade is anticipated to take place in 2033.

Effect on Annual Operations Costs:
This project does require a service agreement that already exists within the police department budget.
Project Category: Major Equipment

Project Title: Ballistic Tactical Vests

Total Estimated Cost: $30,000

Funding Priority: 2

Account Number: N/A

Description:
This item provides for the replacement of the police department’s Emergency Response Team (ERT) tactical ballistic vests.

Recommended and Scheduled for Five Years

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$30,000</td>
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</tbody>
</table>

Justification:
Members of the police department’s Emergency Response Team (ERT) require a higher “threat” level of ballistic vest than patrol officers, due to the nature of their assignment. The manufacturer warranties the performance specifications of the product for 5 years from the date of purchase. All ERT personnel received a new ballistic tactical vest in 2013.

Scheduling and Project Status:
This project will be researched in 2017 for purchase and implementation in 2018.

Relationship to General Plan and Other Projects:
This project is consistent with the policy of maintaining current technology.

Effect on Annual Operations Costs:
No annual costs associated with this item.
**Project Category:** Major Equipment

**Project Title:** PSAP VoIP Servers

**Total Estimated Cost:** $110,000

**Funding Priority:** 2

**Account Number:**

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**Recommended and Scheduled for Five Years**

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
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**Description:**

This item provides for the replacement of servers and supporting hardware for the Public Safety Answering Point Voice Over Internet Protocol (VoIP) phone system.

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**Justification:**

The police department upgraded the Public Safety Answering Point (PSAP) phone system to Voice Over Internet Protocol (VoIP) in 2010. This project provides for the systematic upgrading of Public Safety Answering Point phone servers and supporting hardware as recommended by the manufacturer every 5 years.

**Scheduling and Project Status:**

This project will be researched in late 2015 for implementation in 2016.

---

**Relationship to General Plan and Other Projects:**

This project is consistent with the policy of maintaining current technology.

**Effect on Annual Operations Costs:**

This project does require a service agreement that already exists within the police department budget.
Project Category: Major Equipment

Project Title: 800 MHz Portable Radios

Total Estimated Cost: $422,200

Funding Priority: 2

Account Number: N/A

Recommended and Scheduled for Five Years

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tbody>
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<td>Public Safety Fund</td>
<td>$422,200</td>
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</table>

Description:
This item provides for the replacement of the police department and fire department 800 MHz portable radios as part of the Metropolitan Regional Radio System.

Justification:
Police and Fire portable radios were last purchased in 2004. At that time, it was recommended they be replaced in 7 year intervals due to the nature of their use. Replacement was extended 3 years beyond recommendation for cost saving purposes. A total of 72 portable radios will be replaced with an additional 28 purchased for the fire department in 2016. The additional radios are to allow the city to follow safety best practices by assuring that every firefighter assigned to the hazard zone is assigned a portable radio. Also, the radios specified are ruggedized and ergonomically designed for working in the hazardous environments the fire department operates in.

Scheduling and Project Status:
This project was researched in late 2013 for purchase in 2014 - 2016. Purchases in 2014 were for police; purchases in 2016 will be for fire.

Relationship to General Plan and Other Projects:
This project is consistent with the policy of maintaining current technology.

In 2014 police mobile radios were replaced and will next be due for replacement in 2024.

In 2016 fire mobile radios will be replaced and will next be due for replacement in 2026.

Effect on Annual Operations Costs:
This project does require a service agreement that already exists within the police and fire department budgets.
**Project Category:** Major Equipment

**Project Title:** 800 MHz Mobile Radios

**Total Estimated Cost:** $143,000

**Funding Priority:** 2

**Account Number:** 4150.XXXX.S16315

---

**Description:**
This item provides for the replacement of the police department and fire department 800 MHz mobile squad radios as part of the Metropolitan Regional Radio System.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
<td>$143,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Justification:**
Police and Fire mobile radios were last purchased in 2004. Mobile radios purchased for all police vehicles was done through grant funding. The manufacturer recommends replacement in 10 year intervals in order to stay consistent with technology. Replacement was extended 3 years beyond recommended for cost saving purposes. A total of 57 radios will be replaced.

**Scheduling and Project Status:**
This project was researched in 2014 for purchase in 2015 and 2016. Radios purchased in 2015 were for police; radios purchased in 2016 are for fire.

**Relationship to General Plan and Other Projects:**
This project is consistent with the policy of maintaining current technology.

In 2015 police mobile radios were replaced and will next be due for replacement in 2026.

In 2016 fire mobile radios will be replaced and will next be due for replacement in 2027.

**Effect on Annual Operations Costs:**
This project does require a service agreement that already exists within the police and fire department budgets.
Project Category: Major Equipment
Project Title: Emergency Response Vehicle
Total Estimated Cost: $175,000
Funding Priority: 2
Account Number: NA

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
<td>$175,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Justification:
This vehicle provides ballistic protection to emergency response personnel while working in “hot zones” to include executing high risk search warrants, dealing with barricaded suspects and responding to potential active shooter situations. The current 1993 retrofitted ambulance does not provide ballistic protection and does not lend itself to off road use. The proposed vehicle would be custom built specific to the needs of the Emergency Response Team. Cost increase from the previous year is mainly attributed to additional options not previously included in pricing.

Scheduling and Project Status:
Research would begin in late 2015 for purchase in 2016.

Relationship to General Plan and Other Projects:
This piece of equipment is expected to last 20 – 25 years and provides a critical piece of equipment for emergency tactical operations.

We currently share an armored vehicle with our 4 consortium city partners for SWAT operations. The current armored vehicle is stored at the Edina Police Department.

The proposed vehicle would enhance our ability to rapidly respond to emerging threats without relying on the availability of the shared armored vehicle. By having this vehicle readily available it could be used for patrol applications as well, thus enhancing safety to both officers and suspects.

Effect on Annual Operations Costs:
This project would have little effect on operating costs other than routine scheduled maintenance.

Description:
Armor plated emergency response vehicle.
Project Category: Major Equipment
Project Title: Police In-car Video System
Total Estimated Cost: $120,000
Funding Priority: 1
Account Number: NA

Recommended and Scheduled for Five Years

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety Fund</td>
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<tr>
<td>DWI Forfeiture Account</td>
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<td></td>
<td></td>
<td></td>
<td>$80,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$40,000</td>
</tr>
</tbody>
</table>

Description:
This project involves the replacement of the in-car video cameras in the police department’s patrol fleet.

Justification:
The current in-car video camera system was purchased in 2015 with DWI Forfeiture and Police Operating funds. Since inception in 2010 the in-car cameras have greatly aided in criminal prosecution, resolving citizen complaints against officers and as a training tool for both new recruits and veteran officers. A total of 20 in-car cameras will be purchased.

Scheduling and Project Status:
This project will be researched in 2019 for purchase and installation in early 2020.

Relationship to General Plan and Other Projects:
This project is consistent with the city’s policy of maintaining current technology.

Manufacturer recommends that in-car cameras be replaced every 5 years. Technology in this area is rapidly evolving and therefore factored into this replacement schedule. The next replacement would take place in 2025.

Effect on Annual Operations Costs:
This project will have little effect on the current operating budget.
Project Category: Major Equipment
Project Title: Audio/Visual Equipment Replacement
Total Estimated Cost: $392,500
Funding Priority: 2
Account Number: 2210.6230.S16302

Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cable Television Fund</td>
<td>$98,200</td>
<td>$60,100</td>
<td>$92,200</td>
<td>$69,000</td>
<td>$73,000</td>
</tr>
</tbody>
</table>

Justification:

This project calls for the systematic maintenance and upgrades of the audio/visual equipment and additional equipment as new technology develops. A list of major equipment to be replaced appears below. Many of these items are essential to maintaining our current programming; we currently have the equipment, but it needs to be replaced per schedule.

Scheduling and Project Status:

Acquisitions will occur on a planned annual basis.

2016 – Minor equipment replacement, replacement projectors, replacement monitors in conference rooms, community room audio/visual system, amphitheater lighting and sound equipment additions.

2017 – Editing system, LCD monitors, bulletin board system, projector replacements, and televisions.

2018 – Digital video devices, digital storage automation equipment, monitors, presentation equipment, Purgatory Creek audio/visual system.

2019 – Minor equipment replacement, Lake Rose, Police Main Conference Room audio/visual system.

2020 – Televisions, digital video equipment, Minnetonka Mills and Public Works audio/visual system.

Relationship to General Plan and Other Projects:

This project is consistent with the city’s policy of establishing schedules for equipment replacement.

Effect on Annual Operations Costs:

The replacement purchases will not affect operating costs and will reduce maintenance costs on equipment that is experiencing mechanical failure due to age.

Description:

This project consists of the systematic maintenance and upgrading of audio/visual equipment to ensure the quality of official city meeting cable costs and video productions.
**Project Category:** Major Equipment  
**Project Title:** Technology Infrastructure  
**Total Estimated Cost:** $400,000  
**Funding Priority:** 3  
**Account Number:** 2210.6530.S16311

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cable Television Fund</td>
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<td></td>
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<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td></td>
</tr>
</tbody>
</table>

**Justification:**

Technology is an integral component in the delivery of city services. To keep stride with technology that becomes increasingly more sophisticated, the city needs to continue to upgrade its transmission method. Fiber optic cables have much greater bandwidth. Speeds of data transmission are greatly increased. Wireless Communication (WI-FI) has also become an acceptable form of transmission when fiber optic cabling is not a feasible option due to cost.

Fiber links have been established to: Ice Arena A, Marquis Sign, Public Works, Williston Center, Tonkawood Water Tower, Williston Water Tower, Tanglen Tower, Water Treatment Plant 3, Water Treatment Plant 16, Ridgedale Substation, Burwell House, Glen Lake Activity Center and LOGIS. Wireless links have been established to: Edina Water Tower. Conduit infrastructure has been established to: Bren Road.

A secondary fiber optic path to Public Works has been established as part of a collaborative effort with the Hopkins School District.

The city has collaborated on several fiber projects with other cities, school districts and the county. Staff will continue to look for opportunities to maximize our resources and to take advantage of lower labor costs related to road reconstruction projects.

**Scheduling and Project Status:**
The goal is to continue connectivity to remote locations via fiber or wireless technology to increase bandwidth and improve data transmission speed.

**Description:**
These items provide for the acquisition of additional fiber optic cabling or wireless technology to connect the city hall campus with other remote sites.

**First Priority Projects:**
- Establish a redundant path to LOGIS to ensure that we do not experience unnecessary service interruptions to essential city services.
- Establish redundancy to the Police Department radio system(s)
- Establish a wireless connection to Shady Oak Beach
- Replace fiber optic cable to Public Works from City Hall
- Establish cellular connectivity antennas on the civic center campus and Public Works facilities
- Replace fiber optic hand hole markers

**Future Projects:**
- Connectivity to Gray’s Bay Marina
- Conduit infrastructure, Shady Oak Road Excelsior Boulevard north to Highway 7

**Relationship to General Plan and Other Projects:**
Technology and inter-connectedness with LOGIS and remote locations is becoming increasingly more important in providing city services. All city departments utilize the connection to LOGIS and being proactive allows the build-out of a permanent, reliable solution to all facilities.

**Effect on Annual Operations Costs:**
This project will likely decrease operational costs due to the discontinuation of monthly service fees for internet services.
**Project Category:** Major Equipment  
**Project Title:** Public Access Technology  
**Total Estimated Cost:** $65,000  
**Funding Priority:** 2  
**Account Number:** 2210.XXXX.S16309

### Description:
This item is designed to increase the availability of information to Minnetonka residents, and to enhance transfer of information between residents and the city.

### Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cable Television Fund</td>
<td>$40,000</td>
<td></td>
<td></td>
<td>$25,000</td>
<td></td>
</tr>
</tbody>
</table>

### Justification:
In 2010, the city purchased a new document management system to replace its existing outdated imaging system. The newer technology allows staff to better share working documents across departments and also incorporates powerful search functionality for easier retrieval. Implementation of Columbia Soft’s “Document Locator” system began at the beginning of 2011. Document Locator seamlessly integrates with LOGIS software systems and most other city database software making work processes more efficient.

The system is implemented and now fully in use in all but three departments. The $40,000 in 2016 would be used to modify the system for departments that were setup in the system four years ago and to continue the implementation in the remaining departments. Funds are also be used to convert older city records that are maintained on microfiche into electronic records that will be stored in Document Locator. The $25,000 in 2019 would be used to provide updates and system enhancements, further integrating the Doclocator system. These updates are typically due to new software versions and not covered in the annual licensing requirements.

By the end of 2015, a web interface that will allow residents to look up city records online and reduce the need to come to city hall will be up and running. Specific applications of the system will be phased-in over time.

### Relationship to General Plan and Other Projects:

#### 2016:
Enhancements to existing setup and continuation of implementation and conversion of microfiche.

#### 2019:
Enhancements and updates to existing systems to further department integrations and applications.

### Relationship to General Plan and Other Projects:
The implementation of the new document management system has created the opportunity for staff to look at existing processes and procedures to find more efficient and effective methods of collaboration. Residents will see the benefits of the second phase of this project as more and more city records become accessible via the city’s website.

### Effect on Annual Operations Costs:
A $15,000 annual license is paid through the Technology Fund.
Project Category: Major Equipment
Project Title: Office Equipment
Total Estimated Cost: $394,500
Funding Priority: 2
Account Number: 4230.6530.S16304

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology Fund</td>
<td>$77,500</td>
<td>$112,500</td>
<td>$135,500</td>
<td>$29,500</td>
<td>$39,500</td>
</tr>
</tbody>
</table>

Justification:
This project provides for the systematic maintenance and upgrading of major office equipment, including: copiers, postage machine, desktop scanners, smart phone equipment and other miscellaneous business equipment. Copiers vary in size depending on location and usage. The city continues to maximize the use of workgroup copiers to save per count page costs over laser jet printers.

Copier replacements are scheduled as follows:
2016: (3) copiers 2019: (3) copiers
2017: (1) copiers 2020: (2) copiers
2018: (5) copiers

Other purchases:
2017: Replacement postage machine
2017-2018: Purchase replacement end-user phone equipment as part of the voice over IP project (10 year replacement). Implement in 2018.

Description:
This project funds the purchase of replacement copiers and other office equipment for all city departments.

Scheduling and Project Status:
The copiers and other business machines will be evaluated each year and replaced as necessary.

Relationship to General Plan and Other Projects:
Budgeting and purchasing office equipment through this project allows the city greater flexibility to direct equipment to where it is most needed rather than using individual budgets.

Effect on Annual Operations Costs:
These purchases will decrease annual maintenance costs because new equipment is generally more reliable than earlier models.
**Project Category:** Major Equipment  
**Project Title:** Technology Purchases/Upgrades  
**Total Estimated Cost:** $2,012,200  
**Funding Priority:** 1  
**Account Number:** 4230.6530.S16308  
2210.6530.S16308

**Description:**
This project funds the purchase of replacement computers, local area and wide area network equipment, printers, peripheral devices, telecommunications improvements and software. It also provides for the purchase of new equipment and software that serves the city as a whole.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology Fund</td>
<td>$226,300</td>
<td>$229,300</td>
<td>$381,100</td>
<td>$757,600</td>
<td>$347,900</td>
</tr>
<tr>
<td>Cable Fund</td>
<td>70,000</td>
<td></td>
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</tr>
</tbody>
</table>

**Justification:**
This project provides for the systematic maintenance and upgrading of computers, servers, network infrastructure and uninterruptable power systems. Computers have been moved from a three-year to a four-year replacement cycle to evenly distribute funds from year to year and to provide the city with cost saving measures. Printers will be replaced after five years on a per project basis.

**Scheduling and Project Status:**
A replacement schedule has been established and is reviewed on a regular basis by Information Technology staff.

Some of the specific items are scheduled as follows:

2019 Replacement costs added to capital replacement plan for core network infrastructure equipment. These components enable network connectivity, security and management of our city-wide network. Uninterruptable power supplies based on replacement schedule.

Relationship to General Plan and Other Projects:
Budgeting and purchasing technology equipment through this project allows the city greater flexibility to direct equipment to where it is most needed rather than using individual department budgets.

**Effect on Annual Operations Costs:**
Annual maintenance costs may increase due to the added equipment such as additional servers and networking equipment. Increases in consulting, maintenance agreements and equipment repair are in the Information Technology general fund operating budget.

**Description:**
This project funds the purchase of replacement computers, local area and wide area network equipment, printers, peripheral devices, telecommunications improvements and software. It also provides for the purchase of new equipment and software that serves the city as a whole.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology Fund</td>
<td>$226,300</td>
<td>$229,300</td>
<td>$381,100</td>
<td>$757,600</td>
<td>$347,900</td>
</tr>
<tr>
<td>Cable Fund</td>
<td>70,000</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Project Category: Major Equipment

Project Title: Security Equipment

Total Estimated Cost: $443,500

Funding Priority: 2

Account Number: 4230.6530.S16303
2210.6530.S16303

Source of Project Funding

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology Fund</th>
<th>Cable Television Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$150,500</td>
<td>$51,000</td>
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<tr>
<td>2017</td>
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<td>$108,000</td>
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<tr>
<td>2018</td>
<td>$108,000</td>
<td>$65,000</td>
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<tr>
<td>2019</td>
<td></td>
<td>$69,000</td>
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<tr>
<td>2020</td>
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</tbody>
</table>

Description:

This project calls for the systematic maintenance and upgrading of the security equipment serving city facilities, including: card access, video surveillance and alarm system devices.

Justification:

As part of appropriate management, city staff evaluates and plans for the safety and security of our public facilities to protect our assets, citizens, employees and visitors. Continuing upgrades and replacement of security equipment is a key component of accomplishing that goal.

Scheduling and Project Status:

Acquisitions will occur on a planned annual basis. A list of major equipment to be replaced is as follows:

2016 – Card access enhancements to include: additional interior doors within the civic center campus and Fire Station #1, addition of bypass reader at City Hall main entrance. Replacement of cameras at Water Treatment Plant #16 and Gray’s Bay Marina.

Replacement of panic button technology throughout campus, eliminating the delay in time it takes to transmit to the Dispatch center.

Additional cameras in council chambers and rear hallway.

Addition of overhead speakers in common areas of campus for paging purposes.

2017 – Card access additions and video surveillance improvements to Westridge Pavilion, Water Treatment Plant 3.

Addition of cameras at Fire Station 1

2018 – Card access hardware replacement, video server hardware replacement, addition of cameras in the Community Center lot and addition of cameras at the Landing Gift Shop.

2019 – Card access door strike replacements throughout the civic center campus and additional readers at the Glen Lake Activity Center.

2020 – Card access hardware replacement, addition of cameras at Ridgedale water tower and satellite fire stations.

Relationship to General Plan and Other Projects:

This project is consistent with the city’s policy of establishing schedules for equipment replacement.

Effect on Annual Operations Costs:

The replacement purchases will not affect operating costs and will reduce maintenance costs on equipment that is experiencing mechanical failure due to age.
**Project Category:** Major Equipment

**Project Title:** Electronic Election Pollbooks

**Total Estimated Cost:** $95,000 Total Unfunded

**Funding Priority:** 2

**Account Number:**

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
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<tbody>
<tr>
<td>Cable Fund - Unfunded</td>
<td>$60,000</td>
<td>$35,000</td>
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</tr>
</tbody>
</table>

**Justification:**

In 2009, the city, with support from the Office of the Secretary of State and Hennepin County, conducted a pilot project at the Municipal General Election. Electronic pollbook technology, used in other parts of the country, was used for the first time in Minnesota polling places. The technology assisted election judges with the check in and registration of voters process. Electronic pollbooks were successfully used in two of the city’s precincts.

Election day registration is the most complicated process for election judges. One of the benefits that was clearly demonstrated in the 2009 pilot project was automating the election day registration process. It greatly assisted the election judges by walking them through the statutory requirements to register a voter at the polling place. The chances for mistakes were all but eliminated.

Staff supported legislation creating a wider pilot project for the 2013 municipal elections and was one of five cities that participated. Pollbooks were also used in a separate pilot during the 2014 election.

Staff has learned through the pilots the city has participated in, and by attending a mock election in Laramie County, Wyoming, that the next step needed to implement this important tool to modernize elections in the state is to select a vendor to develop a Minnesota compliant product. Vendors, while willing to participate in further pilots are unwilling to devote the resources needed to tailor their pollbook to meet the requirements necessary for full scale use in Minnesota.

**Description:**

Existing technology used in other states would improve the election administration process for city staff and election judges.

**Scheduling and Project Status:**

2016: Staff selects and works with vendor to modify pollbook for use in Minnesota. Pollbooks would be used in select precincts for the 2016 Elections.

2017: Pollbooks would be used citywide for 2017 election in all 23 precincts.

All costs of this equipment may be covered by county or state sources, and such financing is currently being discussed. The CIP will be amended once the final source of financing is determined.

**Relationship to General Plan and Other Projects:**

In addition to improving the election day polling activities, the pollbooks create great efficiencies and more accurate voter information in post-election work by providing electronic files that would replace the need for most of the data entry work of election day information into the statewide voter registration system.

**Effect on Annual Operations Costs:**

Long term, the city would see a reduction in election administration expenditures due in large part to the reduction in the number of election judges that would need to be hired due to increased efficiencies and greater access to necessary information.
Project Category: Major Equipment
Project Title: Public, Education and Government Expenses (PEG)
Total Estimated Cost: $500,000
Funding Priority: 2
Account Number: 2213.XXXX.S16316

Source of Project Funding

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
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<tbody>
<tr>
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<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

Justification:

This project calls for the transitional expenses related to the Public, Education and Government (PEG) fees collected through the franchise agreement with Comcast Cable for the Southwest Suburban Cable Commission (SWSCC) member cities. PEG fees received through the revised agreement with Comcast will be used for the benefit of broadcast production. During the Capital Improvement Program process a new line item for both fees and expenses was introduced to the Cable Fund budget. This source of revenue will be used to provide needed capital replacement and technology enhancements for the benefit of broadcast production in city facilities, primarily the City Council Chambers.

Scheduling and Project Status:

The SWSCC is currently refining annual operating expenses and expected capital needs to produce the broadcast programming through an agreement with the Bloomington Studio. The Bloomington location will be used by the public producers to create the broadcast content.

The PEG revenues will assist in replacing capital equipment used to produce city broadcasts.

Acquisitions will occur on a planned annual basis.

2015 – 2016
- Upgrade existing audio visual systems to current technology standards and enable the city to broadcast, produce, edit and record in digital high definition (HD).

2017 – 2020
- Replace sound reinforcement panels to align with new branding standards (carpet and chairs). Repair and paint walls behind council dais. Replace countertops in dais area.
  - Add Minnetonka logo into the space, removing the trapezoidal screen
  - Move electrical and dimming systems to the upper catwalk of the chambers
  - Systematic replacement of equipment
  - Council chamber control/dimming system

Relationship to General Plan and Other Projects:

This project is consistent with the city’s policy of collaboration and establishing schedules for equipment replacement.

Effect on Annual Operations Costs:

The PEG expenses will not affect operating costs and the associated revenues will help replace equipment that is experiencing mechanical failure due to age.
Project Category: Local Street Improvements
Project Title: Local Street Rehabilitation
Total Estimated Cost: $26,080,000
Funding Priority: 2
Account Number: 4410.XXXX (Street).S16401
5600.XXXX (Storm).S16401
5110.XXXX (Utility).S16401

Source of Project Funding

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Improvement Fund</td>
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<td>$3,400,000</td>
<td>$3,200,000</td>
<td>$1,500,000</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>Storm Water Fund (Upgrades)</td>
<td>2,500,000</td>
<td>800,000</td>
<td>1,000,000</td>
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<td>1,000,000</td>
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<tr>
<td>Utility Fund</td>
<td>3,980,000</td>
<td>600,000</td>
<td>400,000</td>
<td>100,000</td>
<td>300,000</td>
</tr>
</tbody>
</table>

Justification:
The most recent community surveys indicate that citizens still rank street maintenance highest amongst competing city service needs.

A thin overlay pavement program, which is a cost-effective method for extending the life of aging local streets for as much as six to ten years, was used extensively until 2014. The goal during this time period was to reconstruct or overlay all streets that had not received major maintenance in the prior 20 years, by 2014.

In 2011, staff began to transition from the thin overlay program to one that also includes preservation and maintenance programs for the streets that have been previously reconstructed. No additional funding was necessary since the thin overlay budget was spread out to also include the new preservation programs, which will be performed by public works crews.

Page 7-6 includes significant additional city funding in 2016-2019 for needed street rehabilitation in the Opus Area.

Relationship to General Plan and Other Projects:
These projects are consistent with the Pavement Management Study, the Water Resources Plan, the Infiltration and Inflow Reduction Program, and the NPDES Phase II Storm Water Program. The latter is state and federally mandated and requires cities to address illicit discharge into the storm sewer systems, as well as improve the quality of storm water runoff.

Description:
This project will provide for the reconstruction and rehabilitation of various local streets throughout the city. The 2016 reconstruction program is scheduled to include streets between Grays Bay Boulevard and Minnetonka Boulevard, as well as Oakland Road. Included in the project are improvements to the storm sewer system, necessary I & I remediation, and significant utility system upgrades.

Scheduling and Project Status:
Collector roads that are scheduled for reconstruction and rehabilitation include the following:

<table>
<thead>
<tr>
<th>Year</th>
<th>Road</th>
<th>Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>Oakland Rd.</td>
<td>recon/m&amp;o</td>
<td>$800,000</td>
</tr>
<tr>
<td>2017</td>
<td>Crosby Rd.</td>
<td>recon</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>2017</td>
<td>Ford Rd.</td>
<td>m&amp;o</td>
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</tr>
<tr>
<td>2017</td>
<td>Lake Street Ext.</td>
<td>m&amp;o</td>
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</tr>
<tr>
<td>2017</td>
<td>Ridgemount Ave.</td>
<td>m&amp;o</td>
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</tr>
<tr>
<td>2017</td>
<td>Cedar Lake Rd.</td>
<td>m&amp;o</td>
<td>$420,000</td>
</tr>
<tr>
<td>2017</td>
<td>Hillside/Lindbergh</td>
<td>m&amp;o</td>
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</tr>
<tr>
<td>2018</td>
<td>Woodhill Rd.</td>
<td>recon</td>
<td>$2,300,000</td>
</tr>
<tr>
<td>2018</td>
<td>Williston Rd.</td>
<td>m&amp;o</td>
<td>$340,000</td>
</tr>
<tr>
<td>2020</td>
<td>Parkers Lake Rd.</td>
<td>recon</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

Sidewalks will likely be proposed for Crosby Road, Woodhill Road and Parkers Lake Road.

Storm water and utility upgrades will be combined and coordinated with the street reconstruction projects. Higher storm sewer costs are shown in 2016 due to the high storm sewer costs anticipated for the Grays Bay Boulevard area streets.

Effect on Annual Operations Costs:
Overall, this project will reduce annual road maintenance needs, but add to sidewalk maintenance.
Project Category: Local Street Improvements
Project Title: Local Street Rehabilitation - Unfunded
Total Estimated Cost: $18,220,000 - Unfunded
Funding Priority: 2
Account Number: N/A

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2020-21(est)</th>
<th>2022-23(est)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Improvement Fund - Unfunded</td>
<td>$3,400,000</td>
<td>$3,700,000</td>
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<tr>
<td>Storm Water Fund (Upgrades) - Unfunded</td>
<td>1,750,000</td>
<td>2,350,000</td>
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<tr>
<td>Utility Fund - Unfunded</td>
<td>2,070,000</td>
<td>4,950,000</td>
</tr>
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</table>

Justification:
The most recent community surveys indicate that citizens still rank street maintenance highest amongst competing city service needs.

A thin overlay pavement program, which is a cost-effective method for extending the life of aging local streets for as much as six to ten years, was used extensively until 2014. The goal during this time period was to reconstruct or overlay all streets that had not received major maintenance in the prior 20 years, by 2014.

In 2011, staff began to transition from the thin overlay program to one that also includes preservation and maintenance programs for the streets that have been previously reconstructed. No additional funding was necessary since the thin overlay budget was spread out to also include the new preservation programs, which will be performed by public works crews.

Relationship to General Plan and Other Projects:
These projects are consistent with the Pavement Management Study, the Water Resources Plan, the Infiltration and Inflow Reduction Program, and the NPDES Phase II Storm Water Program. The latter is state and federally mandated and requires cities to address illicit discharge into the storm sewer systems, as well as improve the quality of storm water runoff.

Description:
This project will provide for the reconstruction and rehabilitation of various local streets throughout the city. Included in the project are improvements to the storm sewer system, necessary I & I remediation, and significant utility system upgrades.

Scheduling and Project Status:
These two projects are included in the CIP as future projects to illustrate the need for significant utility upgrades in these two areas, primarily complete water main replacement.

2020-21 Groveland – Bay area
2022-23 Tonka – Woodcroft area

The construction years are estimated and will be further refined in future CIP’s.

Higher storm sewer costs are shown for both projects due to the high storm sewer costs anticipated for these areas.

Effect on Annual Operations Costs:
Overall, this project will reduce annual road maintenance needs, but add to sidewalk maintenance.
Project Category: Local Street Improvements
Project Title: Local Street Preservation
Total Estimated Cost: $8,795,000
Funding Priority: 2
Account Number: 4410.XXXX.(Others).S161403
4410.XXXX (Overlay).S16404
5110.XXXX (Utility). S16401

Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
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<tbody>
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<td>Street Improvement Fund</td>
<td></td>
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</tr>
<tr>
<td>• Overlays</td>
<td>$1,300,000</td>
<td>$1,350,000</td>
<td>$1,400,000</td>
<td>$1,450,000</td>
<td>$1,450,000</td>
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<tr>
<td>• Other Maintenance Programs</td>
<td>260,000</td>
<td>265,000</td>
<td>270,000</td>
<td>275,000</td>
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<tr>
<td>Utility Fund</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
</tr>
</tbody>
</table>

Justification:

Preserving existing streets with regular maintenance can significantly extend the life of a street. Keeping existing pavements in good condition requires varying levels of maintenance which can be thought of as preserving our street assets.

Rehabilitation projects are major maintenance activities, such as thick overlays and reconstructs. These projects are completed when a pavement has significantly deteriorated, and routine maintenance is no longer effective to extend the life of the street. Overlays have been shown to be a cost-effective strategy to extend the life of aging pavements.

Preservation type projects are minor in comparison and less costly. They include crack filling, patching and thin overlays. These projects are typically completed on streets that have already received major rehabilitation work, but are in need of minor repairs. These projects are aimed at solidifying the pavement, and keeping moisture from penetrating below the pavement, which is a key factor in the deterioration of roads.

Utility improvements are completed as needed, during preservation projects. Completing minor repairs and upgrades in conjunction with the road work extends the life of the utility infrastructure and creates a better, more reliable street. Typical preservation work includes sewer casting replacement and adjustment, water main valve repairs, and installation of chimney seals on sanitary sewer manholes.

Scheduling and Project Status:

The scheduling is based on 2016 through 2020 maintenance activities.

Relationship to General Plan and Other Projects:

This project is consistent with the city’s Pavement Management Study.

Effect on Annual Operations Costs:

These projects will not affect annual maintenance costs.

The majority of funding for this program is for supplies only and will be staffed with current employees.

Description:

This item provides for crack sealing, thin bituminous overlays, pavement marking, and other maintenance and preservation items necessary to maintain the local streets in the city.
**Project Category:** Local Street Improvements  
**Project Title:** Electrical System Enhancements  
**Total Estimated Cost:** $2,550,000  
**Funding Priority:** 3  
**Account Number:** 2500.XXX.S16405

**Source of Project Funding**

<table>
<thead>
<tr>
<th>Electric Franchise Fees</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>Overhead Utility Burial:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minnehaha Creek Corridor (Shady Oak Rd) (High)</td>
<td>500,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Plymouth Road, N & S of 394  
  - Overhead burial and decorative lights | 1,400,000 | | | | |
| Energy Savings Street Light Retrofits (LED) | 250,000 | 250,000 | 150,000 | | |

**Justification:**
The burial of overhead utility lines and upgrades to energy efficient lighting is consistent with Minnetonka’s community vision and strategic goals for reducing the community’s use of energy as well as maintaining and improving its visual image, particularly along major road corridors where street lighting is most necessary. The installation of decorative lighting is also consistent with these goals, and will also likely be done in high traffic areas.

**Scheduling and Project Status:**
When possible, the burial improvements would be completed in conjunction with street reconstruction projects scheduled within the CIP. Specific projects are identified above and are to be funded by the respective utility companies. The costs for Xcel Energy are noted above, and would be paid for with electric franchise fees.

Electric franchise fee costs are also shown within the Opus area and Ridgedale Drive CIP pages for years 2017 - 2019.

Redevelopment projects, such as in the Glen Lake area, may prompt the need to expedite LED retrofit projects if the redevelopment creates a need to relocate existing street lights.

**Effect on Annual Operations Costs:**
The energy saving retrofit improvements will generate significant savings in power costs as well as annual maintenance costs.

**Relationship to General Plan and Other Projects:**
Lighting projects are selected relative to two criteria: (1) aesthetic benefit or visual clutter that would be improved and (2) traffic count as a representative of the number of citizens who would benefit from the project and greater energy savings would likely be achieved. Projects will be prioritized using the “aesthetic benefit” and “traffic/ped count” criteria as follows:

**High Priority:** County and state roads, MSA high volume streets, and high volume trails and public transportation related locations with high aesthetic benefit.

**Medium Priority:** MSA high and low volume streets, and low volume trails and public transportation related locations with high aesthetic benefit.

**Low Priority:** MSA high and low volume streets, and low volume trails and public transportation related locations with low aesthetic benefits.

High priority projects will typically be funded. Medium priority projects will be funded on a case-by-case basis. Low priority projects will likely not be funded unless there is an unusual circumstance.
**Project Category:** Local Street Improvements  
**Project Title:** Shady Oak Area LRT - Infrastructure  
**Total Estimated Cost:** $1,500,000  
**Funding Priority:** 3  
**Account Number:** NA

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
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<th>2020</th>
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<tbody>
<tr>
<td>Street Improvement Fund – 17th Avenue Extension</td>
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</tr>
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<td>Utility Fund</td>
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<td>$200,000</td>
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</tr>
<tr>
<td>Storm Water Fund</td>
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<td>100,000</td>
<td></td>
<td></td>
<td>100,000</td>
</tr>
<tr>
<td>Electric Franchise Fees</td>
<td></td>
<td>100,000</td>
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</tbody>
</table>

**Justification:**
Local share of improvements necessary to accommodate light rail within the Shady Oak/Excelsior Blvd. area.

**Scheduling and Project Status:**
- 2015: Project preliminary engineering
- 2016: Site acquisition by county
- 2017-18: Construction of light rail and public road improvements necessary to connect station areas.

**Description:**
When southwest light rail is constructed, local matching funds are required. The local match can be for road infrastructure to and from a station, trail connections, storm water improvements, etc. The matching portion will not be determined until the project completes its preliminary engineering.

**Relationship to General Plan and Other Projects:**
The project will be connected to other redevelopment efforts and construction. The redevelopment will have to be coordinated and aligned with county construction of the line. And as the project approaches actual design stage, the breakdown of these local costs as they relate to non-tax levy sources, e.g. storm water fees will be clearer.

**Effect on Annual Operations Costs:**
If local road connections are created, maintenance of these facilities would be necessary.
Project Category: Local Street Improvements

Project Title: Opus Area LRT - Infrastructure

Total Estimated Cost: $3,000,000 Unfunded
13,200,000 Funded

Funding Priority: 2

Account Number: 

Description:
When southwest light rail is constructed, local matching funds are required. The local match can be for road infrastructure to and from a station, trail connections, storm water improvements, etc. The matching portion will not be determined until the project completes its preliminary engineering.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>Street Improvement Fund</td>
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<td>$6,000,000</td>
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<tr>
<td>MnDOT Bridge Funds – Unfunded</td>
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<tr>
<td>Storm Water Fund</td>
<td></td>
<td></td>
<td>$200,000</td>
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<tr>
<td>Electric Franchise Fees</td>
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<td>100,000</td>
<td>500,000</td>
<td>400,000</td>
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<tr>
<td>Park &amp; Trails Fund</td>
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<td>1,500,000</td>
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</table>

Justification:
A comprehensive infrastructure and traffic analysis has identified various improvements as being necessary in the area to preserve and maintain existing street assets, as well as support redevelopment and intensification of the area in conjunction and following the southwest light rail construction.

Scheduling and Project Status:
All projects are currently funded with the exception of the bridge replacement project and utility upgrades associated with the trail improvements.

Relationship to General Plan and Other Projects:
This project is consistent with the Opus area infrastructure and traffic analysis.

These improvements will be coordinated with the construction of the southwest light rail.

2016-17 Miscellaneous Bridge Replacement
2017 Red Circle Drive reversal
2018 Trail, Utility and Trail Lighting Improvement
2019 Street Rehabilitation and Street Light Upgrade

Effect on Annual Operations Costs:
The project should not affect annual maintenance costs.
Project Category: MSA Street Improvements
Project Title: Cartway Lane
Total Estimated Cost: $4,100,000
Funding Priority: 2
Account Number:

Source of Project Funding | 2016  | 2017  | 2018  | 2019  | 2020
--------------------------|-------|-------|-------|-------|-------
Municipal State Aid       | $2,000,000 |       |       |       |       |
Street Improvement Fund   | $340,000    |       |       |       |       |
Storm Water Fund          | $600,000    |       |       |       |       |
Tax Abatement             | $660,000    |       |       |       |       |
Electric Franchise Fees   | 500,000     |       |       |       |       |

Justification:
This project includes improvements to Cartway Lane, both east and west of Plymouth Road, and Ridgedale Drive that will improve traffic flow and pedestrian movement in this area.

Traffic reports have identified this project as being necessary to eliminate an existing bottleneck and improve traffic flow. This project will also allow for redevelopment and growth in the Ridgedale area, and is consistent with the recommendations of the Ridgedale Village Center study.

Scheduling and Project Status:
The project is currently funded. Optional funding sources will be investigated as the project nears construction such as partnering with local businesses to improve site access.

Description:
This project will provide for the reconstruction and realignment of Cartway Lane. Included in the project are improvements to the storm sewer system, necessary I & I remediation, and utility system upgrades.

Relationship to General Plan and Other Projects:
This project is consistent with the Transportation Element of the Comprehensive Plan.

Prior to completing final design on this project, a master plan will need to be completed that will identify decorative lighting needs in the Ridgedale Village area. The results will likely recommend adding decorative lighting as a part of this project. Funding has been included.

A utility survey will also need to be completed prior to plan development to determine the extent of repairs needed on the city’s utility systems. Repairs are currently not anticipated, and as such, repair costs are not included in the above estimates.

Effect on Annual Operations Costs:
This project would impact operating costs as they relate to sidewalk maintenance.
Project Category: MSA Street Improvements
Project Title: Plymouth Road
Total Estimated Cost: $2,000,000 Total Cost
Funding Priority: 2
Account Number: N/A

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
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<tbody>
<tr>
<td>Municipal State Aid</td>
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<tr>
<td>Street Improvement Fund</td>
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<td></td>
</tr>
<tr>
<td>Storm Water Fund</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>$1,500,000</strong></td>
<td><strong>$400,000</strong></td>
<td><strong>$100,000</strong></td>
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</table>

Justification:
This project includes improvements that will allow for redevelopment and growth in the Ridgedale area, and is consistent with the recommendations of the Ridgedale Village Center study.

Scheduling and Project Status:
Funding sources will be further refined during project development including partnering with Hennepin County and MnDOT.

Description:
This project involves adding capacity and safety improvements at the Plymouth Road and south I-394 ramp intersection. These improvements were identified as a part of the Ridgedale Village Center study.

Relationship to General Plan and Other Projects:
This project is consistent with the Ridgedale Village Center study, and the Plymouth Road improvements identified within the study.

The project will also include possible upgrades to the sidewalk on the west side of Plymouth Road adjacent to this project, and will be coordinated with the overhead utility line burial and decorative light installation identified on page 7-3.

Effect on Annual Operations Costs:
This project will not impact operating costs.
**Project Category:** MSA Street Improvements  
**Project Title:** Ridgedale Drive Improvements  
**Total Estimated Cost:** $7,900,000 Total Cost  
**Funding Priority:** 2  
**Account Number:** N/A

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
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<td>Street Improvement Fund</td>
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<td>Electric Franchise Fund</td>
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**Justification:**  
This project includes improvements that will allow for redevelopment and growth in the Ridgedale area, and is consistent with the recommendations of the Ridgedale Village Center study.

**Scheduling and Project Status:**  
The project is currently funded. Optional funding sources will be investigated as the project nears construction.

**Relationship to General Plan and Other Projects:**  
This project is consistent with the Ridgedale Village Center study. Park improvements to the area, including pedestrian walkability and bicycle plans, will be developed in conjunction with these road improvements and are included under the Parks, Trails & Open Space section of the capital budget.

A preliminary traffic study and a utility survey have been completed in order to determine the extent of improvements needed. These studies were used to develop costs in the above estimates.

**Effect on Annual Operations Costs:**  
This project will impact operating costs as they relate to street lighting, and sidewalk and landscape maintenance.

Description:  
This project involves the reconstruction of Ridgedale Drive from Plymouth Road to I-394, and will include access, drainage, utility, landscaping, and lighting improvements around the mall.
Project Category: MSA Street Improvements

Project Title: Plymouth Road (CR 61) (Cedar Lake Road to Hilloway Road)

Total Estimated Cost: $17,100,000 Total Cost (Unfunded) 4,500,000 City Cost (Unfunded)

Funding Priority: 2

Account Number: N/A

Source of Project Funding

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hennepin County - Unfunded</td>
<td>$12,600,000</td>
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<tr>
<td>Municipal State Aid – Unfunded</td>
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<tr>
<td>Storm Water Fund - Unfunded</td>
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<tr>
<td>Street Improvement Fund - Unfunded</td>
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</table>

Description:
This project involves the reconstruction of Plymouth Road as a multi-lane roadway from Cedar Lake Road to Hilloway Road.

Justification:
This project is included in the Hennepin County Capital Improvements Program as a provisional project, meaning that if funding were to become available, the county would schedule the project.

Scheduling and Project Status:
Although this project is currently unfunded, a proposed funding source for the city's contribution is provided.

Relationship to General Plan and Other Projects:
This project is consistent with the Transportation Element of the Comprehensive Plan.

A utility survey will need to be completed prior to plan development to determine the extent of repairs needed on the city's utility systems. These costs are not included in the above estimates.

Effect on Annual Operations Costs:
This project would impact operating costs as they relate to sidewalk maintenance.
**Project Category:** MSA Street Improvements  

**Project Title:** Hopkins Crossroad (CR 73)  
(Cedar Lake Road to I-394)  

**Total Estimated Cost:** $27,400,000 Total Cost (Unfunded)  
7,100,000 City Cost (Unfunded)  

**Funding Priority:** 2  

**Account Number:** N/A  

**Source of Project Funding**  

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hennepin County - Unfunded</td>
<td>$20,300,000</td>
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<tr>
<td>Municipal State Aid – Unfunded</td>
<td>6,700,000</td>
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<tr>
<td>Storm Water Fund - Unfunded</td>
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</tr>
<tr>
<td>Street Improvement Fund - Unfunded</td>
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</table>

**Description:**  
This project involves the reconstruction of Hopkins Crossroad as a multi-lane roadway between Cedar Lake Road and I-394.  

**Justification:**  
This project is included in the Hennepin County Capital Improvements Program as a provisional project, meaning that if funding were to become available, the county would schedule the project.  

**Scheduling and Project Status:**  
Although this project is currently unfunded, a proposed funding source for the city’s contribution is provided.  

**Relationship to General Plan and Other Projects:**  
This project is consistent with the Transportation Element of the Comprehensive Plan  

A utility survey will need to be completed prior to plan development to determine the extent of repairs needed on the city’s utility systems. These costs are not included in the above estimates.  

**Effect on Annual Operations Costs:**  
This project would impact operating costs as they relate to sidewalk maintenance.
Project Category: MSA Street Improvements  
Project Title: Future Major Road Projects  
Total Estimated Cost: $32-49,000,000 Total Cost (Unfunded)  
                                      $19,500,000 City Cost Est. (Unfunded)  
Funding Priority: 2  
Account Number: N/A

<table>
<thead>
<tr>
<th>Future Projects</th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Municipal State Aid – Unfunded:</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Minnetonka Blvd. (Mills area)</td>
<td></td>
<td>$2,000,000</td>
<td></td>
</tr>
<tr>
<td>I-394/Hopkins Crossroad Bridge widening</td>
<td></td>
<td>10-12,000,000</td>
<td></td>
</tr>
<tr>
<td>TH7/Baker Road Bridge</td>
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<tr>
<td>I-394/Plymouth Bridge</td>
<td></td>
<td>15-25,000,000</td>
<td></td>
</tr>
</tbody>
</table>

Justification:

Traffic studies and other technical reports have identified these projects as being necessary to support redevelopment and intensification of adjacent areas. Funding sources have not been identified for any of these projects, and will vary significantly depending on the degree of support from the state, county, and area property owners. In some cases, right-of-way acquisition costs will be extremely high, and agency permitting will be difficult.

In 2012, an area vision study identified additional improvements that were necessary for Plymouth Road to support the long range vision for the area.

Scheduling and Project Status:

None of these projects are currently scheduled for construction. When they are, funding sources and better cost estimates will be identified including the city’s share of each project. City costs identified above are a very gross estimate of 25 percent of total high costs.

Relationship to General Plan and Other Projects:

These projects are consistent with the Transportation Element of the Comprehensive Plan, and the Ridgedale area vision plan.

Effect on Annual Operations Costs:

These projects will impact operating costs.

Description:

These projects will likely be necessary when redevelopment and intensification occurs in adjacent areas.
Description:
This project provides for annual improvements to repair and replace high risk segments of storm sewer to prevent system failures, and possible flooding.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>Storm Water Fund</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

Justification:
A storm sewer system risk assessment was conducted in early 2015 as a proactive effort to evaluate the risks of infrastructure failure throughout the city. The assessment included weighing the age and type of pipe, along with the proximity of the pipe, against the consequences of a failure. This identified high-risk portions of the city’s storm sewer system that will be further reviewed and possibly targeted for replacement.

Drainage improvements in this category will likely consist of pipe lining, and smaller system replacement projects. These improvements will likely be constructed without the need for improvement hearings and extensive feasibility studies.

Scheduling and Project Status:
Phase two of the risk assessment will be conducted in 2015 with the intent of identifying specific projects for construction in 2016 and beyond. Staff feels it necessary to begin system rehabilitation in 2016 and has therefore proposed the above CIP budget. The 2017-2021 CIP will likely contain more detailed information regarding project specifics and estimates. Whenever possible, projects will be coordinated with the street reconstruction and rehabilitation programs.

Relationship to General Plan and Other Projects:
This project is consistent with the Water Resources Management Plan and the NPDES Phase II Storm Water Program.

Effect on Annual Operations Costs:
These improvements will tend to reduce annual maintenance costs.
Project Category: Storm Drainage Improvements

Project Title: McKenzie Point Road Storm Sewer

Total Estimated Cost: $100,000

Funding Priority: 3

Account Number: N/A

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>Storm Water Fund</td>
<td></td>
<td></td>
<td>$100,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Justification:
The lack of storm sewer and the flat street grades in this area have resulted in periodic street flooding.

Scheduling and Project Status:
This project was previously scheduled in 2014, but has now been rescheduled for construction in 2017 to follow the completion of the CR 101 road reconstruction project, and be coordinated with local street reconstruction in this area.

Description:
This project provides for the installation of a storm sewer outlet for a ponding area on McKenzie Point Road.

Relationship to General Plan and Other Projects:
This project is consistent with the Water Resources Management Plan.

It will be re-evaluated following Hennepin County’s work on County Road 101, north of County Road 5.

Effect on Annual Operations Costs:
This project will tend to reduce annual maintenance costs.
Project Category: Utility System Improvements
Project Title: Water - Miscellaneous Piping and Improvements
Total Estimated Cost: $750,000
Funding Priority: 2
Account Number: 5110.XXX.X16706

Source of Project Funding | 2016 | 2017 | 2018 | 2019 | 2020
--- | --- | --- | --- | --- | ---
Utility Fund | $150,000 | $150,000 | $150,000 | $150,000 | $150,000

Justification:
Fixing deficient utilities as part of a joint project minimizes the potential for disturbance of new roads, utilities or other infrastructure in subsequent years.

Scheduling and Project Status:
While specific projects are not identified herein, improvements would generally be lumped into two or three contracts each construction season. Planned replacements associated with road improvement projects are shown on the street project pages.

Description:
This item provides for the unanticipated replacement/addition of water and sewer lines that are found to be deficient.

Relationship to General Plan and Other Projects:
Projects are coordinated with street projects and/or other utility projects where possible.

Effect on Annual Operations Costs:
These improvements do not increase operating costs.
Project Category: Utility System Improvements
Project Title: Water - Tower Maintenance
Total Estimated Cost: $2,300,000
Funding Priority: 2
Account Number: 5110.6368.S16701

Description:
This item provides for the scheduled maintenance of the city’s nine water storage structures.

<table>
<thead>
<tr>
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Justification:
Scheduled maintenance and repair of the city’s water storage structures extends their useful life.

Scheduling and Project Status:
Major repair projects are bid up to one year prior to the scheduled work. Washing will be scheduled in the year that the cleaning is needed.

2016: Bren paint, Tanglen wash & dive
2017: Ridgedale & Plymouth wash & dive
2018: Lake St & Woodland paint, Williston wash
2019: Bren & Tanglen wash & dive
2020: Ridgedale wash/touch-up, Plymouth paint

Relationship to General Plan and Other Projects:
This project is consistent with the city’s practice of maintaining its infrastructure. Costs tend to be consistent from year to year.

Effect on Annual Operations Costs:
Timely inspection, touch-up and washing extends the life of the surface coating systems.
Project Category: Utility System Improvements

Project Title: Water - Fire Hydrant Upgrades

Total Estimated Cost: $1,000,000

Funding Priority: 1

Account Number: 5110.XXXX.S16708

Description:
This item provides for the inspection and repair of privately-owned fire hydrants. A majority of these hydrants are 40 years old and need to be evaluated in order to assure operability.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
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<th>2018</th>
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<td>$200,000</td>
<td>$200,000</td>
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<td>$200,000</td>
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</tbody>
</table>

Justification:
Over 500 private fire hydrants are placed throughout the city in order to supply water to fire apparatus during emergencies. Most hydrants have not been evaluated and repaired to assure trouble free operation. It is estimated that one-third of the private hydrants are inoperable and in need of repair/replacement.

Scheduling and Project Status:
Annually utility and fire staff complete an inspection and evaluation of the city's public fire hydrants. This program begins a systematic inspection in order to assure operability.

Relationship to General Plan and Other Projects:
The 2010 Public Safety Study recommended that all the city's public and private hydrants be operated annually to assure availability.

In 2014, the city completed the inventory of private hydrants in the community. Based on the results, staff is proposing a program to address the ongoing operation and maintenance of the private hydrants.

Effect on Annual Operations Costs:
This project will increase operational costs of the system. A new utility operator has been added in 2015 that will assist in the project along with scheduled water valve exercising.
**Project Category:** Utility System Improvements

**Project Title:** Water - Removal of watermain break excavation pile.

**Total Estimated Cost:** $100,000

**Funding Priority:** 2

**Account Number:** N/A

**Description:**
Removal of watermain break excavation pile at public works.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
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<th>2018</th>
<th>2019</th>
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<td></td>
<td>$50,000</td>
<td></td>
<td>$50,000</td>
</tr>
</tbody>
</table>

**Justification:**
Over the years the city has accumulated approximately 30,000 cubic yards of dirt as a result of watermain repairs. Approximately 10,000 c.y. of material was removed in 2012 and in 2013. Scheduled removal will now continue into the future.

**Scheduling and Project Status:**
The dirt would be hauled by a contractor in the early spring of the funding year.

**Relationship to General Plan and Other Projects:**
Where possible, this material is used for a variety of city projects and is offered to contractors and developers if they are in need of clean fill.

**Effect on Annual Operations Costs:**
This project will not have any effect on operational costs.
Project Category: Utility System Improvements

Project Title: Water - System Sustainability Improvements

Total Estimated Cost: $5,946,000

Funding Priority: 2

Account Number: 5110.XXXX.S16715

Justification: A majority of the water system was constructed in the late 1970's and early 1980's. As a result, many of the components are approaching the end of their design life and need to be replaced. A sustainability plan was presented to the council in 2014 and this schedule of projects follows that plan.

Scheduling and Project Status:
The recommended improvements are as follows:

2016 WTP 12 & WTP 16 – Electrical MCC and VFD upgrade
   WTP 6 – Step test
   WTP 16 – Ventilation
2017 WTP 15 – Radio upgrade
2018 WTP 3 – Well Rehabilitation
   WTP 3 – Electrical MCC & VFD upgrade
2019 WTP 6 – Electrical MCC & VFD upgrade
   WTP 6 – Filters and piping replacement

Description:
This project implements the findings of the sustainability and optimization study that was completed for the city’s water and sewer system in 2014.

Relationship to General Plan and Other Projects:
This project implements the recommendations of the sustainability and optimization study completed in 2014.

Effect on Annual Operations Costs:
This project will save operational costs and result from the installation of energy efficient pumps, motors and VFD’s.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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</table>
Project Category: Utility System Improvements
Project Title: Sewer - Forcemain Lining
Total Estimated Cost: $4,100,000
Funding Priority: 2
Account Number: 5110.XXXX.S16713

Description:
This item provides funding for lining of the sewer forcemains that flow from the Williston Lift Station and the Main Lift Station.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
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<th>2017</th>
<th>2018</th>
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</table>

Justification:
In July of 2013 and January of 2014, the sanitary sewer forcemain running from the Williston and Main lift stations ruptured. Emergency repairs were made to restore service. Evaluation of the failed pipe revealed that the remainder of the piping should be lined in order to provide uninterrupted service into the future.

Scheduling and Project Status:
The project would be bid and installed in the funding year. The schedule would be as follows:

2016 – 18-inch forcemain
2017 – 24-inch forcemain

Relationship to General Plan and Other Projects:
This project is consistent with the city's philosophy of maintaining the city's infrastructure.

Effect on Annual Operations Costs:
These projects would not increase the city's operating costs.
Project Category: Utility System Improvements

Project Title: Sewer - Lift Station Rehabilitation

Total Estimated Cost: $1,005,000

Funding Priority: 2

Account Number: 5113.XXXX.S16703

Source of Project Funding

<table>
<thead>
<tr>
<th></th>
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</table>

Justification:
To date 24 stations have been completed.

Scheduling and Project Status:
Projects would be designed and bid in the winter preceding the scheduled funding. The following schedule is anticipated.

2015: McKenzie and Minnetoga
2016: Tonkawood and Bantas Point
2017: Crosby and Ringer
2018: Williston
2019: Main
2020: W. 34th and Woodgate

Relationship to General Plan and Other Projects:
This project is consistent with the city’s policy of maintaining the city’s infrastructure. Costs tend to be consistent from year to year.

Effect on Annual Operations Costs:
Projects would save approximately $1,000 per year in energy costs due to more efficient motors and pumps which are replaced.

Description:
This item provides for the replacement of lift station pumps, replacement piping, updated electrical controls and wet well repair of the city’s 37 lift stations.
Project Category: Utility System Improvements

Project Title: Sewer - Infiltration and Inflow Reduction Program

Total Estimated Cost: $1,250,000

Funding Priority: 3

Account Number: 5130.XXXX.S16705

Description:
The Metropolitan Council has implemented a policy that will add an additional surcharge for excess clear water from I&I that is entering the sanitary collection system. This program is intended to reduce excess flows by correcting both private and public sewer infrastructure deficiencies.

<table>
<thead>
<tr>
<th>Source of Project Funding</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<td>$250,000</td>
<td>$250,000</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
</tbody>
</table>

Justification:
Metropolitan Council policy can surcharge Minnetonka for excess sanitary sewer flow resulting from infiltration and inflow (I&I). The city is currently not compliant and being assessed $130,725 for the next three years based on a July 13, 2013 exceedance of 1.6 MGD (million gallons a day). Since the beginning of the program it is estimated that 3.1 MGD have been removed from the sewer collection system.

Scheduling and Project Status:
Staff began studying excess clear water flow in 2005 for program development and implementation starting in 2007. In 2008 and 2009, all residential properties were inspected for sources of inflow. In 2010, all commercial property inspections were completed. Currently 150 manholes have been sealed in the public right of ways which has resulted in two MCES metering districts that are in compliance with peak flow requirements.

Relationship to General Plan and Other Projects:
The original MCES peak flow reduction program ended 2012. This program allowed cities to invest surcharges into their systems to reduce the flow of clear water. The program has been extended for those cities that have demonstrated efforts to reach compliance of which Minnetonka is eligible. Projects are being planned into the future in order to assure continued compliance and address deficiencies that have been detected in previous and ongoing investigations.

Effect on Annual Operations Costs:
Reduction of clear water flow reduces the energy cost of city waste treatment.
City Council Agenda Item #14C  
Meeting of May 18, 2015

Brief Description  
2016-2020 Economic Improvement Program

Recommendation  
Adopt the resolution

Background

The city’s first Economic Improvement Program (EIP) was developed in 2012, making this the fourth iteration of the document. The purpose of the EIP is to provide a detailed five-year plan of the city’s economic development activities. The document is updated annually, and the schedule for the 2016-2020 EIP adoption is as follows:

- February 26 EDAC meeting — Review detailed information for five programs and identify any programs that will be recommended to be ended. Review draft EIP without sources and uses.
- March 26 EDAC meeting—Review draft EIP with sources and uses.
- April 27 City Council study session — Review EIP and provide feedback.
- April 30 EDAC meeting — Finalize EIP document and make recommendation to the city council.
- May 18 City Council meeting — Review and approve EIP.

Economic Improvement Program

The 2016-2020 EIP (pages A1-A74) is structured as follows.

- **Chapter 1 Policy** — defines what funding categories programs will fall under, and also details the funding principles (see page A5).

- **Chapters 2 through 7** — provides program pages for each of the city’s existing and potential future economic development efforts. The program page details the description, purpose, goals, budget impacts, schedule, and key measures. Additionally, it outlines the funds needed to develop or sustain the program over a period of years. (See pages A6-A55).

- **Chapter 8 Funding Sources and Expenditure Projections** — provides summary tables including the first table which is a one-year (2016) summary of total expenditures by category and by fund. The second set of tables presents 10-year funding sources and expenditure projections. The final table summarizes the 10-year projection of all funds (see pages A56-A70).
• **Chapter 9 Affordable Housing Goals** — itemizes how the city has and will meet its 1995-2010 and 2011-2020 affordable housing goals, including any EIP programs used to assist the project (see pages A71-A74).

**Uses of EIP Funds**

As has been the case for many years, the city’s highest priority in the recommended EIP continues to be housing. Approximately $7.2 million is projected to be spent on housing programs. This single category represents 77 percent of the entire portfolio.

The second highest category is business retention/expansion and attracting new business. It should be noted that a majority of those funds are not city dollars, but rather pass-through grants or other loan programs. The lowest categories of investment are development/redevelopment and transit program areas. However, the development category is expected to increase as more definitive plans for station area improvements for Southwest Light Rail Transit (LRT) come into place, and as more detailed work on the strategic marketing plan is completed later this year.

Accounting for the largest single resource for EIP implementation at 41 percent of all funding, approximately $5 million is available in pooled TIF funding. However, these funds are limited to specific types of housing projects. Monies from the Development Account, which are more flexible in their use and include outside flow-through grants, are projected to contribute to over one-quarter of the funding for the recommended EIP. The HRA levy would generate the next largest source of funding.
EIP follow up and changes

On April 27, the city council reviewed a draft of the EIP at a study session. In general, the discussion was focused on non-profit funding. More agencies, such as the Metropolitan Council and others, are focusing on equity issues, and the programs that address these issues are labeled as “yellow” in the EIP. It was suggested that more creative opportunities and strategic, collaborative thinking should happen in order for these programs to continue to be vital and assist the residents in the city. Staff will be working on how this may happen over the next year, but in the meantime will be incorporating changes into the non-profit funding application form to start addressing these issues.

There was one change made to the EIP since the study session and this is the addition of a city-owned properties page in the Development/Redevelopment chapter (page A45). The purpose of this conceptual page is to help track processes associated with the properties the city has purchased.

Recommendation

On April 30, the EDAC recommended the city council adopt the 2016-2020 Economic Improvement Program. Staff recommends the city council adopt the resolution (pages A75 to A76) approving the 2016-2020 Economic Improvement Program.

Submitted through:
  Geralyn Barone, City Manager
  Merrill King, Finance Director

Originated by:
  Julie Wischnack, AICP, Community Development Director
  Elise Durbin, AICP, Community Development Supervisor
2016-2020 ECONOMIC IMPROVEMENT PROGRAM
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Economic Improvement Program Policy

The Economic Improvement Program (EIP) is the city's long-term plan for housing, economic development, redevelopment, and transit programs that promote economic viability for the citizens and businesses of Minnetonka.

Funding Categories

The EIP covers a broad range of community development activities. Funding categories include:

1. Projects and programs which encourage diversity and broaden choices in types, sizes, and prices of the city's housing stock to meet the needs of the aging population and to attract younger residents.

2. Projects that support existing business retention and expansion, attract new businesses, and allow the city to remain economically competitive.

3. Projects which enhance resident mobility by pursuing opportunities and solutions to improve transit service.

4. Activities that promote the vitality of the city through development and redevelopment.

Planning Principles

- The EIP will support achievement of the city's Comprehensive Plan and long-term Strategic Goals.

- The EIP will be updated annually to reflect changes in programs, demographics, private housing stock, business needs, and the overall economic climate.

- The EIP allows flexibility, and may be amended during the year if necessary, in order to act upon unforeseen opportunities that may arise which enhance economic viability.

- Development of the EIP will be consistent with the annual operating budget. Future staffing and other budgetary impacts are projected and will be included in operating budget forecasts.
HOUSING
HOUSING CHAPTER SUMMARY

Projects and programs which encourage diversity and broaden choices in types, sizes, and prices of the city’s housing stock to meet the needs of the aging population and to attract younger residents.

The city currently has 13 programs in place to assist in the construction, maintenance, and renewal of housing in the city. An additional two programs are in the conceptual phase and will be explored for further consideration.

- The total five-year estimated cost of the programs is $7,220,802.

<table>
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<tr>
<th>Program</th>
<th>2016</th>
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<th>2018</th>
<th>2019</th>
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<td>$7,220,802</td>
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Conceptual Programs

Employer Assisted Hsg $0
Next Generation $0

Programs in green=funding/program is expected to continue
Programs in yellow=funding/program is uncertain for a number of reasons
Programs in red=funding/program is ending

- Programs funded by Community Development Block Grant (CDBG) program are expected to be eliminated or restructured in the near future due to decreases and potential elimination of the CDBG program at the federal level.
- Programs funded by the Livable Communities Account will either be eliminated or need a new funding source, as that source is expected to no longer be available after 2017.
Description
The Community Development Block Grant program is a federally-funded program, administered at the local level. Federal regulations allow up to 20 percent of the city’s allocation for administrative responsibilities.

SCHEDULING AND PROJECT STATUS:
This is an on-going program. The CDBG program year runs July 1 to June 30, which is different than the city’s fiscal year.

Justification
Based upon the needs, priorities, and benefits to the community, CDBG activities are developed and the division of funding is determined at a local level. All funded activities must meet at least one of the three national objectives:
- Benefit low and moderate income persons
- Help prevent and/or eliminate slums and/or blight
- Meet other community development needs of particular urgency

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:
Comprehensive Plan - Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.

Strategic Plan - Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES

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**Expenditures**

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**Funding Sources**

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<td>4,000</td>
<td>2,000</td>
<td>0</td>
<td>20,000</td>
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</table>

Budget Impact/Other
This funding is to repay the staff time involved for the overall administration of the CDBG program and the administration of the owner-occupied housing rehabilitation program.

It is expected that CDBG funds will be eliminated or restructured at some time in the near future by the federal government. For purposes of this report, we assume phaseout of the program by 2020.
Economic Improvement Program
City of Minnetonka, Minnesota

Project # Housing-02
Project Name Crown Ridge Advantage Center

**Type** Program

**Department** 1-Housing

**Useful Life** N/A

**Contact** Community Development

**Category** Housing

**Priority** Red

**Key Measures** Individuals Assisted

**Key Measures**

**Description**

Crown Ridge is a 64-unit, mixed income apartment building, owned and operated by CommonBond Communities. An array of services are offered through an on-site Advantage Center, with programming for youth and adults.

**SCHEDULING AND PROJECT STATUS:**

This is an ongoing program.

**Justification**

Crown Ridge provides housing for those at 30% to 100+% AMI. The city’s funds are used to support programming both for Crown Ridge and Boulevard Gardens (affordable senior housing located adjacent to Crown Ridge and also owned by CommonBond Communities) and the expanded programming space. Minnetonka’s funds are also used to leverage other private/foundation funds.

In 2000, realizing many of the low-income and immigrant families at Crown Ridge were not economically thriving, the city worked with CommonBond Communities to offer the Advantage Center program to connect residents to resources and provide other on-site programming.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:**

Comprehensive Plan - Promote new affordable rental housing and encourage diversity in the types, sizes and prices of housing units.

Strategic Plan - Initiate programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

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Additional program benefits can be found in the organization's submission for non-profit funding.

**Expenditures**

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<thead>
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<th>Year</th>
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**Funding Sources**

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<td>4,000</td>
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**Budget Impact/Other**

Crown Ridge funding is determined through the annual non-profit funding process. The funding for 2015 is $16,000. Of the total requested funds, $10,000 is for Advantage Center programming and $6,000 is to partially fund additional space for Advantage Center programming.

After 2016, the Livable Communities Account is no longer available for funding this program.
The Small Projects loan program (previously called the Emergency Repair Program) offers ten-year, no interest deferred loans up to $5000. The program focuses on smaller projects that can quickly be completed without regulatory lead based paint issues.

SCHEDULING AND PROJECT STATUS:
This is an ongoing program. New applications are only accepted during certain periods of time. The last round of applications was accepted November 2014 where 32 new applications were received within two weeks. Typical projects include furnaces, some windows, and roofs.

The CDBG program year is July 1 to June 30, which is different than the city's fiscal year.

Justification
Households up to 80% of area median income qualify for the $5000 small projects program, which allows for housing repairs and maintenance. Additions and aesthetic improvements are not allowed under the program.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:
Comprehensive Plan-Promote housing maintenance programs that improve the livability of existing residential dwelling units in a cost effective manner.

Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

KEY MEASURES

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Expenditures

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<tbody>
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Funding Sources

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<tbody>
<tr>
<td>CDBG</td>
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<td>240,000</td>
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<tr>
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<td>40,000</td>
<td>20,000</td>
<td>0</td>
<td>240,000</td>
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</table>

Budget Impact/Other
Minnetonka staff oversee the entire program from application, to project management to signing of the loan documents. The administrative costs associated with the program as covered under the CDBG administration.

With the declining CDBG funds, more emphasis will be placed on this program, which will allow for assistance to more households.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government. The program would be expected to end at about that time unless new funding is identified. For purposes of this report, we assume phaseout of the program by 2020.
Economic Improvement Program
City of Minnetonka, Minnesota

2016 thru 2020

Project # Housing-04
Project Name Fair Housing

Description
As part of the city’s CDBG allocation, the city must participate in and further fair housing activities. This is accomplished by participating in the Hennepin County Consortium and Fair Housing Implementation Council. The city has been directly providing funds for fair housing since it became an entitlement community in 2005. Both programs are working to coordinate efforts with the Metropolitan Council to avoid duplication of services.

SCHEDULING AND PROJECT STATUS
This is an ongoing program. The CDBG program year runs July 1 to June 30, which is different than the city’s fiscal year.

Justification
To further fair housing and remove impediments to fair housing within the city.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS:
Comprehensive Plan—Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.

Strategic Plan—Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES (Program year is July 1 to June 30)

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Expenditures

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Funding Sources

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<tr>
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<td>600</td>
<td>300</td>
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<td>3,000</td>
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</table>

Budget Impact/Other

Typically, one percent of the city’s CDBG annual allocation is contributed to the Hennepin County Consortium. There is no staff time provided for this program, with the exception of review and feedback on information provided by the consortium and the Fair Housing Implementation Council.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government. The program would be expected to end at about that time unless new funding is identified. For purposes of this report, we assume phaseout of the program by 2020.
Description

Homes Within Reach (also known as the West Hennepin Affordable Housing Land Trust) is a non-profit community land trust that creates and preserves affordable homeownership opportunities in suburban Hennepin County.

SCHEDULING AND PROJECT STATUS

This program is ongoing. Depending on the level of commitment by the city and other matching funds, Homes Within Reach anticipates adding three to five new permanently affordable owner-occupied units to the city each year.

Justification

In an effort to promote long-term affordable, scattered-site housing, while maximizing the cost-effectiveness of public investment, the community land trust model was presented as a tool in 2000 to help the city increase its amount of long-term affordable housing.

The Homes Within Reach program provides single-family, permanently affordable, homeownership opportunities to those at 80% AMI or less. Minnetonka's funds will be used to leverage and match other county, regional, and state funds.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Creating partnerships with other agencies to ensure the longevity of affordable housing.

Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

KEY MEASURES

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Funding Sources

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<td>25,000</td>
<td>550,000</td>
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</table>

Budget Impact/Other

Homes Within Reach requests funding through the non-profit funding process each year. Growth in long term affordable units is important, but there should be some adjustment to the city’s commitment to ensure it is sustainable. The 2015 funding amount is $217,000. After 2017 the livable communities account is no longer available.

An EDAC subcommittee met in 2014 and recommended that HWR funding be decreased starting in 2017, until just an annual maintenance fee is collected beginning in 2020 to assist with ongoing maintenance and operations.
Minnesota law provides a mechanism termed Housing Improvement Area (HIA) which allows cities to help arrange and finance rehabilitation on owner-occupied residential buildings, such as condominiums or townhouses.

SCHEDULING AND PROJECT STATUS
The council adopted an HIA policy in November 2011. The first HIA was adopted in early 2012. It is expected that interest in this program will grow as condo and townhouse developments age. State legislation for HIAs sunsets on June 30, 2028.

Justification
The program is intended to serve a multi-family housing which is aging by providing a financing structure to address major building investments. The program would also ensure, going forward, that the association is able to correct the financing of long-term capital expenditures.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Continue to collaborate with lenders or other agencies that offer programs for home rehabilitation.

Strategic Plan-Initiating programs/policies to broaden housing choices to meet the needs of our aging population and attract young residents.

KEY MEASURES

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Expenditures

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Funding Sources

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Budget Impact/Other
The HIA program is administered by staff who works on various parts of the project ranging from program information to HIA requests. Once an HIA request is received staff time is committed to preparing a resolution, ordinance, development agreement, and determining fees.

Costs to cover staff time for the HIA application are covered through an application fee and through a per unit administrative fee for time in administering the assessment.

A risk of the HIA program is pay-back of the assessment. However, because it is assessed on the property taxes, it will be paid back even if there is foreclosure of the property.
Minnetonka Heights is a 172 affordable unit apartment building, owned and operated by Legacy Management. The program assists in funding on-site programming to youth and adult residents, which is currently run by the Ridgedale YMCA.

**SCHEDULING AND PROJECT STATUS**
This is an ongoing program.

**Justification**
Minnetonka Heights provides housing for those at 30% to 50% AMI.

In 2000, after realizing many of the low-income and immigrant families at Minnetonka Heights were not economically thriving, the city worked with the Ridgedale YMCA to connect residents to community resources and provide other on-site programming. The city’s funds are used to support programming for both youth and adults. Minnetonka’s funds are also used to leverage other private.foundation/in-kind funds.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**
Comprehensive Plan-Promote new affordable rental housing and encourage diversity in the types, sizes and prices of housing units.
Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

**KEY MEASURES**

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**Expenditures**

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<tr>
<th></th>
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**Funding Sources**

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**Budget Impact/Other**
Minnetonka Heights requests funding through the non-profit funding process each year. The funding for 2015 is $10,000.

After 2016, the Livable Communities Account is no longer available for funding this program. The staff running the Minnetonka Heights program have been informed of this.
The Minnetonka Home Enhancement program (MHEP) offers up to $15,000 through a low-interest loan for housing maintenance, repair, green investments, and some additions.

SCHEDULING AND PROJECT STATUS
The program began June 2011. This is an ongoing program.

.justification
Minnetonka’s housing stock is aging. Nearly two-thirds of the city’s homes were built between 1950 and 1970, and over 75% of the housing stock is 30 years or older. Many of these homes now need repairs for windows, roofs, and heating systems. The MHEP targets households up to 120% area median income with loans for rehabilitation and other housing maintenance activities. A marketing plan was developed in 2013.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Promote housing maintenance programs to improve the livability of residential dwelling units in a cost effective manner.
Strategic Plan-Initiate programs/policies to broaden housing choices to meet the needs of our aging population and attract young residents.

Pre-Apps Received N/A 16 6 39 62 60 60 60 60 60 60
Pre-Apps Qualified N/A 12 2 36 55 55 55 55 55 55 55
Loans Made N/A 0 0 4 8 10 10 10 10 10 10
Loans Defaulted N/A 0 0 0 0 0 0 0 0 0 0

The city contracts with the Greater Metropolitan Housing Corporation (GMHC) to administer the Minnetonka Home Enhancement Program for a 10% administrative fee. There is staff time associated with an initial pre-application, program marketing and answering questions.

Due to slow uptake and lowering the interest rate to 1%, self-sustainment will occur after 2020. Project funding amounts may change as a sliding scale approach is used with this and the Welcome to Minnetonka program to allow flexibility to meet demands of the programs.

No new funds have been added to the program since 2013. The program will be reviewed in summer 2015 to determine if it should continue. The review will look at existing fund balances and program income to determine if more funds need to be added to the program.
The Owner-Occupied Housing Rehab Program provides no-interest, deferred loans up to $20,000. The loans are available to homeowners that wish to make major repairs. The loan is forgiven if the owner remains in their home for ten years after improvements are made.

SCHEDULING AND PROJECT STATUS
This is an ongoing program. New applications are not solicited and instead used for emergencies and nuisance issues. The CDBG program year runs July 1 to June 30, which is different than the city’s fiscal year.

Justification
Households up to 80% area median income qualify for the owner-occupied housing rehab program, which allows for housing repairs, maintenance, and accessibility. Lead-based paint removal must be addressed under this program if project costs exceed $5000.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Promote housing maintenance programs that improve the livability of existing residential dwelling units in a cost effective manner.

Strategic Plan-Initiate programs and policies to broaden housing choices to meet the needs of our aging population and attract young residents.

KEY MEASURES

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Expenditures

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Funding Sources

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Budget Impact/Other
Staff oversees the entire program from application to the rehabilitation to the loan document signing once the project is complete. Hours spent per client is dependent upon the project complexity. Administrative funds are taken from the overall CDBG program administration.

With the decline in CDBG funds, minimal loan paybacks and requirements for lead based paint removal, more focus has been placed on the Small Projects Program. A small amount of funds were allocated in the 2014 CDBG budget, otherwise all projects assisted through this program are using previously allocated funds, hence the program cost of $0.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government.
Economic Improvement Program  
City of Minnetonka, Minnesota

### Description

Up to 15 percent of the city’s Community Development Block Grant funds can be used to fund public services (non-profits). The public service agencies programs’ must meet one of the three CDBG national objectives.

### Scheduling and Project Status

Public services funded by CDBG funds are selected during the non-profit funding review completed by the EDAC each October. Projects then commence in July the following year. The CDBG program year runs July 1 to June 30, which is different than the city’s fiscal year.

### Justification

Public Service agencies provide a number of services, such as foreclosure prevention, information and referral, and senior homemaking services. Clients must be Minnetonka residents at 80% of area median income or less.

### Program Goals and Relationship to Other Plans

Comprehensive Plan-Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

### Key Measures

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### Funding Sources

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<td>10,000</td>
<td>8,000</td>
<td>0</td>
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</table>

### Budget Impact/Other

The funding is provided to the public service agencies to carry out the programs. Staff time is involved in payment requests and requesting reimbursement. Periodically, monitoring is completed on these agencies to make sure that they are meeting all CDBG criteria. City staff time to administer this program is taken out of the overall CDBG program administration.

In 2015 the following programs are being assisted: Community Action Partnership of Suburban Hennepin, ICA Housing & More program, ResourceWest, and Senior Community Services H.O.M.E. program.

It is expected that CDBG funds will be eliminated or restructured in the near future by the federal government. For purposes of this report, we assume phaseout of the program by 2020.
Cities, under State Statute Sections 469.152 to 469.165 and Chapter 462C, have the authority to issue tax exempt financing for industrial development, health care facilities and multi-family housing. In 1984 the city council adopted a council policy to guide the city in requests. A revised council policy was adopted in 2015. Examples of projects include St. Davids Center building updates and acquisition for a new charter school. Host approval can also be given for projects where financing is issued by another city (example: Hammer Residences).

SCHEDULING AND PROJECT STATUS
Projects are reviewed to determine if they meet council policy guidelines and if the city has enough annual financing available. Projects are then brought forward after this review.

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Housing-11</th>
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<tbody>
<tr>
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**Description**

Cities, under State Statute Sections 469.152 to 469.165 and Chapter 462C, have the authority to issue tax exempt financing for industrial development, health care facilities and multi-family housing. In 1984 the city council adopted a council policy to guide the city in requests. A revised council policy was adopted in 2015. Examples of projects include St. Davids Center building updates and acquisition for a new charter school. Host approval can also be given for projects where financing is issued by another city (example: Hammer Residences).

**Justification**

To attract/promote economically sound industry, commerce, and health care, as well as for housing projects for low/moderate income and elderly persons. Tax exempt financing is used on a selective basis to encourage development offering a benefit to the city as a whole.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**

Comprehensive Plan-
- Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.
- Facilitate connections between local businesses and programs that provide incentives and assistance for business retention and recruitment.

Strategic Plan-
- Initiating programs and policies that broaden housing choices to meet both the needs of our aging population and attract young residents.
- Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

**KEY MEASURES**

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**Expenditures**

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**Funding Sources**

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**Budget Impact/Other**

Work on Tax Exempt Financing projects is completed by the city’s legal counsel and financial consultants. Application ($3500) and administrative fees (1/8 of 1% of financing amount) cover the city’s expenses, and most often, ending in positive income for the city.
Description

TIF pooling is a way, under state statute, to use excess tax increment dollars from a district to invest in affordable housing projects in other areas of the city.

SCHEDULING AND PROJECT STATUS

The dollars must be expended by 2021. It is expected that a majority of the funds will be used in 2016-2017 in connection to LRT related projects.

The Ridge was the first project funded (2012) with $1,025,000 in funds. Another $500,000 is proposed to be used in the Music Barn project.

Justification

Pooling allows a percentage (35%) of the total increment generated by the district over its entire life to be used for tax credit eligible housing projects anywhere in the city. Depending on property values over the remaining 12 years of the district, the pooling dollars available during this time frame are estimated to be $8.025 million. These funds are required to be spent according to an amended TIF plan, which can take place as projects are proposed.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan—Continue working with developers to include affordable housing in their developments, where appropriate.

Strategic Plan—Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES

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Key Measures

- Affordable Units Created
- Projects Assisted
- Projects Considered

Expenditures

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Funding Sources

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<td>1,103,802</td>
<td>5,103,802</td>
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Budget Impact/Other

The use of pooling dollars does not affect staffing. If pooling dollars are not used, the dollars return to the appropriate taxing jurisdictions.

The funds are coming from the Boulevard Gardens TIF district.
The Welcome to Minnetonka program provides up to $10,000 through a low-interest loan for downpayment and closing cost assistance. The program began June 2011. This is an ongoing program.

The Welcome to Minnetonka program targets first-time homebuyer households up to 120% area median income with downpayment and closing cost assistance. Those participating in the program provide at least 25% of the total costs. A marketing plan was developed in 2013.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan—Provide services that support residents to maintain attractiveness as a balanced community that is economically diverse.
Strategic Plan—Initiate programs/policies to broaden housing choices to meet the needs of our aging population and attract young residents.

KEY MEASURES

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*While pre-applications can be received at any time, a full application cannot be sent until a purchase agreement is signed.

Expenditures

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<thead>
<tr>
<th>Expenditures</th>
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Funding Sources

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Budget Impact/Other

The city contracts with the Greater Metropolitan Housing Corporation (GMHC) to administer the Welcome to Minnetonka program on behalf of the city for a 10% administrative fee. There is staff time associated with an initial pre-application, program marketing, and questions.

Due to the slow uptake and lowering the interest rate to 1%, it's unlikely that this program will become self-sustaining. Funding amounts may change as a sliding scale approach is used with this program and the Minnetonka Home Enhancement program to allow flexibility to meet demands.

No new funds have been added to the program since 2013. The program will be reviewed in summer 2015 to determine if it should continue. The review will look at existing fund balances and program income to determine if more funds need to be added to the program.
Employer assisted housing programs can take many different forms; however, generally it focuses on local businesses and how to create housing opportunities within the city for their employees. The program requires business support.

SCHEDULING AND PROJECT STATUS
This is a new concept that has not yet been explored or developed by city staff; however, the SWLRT Community Works project, as part of their housing strategy may look at a program similar to this.

**Justification**
The Opportunity City Pilot Program and a University of Minnesota Resilient Communities Program student project recommended exploring opportunities to collaborate with businesses to better understand housing needs and evaluate links between employment wages and housing values.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**
Comprehensive Plan-Support existing businesses and collaborate with businesses to determine services, employee housing and transportation needs.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

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**Funding Sources**

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<th>2020</th>
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**Budget Impact/Other**
There will need to be staff time committed to learning more about different aspects of a program such as this. There is no funding source at this time to fund the program.

The SWLRT Community Works housing subcommittee may be looking into programs such as employer-assisted housing, as part of their corridor wide housing strategy in 2015.
**Economic Improvement Program**

City of Minnetonka, Minnesota

**Project #** Housing-15  
**Project Name** Next Generation Program

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**Description**
A next generation program would purchase homes from seniors, perform rehabilitation as necessary, and sell on the market as affordable units.

**SCHEDULING AND PROJECT STATUS**
This is a new concept that has not yet been explored or developed. Initial council feedback has suggested that this program target a different audience such as those at 80 to 110% AMI.

**Justification**
As the city’s population ages, more seniors will be looking for alternative housing options to the single-family home. This program would assist seniors in the sale of their home, perform any deferred rehabilitation, and then assist young families by selling them at an affordable price.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**

- Comprehensive Plan-Support existing businesses and collaborate with businesses to determine services, employee housing and transportation needs.
- Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

**KEY MEASURES**

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**Expenditures**

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**Funding Sources**

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Total 0 0

**Budget Impact/Other**
There will need to be staff time committed to learning more about different aspects of a program such as this. There is no funding source at this time to fund the program.
BUSINESS
BUSINESS CHAPTER SUMMARY

Projects that support existing business retention and expansion, attract new businesses, and allow the city to remain economically competitive.

For the 2016-2020 Economic Improvement Program, there are eight business programs, and another two under conceptual review.

- The total five-year estimated cost of the programs is $1,635,000.

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<tr>
<th>Program</th>
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$585,000  $15,000  $735,000  $265,000  $35,000  $1,635,000

Conceptual Programs
- Economic Gardening: $0
- Special Service: $0
- Districts

Programs in green=funding/program is expected to continue
Programs in yellow=funding/program is uncertain for a number of reasons
Programs in red=funding/program is ending

- Several programs, such as the Grants, CommonBond fund, and Minnesota Investment Fund are inter-agency/consortium efforts that have funding sources that originate from other agencies, flow through the city, and then go to the business.

- The city’s role in business development in the past was more reactive, typically responding only when requested to do so. In more recent years, the city has been slowly investing in more programs for businesses, such as the Minnesota Community Capital Fund (which is no longer operating) and the Open to Business programs.
Minnesota law (State Statute 429) gives cities the authority to specially assess the cost of installing fire sprinkler systems for existing buildings. The City Council adopted Council Policy 5.2 in 1986 setting criteria for the use of this authority.

SCHEDULING AND PROJECT STATUS
This program is ongoing, and use of this program is made by property owner petition. It was last used in 2006; however, there are a few inquiries every year.

Justification
The fire sprinkler retrofit program is intended to assist in the public safety and protection of commercial buildings.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Enhance personal and business safety.

Strategic Plan-Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

KEY MEASURES

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Expenditures

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Funding Sources

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Budget Impact/Other
Special assessments cannot last more than 10 years. The risk with this program is for the assessment to be paid back on the intended schedule. These dollars are financed through the special assessment fund.

There is some limited staff time involved once the petition is received and for the assessment.

A review and update of the council policy is underway in 2015.
### Description

Grants are available from county and regional agencies to facilitate development, redevelopment, housing, and environmental cleanup.

### SCHEDULING AND PROJECT STATUS

Grants are dependent upon the types of projects occurring. Most grants require the funds to be spent within three years of award.

### Justification

Grant opportunities assist in filling gaps in the financing of complex development, redevelopment, housing, and environmental cleanup projects. Most programs require the city to serve as the grant applicant, meaning that even if the developer/others apply for the grant, that it is to be awarded to the city, which then passes on the funds to the project.

### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-
- Ensure the longevity of affordable housing through city programs and partnerships with other public, non-profit, and private entities.
- Facilitate connections between local businesses and programs that provide incentives/assistance for business retention and recruitment.

Strategic Plan- Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

### KEY MEASURES

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*Note: some of the projects are counted in more than one year.*

### Expenditures

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<th>Year</th>
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<th>2018</th>
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### Funding Sources

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</table>

### Budget Impact/Other

If the city is the applicant, there is staff time to prepare the grant application, administer the grant and grant-funded activities, as well as any follow-up audits and paperwork generally required by most programs.

For pass-through grants, the staff is the facilitator in requesting the funds. The funds indicated are potential sources depending upon requests.
Economic Improvement Program
City of Minnetonka, Minnesota

2016 thru 2020

Project # Business-03
Project Name Common Bond/Industrial Revenue Bond

Type Program
Useful Life N/A
Category Business
Key Measures Businesses Assisted

Description
The Common Bond fund and Industrial Revenue Bonds are sources of funding for industrial/manufacturing businesses that are expanding or relocating.

SCHEDULING AND PROJECT STATUS
There have been no previous projects, nor are any contemplated at this time. The city has previously used Industrial Revenue Bonds by giving host approval to another city to issue the bonds. The Common Bond fund, which is applied for and administered through the City of Minneapolis/Hennepin County has been explored by several Minnetonka businesses, but none have moved forward.

Justification
This program is to assist those manufacturing/industrial businesses with funding support for land acquisition, new facility construction, additions, renovations, and purchase of production equipment.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Facilitate connections between local businesses and various programs that provide incentives and financial assistance for business retention and recruitment.

Strategic Plan-Support business retention and expansion and attract new businesses to help our private sector be economically competitive.

KEY MEASURES

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Expenditures

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Funding Sources

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Budget Impact/Other

There is minimal staff work involved with either of these programs. The Common Bond fund is administered through a Hennepin County/City of Minneapolis partnership, but requires city council approval. All Industrial Revenue Bonds require city council approval.

No funds flow through the city for the Common Bond fund.
Economic Improvement Program
City of Minnetonka, Minnesota

Project #  Business-04
Project Name  GreaterMSP

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Description
GreaterMSP is the regional economic development organization for the Twin Cities metropolitan area. They partner to help provide a vision and agenda for regional economic development as well as to brand and market the region. GreaterMSP offers services in business retention and expansion, data tools and research, manufacturing assistance, small business assistance, and technology assistance.

SCHEDULING AND PROJECT STATUS
This is an on-going program. The city became a member in 2013.

Justification
Greater MSP is an economic development tool for Minnetonka’s current and future businesses, and provides resources and connections that have not been previously available.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Facilitate connections between local businesses and various programs that provide incentives and financial assistance for business retention and recruitment.

Strategic Plan-Support business retention and expansion and attracting new businesses to help our private sector be economically competitive.

KEY MEASURES

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Expenditures

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<td>25,000</td>
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Budget Impact/Other
Public Sector memberships are for a three year, $25,000 per year commitment, which would be reviewed annually with the city budget for renewal. At the end of 2015, the city will need to review its membership and determine whether to continue.

The city became a member in 2013 for an initial three-year period.
Economic Improvement Program

City of Minnetonka, Minnesota

Project # Business-06
Project Name Minnesota Investment Fund Projects

<table>
<thead>
<tr>
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<tbody>
<tr>
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</table>

Useful Life N/A
Category Business

Key Measures Businesses Assisted
Key Measures Applications Submitted

Description
The Minnesota Investment Fund (MIF) is a Department of Employment and Economic Development program that provides funds to cities, who then loan the funds to businesses, to assist in expansion. The business is then required to create a minimum number of jobs at a certain wage level.

SCHEDULING AND PROJECT STATUS
The city has received three MIF awards, one each for Cargill, Nestle and IMRIS.

Justification
MIF is a business and economic development program, focusing on industrial, manufacturing, and technology related industries.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Facilitate connections between local businesses and various programs that provide incentives and financial assistance for business retention and recruitment.

Strategic Plan-Support business retention and expansion and attract new businesses to help our private sector be economically competitive.

KEY MEASURES

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Expenditures

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Budget Impact/Other
Application for the MIF program is a collaborative effort between the city and the business, with staff contributing approximately 80 hours of time per application. Staff must also assist in the distribution and repayment of funds, as well as reporting requirements.

Funding is dependent upon the state. A portion of the loan paid back by the business may be allowed to stay at the local level to facilitate business programs. All funds are reimbursement and show a net zero impact on the budget.
Economic Improvement Program
City of Minnetonka, Minnesota

Project # | Project Name | Category | Key Measures | Useful Life | Priority | Contact | Department |
---|---|---|---|---|---|---|---|
Business-07 | Open to Business | Business | Technical Assistance Hours | N/A | Green | Community Development | 2-Business |

**Description**

The Minnetonka Open to Business program, in collaboration with the Metropolitan Consortium of Community Developers, provides one-on-one technical assistance customized to meet the needs of small businesses.

**SCHEDULING AND PROJECT STATUS**

The program began in 2011 and is ongoing. The contract is reviewed on an annual basis.

**Justification**

The Open to Business program assists small business owners and potential entrepreneurs, while filling a need in business programming not available previously. Assistance is given in planning and organizing business ventures, financial management, marketing and regulatory compliance. A small loan fund is also available to access the capital to grow their business.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**

Comprehensive Plan—Provide services that support residents and businesses to maintain attractiveness as a balanced community that is economically diverse.

Strategic Plan—Support business retention and expansion and attract new businesses to help our private sector be economically competitive.

**KEY MEASURES**

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**Budget Impact/Other**

The Minnetonka Open to Business program is provided collaboratively with the MCCD. The MCCD provides the technical assistance, while the city assists in marketing the program. City staff spends approximately 40 hours per year with this program.

The funding for 2015 is $7,500-half of the cost of the program due to an expected grant received from Hennepin County. While the city has received this same grant in previous years, this opportunity is not expected to continue.

The funding justification for this program came from the $80,000 worth of funds returned from change in membership of the Twin Cities Community Capital Fund to the Minnesota Community Capital Fund. These funds will be exhausted by 2016, if the fee remains as is.
Economic Improvement Program
City of Minnetonka, Minnesota

Project # Business-08
Project Name Outreach

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**Key Measures**
Business Contacts

**Description**
Business outreach will take a more proactive approach in contacting businesses.

**SCHEDULING AND PROJECT STATUS**
Staff is coordinating through "Sales Force", which is an online tool for cities, chambers and GreaterMSP to enter business contacts.

**Justification**
Business outreach in the past has been reactive to business needs. This outreach is another tool in creating a more proactive approach in supporting business retention and expansion.

**PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS**
Comprehensive Plan-Promote public involvement by residents and businesses, and actively communicate city values and services.

Strategic Plan-Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

**KEY MEASURES**

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**Budget Impact/Other**
Funds are budgeted for a business survey.

Outreach will be coordinated with GreaterMSP and TwinWest Chamber.
In 2010, as part of the jobs bill, state legislation was passed that included provisions for the Property Assessed Clean Energy (PACE) program. PACE allows for the voluntary creation of programs by local governments to help businesses finance renewable energy and energy efficient improvements. The program is repaid by businesses through a special property tax assessment.

SCHEDULING AND PROJECT STATUS
The City Council approved a Joint Powers Agreement with the St. Paul Port Authority (SPPA) in July 2014 to implement the PACE program in Minnetonka. A marketing plan for PACE will be created and implemented in 2015.

The legislation was adopted in 2010, and has been used by approximately 10 Minnesota communities. This program may help to provide another financing tool to the city's toolbox for local businesses.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan--Facilitate connections between local businesses and various programs that provide incentives and financial assistance for business retention and recruitment.

Strategic Plan-Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

KEY MEASURES

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Budget Impact/Other
The funds for the PACE program come from the SPPA, therefore, the financing that will flow through the city’s funds, both the special assessment revenue in from participants and payments out to SPPA, would simply appear as offsetting financial statements in the city’s records. Delinquency by the participant will be handled like any other property tax obligation, where the amount due runs with the property.
Economic Improvement Program
City of Minnetonka, Minnesota

Project # Business-10
Project Name Economic Gardening

Type Conceptual      Department 2-Business
Useful Life N/A       Contact Community Development
Category Business     Priority n/a

Description
Hennepin County offers this program to assist medium size companies with growth potential.

SCHEDULING AND PROJECT STATUS
Originally, a pilot program, the Economic Gardening program is now a partnership between Hennepin, Anoka, Ramsey, Carver and Scott counties.

Justification
Hennepin County is offering this as part of a partnership to help high-growth / high potential Stage II companies grow faster and create more jobs by providing CEO peer mentoring, stage-specific content and referral to relevant service providers. Stage II is defined as: 10-99 employees, more than $1M in revenue and having high-growth potential. There is no cost to the companies accepted for participation in the network.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-In order to maintain and perhaps enhance its current economic vitality, the city in the future will need to consider and promote: business outreach and retention activities.

Strategic Plan-Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

KEY MEASURES

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Budget Impact/Other
The county is providing this service. However, if the program expands, cities may be asked to participate in the costs of the program.
Minnesota law provides a mechanism termed Special Service District which allows cities to help arrange and finance a higher level of services, such as snow removal and lighting, for commercial and industrial properties.

SCHEDULING AND PROJECT STATUS
There are no areas in the city with a Special Service District at this time. This has been previously explored with the Minnetonka Boulevard/County Road 101 area. Must be initiated by property owners.

State legislation for Special Service Districts sunsets on June 30, 2028. A change to this legislation, to allow mixed use projects with a housing component as part of special service districts, is currently under review at the state legislature.

Justification
The special service district provides the opportunity for commercial and industrial properties to be charged a fee to pay for a service that is not provided as a part of city services or at a level higher than what is being provided.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Provide city services and collaborate with outside agencies and the private sector to leverage additional services that reinforce the city's values.

Strategic Plan-Support business retention and expansion and attract new businesses to help our private sector be economically competitive.

KEY MEASURES

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Expenditures

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Budget Impact/Other
Staff time is likely to be significant during the set up of the first special service district. There will be additional staff time needed annually to work with the businesses to determine the next year’s fee. The costs for all administrative time can be incorporated into the fees assessed on the businesses.

Annually, there will be an outflow of funds to pay for the services, but they will all be recouped through assessments on the properties.
TRANSIT CHAPTER SUMMARY

Projects which enhance resident mobility by pursuing opportunities and solutions to improve transit service.

The city’s role in transit in the past has been minimal as Metro Transit has been the provider of the city and the region’s transit system. In 2002, Minnetonka exercised its opt-out authority. It was determined at the time to be in the best interest of the city to have Metro Transit continue providing transit service for the community. In mid-2013 the city and Metro Transit had a renegotiated contract in place providing more detail and clarity on the roles and responsibilities for both the city and Metro Transit.

In recent years the city’s role in transit has expanded as a more active participant in the city’s opt-out status as well as preparing for the Southwest LRT (Green Line Extension) line.

- The total five-year estimated cost of the programs is $60,000.

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Programs in green=funding/program is expected to continue
Programs in yellow=funding/program is uncertain for a number of reasons
Programs in red=funding/program is ending

- All facets of transit, such as commuting, bus/dial-a-ride, and Light Rail Transit (LRT), are included.
Commuter Services is an outreach program of the I-494 Corridor Commission, which the city is a member of. The program seeks to reduce traffic congestion and promote alternative transportation options. Other cities include Bloomington, Richfield, Eden Prairie, and Edina.

SCHEDULING AND PROJECT STATUS
This is an ongoing program.

Justification
Commuter Services provides programs, such as commuter fairs, carpool facilitation, and other information on alternative transportation choices to Minnetonka residents and businesses.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan—Anticipate, plan for and collaborate with other agencies for local and regional transportation improvements and programs to lessen the impacts of congestion.

Strategic Plan—Pursuing shared sub-regional transit solutions with neighboring communities to improve service within the area.

KEY MEASURES

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</table>

Budget Impact/Other

One councilmember and one city staff member attend monthly meetings of the I-494 Corridor Commission. With preparation time, this is approximately 40 hours of staff time. Additionally, the city is required to be the treasurer of the Commission for two years, which commits additional finance staff time. This happens every 10 years as it rotates between member cities.

Commuter Services is staffed separately, but coordinates with the city on events, such as the city-wide open house to promote their services.

The city’s fee is a formula based on population.
Economic Improvement Program
City of Minnetonka, Minnesota

Project # Transit-02
Project Name Transit Improvements

<table>
<thead>
<tr>
<th>Type</th>
<th>Program</th>
<th>Department</th>
<th>3-Transit</th>
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</thead>
<tbody>
<tr>
<td>Useful Life</td>
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<td>Contact</td>
<td>Community Development</td>
</tr>
<tr>
<td>Category</td>
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<td>Priority</td>
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Key Measures
Annual Bus Trips

<table>
<thead>
<tr>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>In 2002, Minnetonka exercised its opt-out authority and entered into an agreement for Metro Transit to continue to provide transit service in the city. The city has the ability, with notice, to terminate the current agreement.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SCHEDULING AND PROJECT STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Sector Study was completed December 2012 and suggested route changes from that study were implemented August 2013. The negotiation of a new Transit Cooperation Agreement was also completed in 2013, with a three-year term. Staff will begin contract review in late 2015 with any recommended changes coming forward in 2016.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Justification</th>
</tr>
</thead>
<tbody>
<tr>
<td>The service in Minnetonka has and continues to be focused on express route, peak service to downtown Minneapolis, with limited local and midday routes. Much of the transit design has to do with the low density of the city. The city may wish to retain some of its MVST money and provide more local service to better meet the needs of the community.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive Plan-Encourage the expansion of multi-modal and transit services in the city with other government agencies to support resident and business transportation needs.</td>
</tr>
</tbody>
</table>

| Strategic Plan-Pursue shared sub-regional transit solutions with neighboring communities to improve service within the area. |

<table>
<thead>
<tr>
<th>KEY MEASURES</th>
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<td>---------------</td>
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<table>
<thead>
<tr>
<th>Expenditures</th>
</tr>
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<tbody>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Total</td>
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<table>
<thead>
<tr>
<th>Funding Sources</th>
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<tbody>
<tr>
<td>MVST Revenue</td>
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<table>
<thead>
<tr>
<th>Budget Impact/Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff time of approximately 40 to 80 hours per year will be spent attending quarterly meetings, marketing, and consulting with Metro Transit staff.</td>
</tr>
<tr>
<td>Currently, the MVST revenues due to the city (~$4.4 million) go directly to the Metropolitan Council for transit service.</td>
</tr>
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</table>
DEVELOPMENT/REDEVELOPMENT
CHAPTER SUMMARY

Activities that promote the vitality of the city through development and redevelopment.

For the 2015-2019 Economic Improvement Program, there are two development/redevelopment programs underway, and two additional programs that are conceptual.

- The total five-year estimated cost of the programs is $510,000.

<table>
<thead>
<tr>
<th>Program</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>5-Year Total</th>
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<td>Predevelopment</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$210,000</td>
</tr>
<tr>
<td>Village Center/Comp Plan</td>
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<td>75,000</td>
<td>75,000</td>
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<td>$105,000</td>
<td>$125,000</td>
<td>$125,000</td>
<td>$50,000</td>
<td>$510,000</td>
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</table>

**Conceptual Programs**
- LRT Station Areas $0
- Strategic Marketing $0

Programs in green=funding/program is expected to continue
Programs in yellow=funding/program is uncertain for a number of reasons
Programs in red=funding/program is ending

- The Village Center studies are an outcome of the 2008 Comprehensive Plan update, and will take a look at each of the city’s 13 designated village centers. Additional work will begin in anticipation of the 2018 Comprehensive Plan update.

- Some of the pass-through grants identified in the business chapter may be geared towards development/redevelopment activities.

- Costs may increase if the city wishes to take a more proactive role in development/redevelopment.

- A program to meet the needs of redevelopment at the LRT station areas of Shady Oak and Opus is conceptual in the 2016-2020 EIP. While the opening-day station area plans were completed in late 2013 and preliminary engineering completed in 2014, the city, with Hopkins, is now working on more refined land use and zoning for the area. Once this is complete and analyzed, more will be known about what types of programs are needed to facilitate redevelopment in these areas.
Economic Improvement Program

City of Minnetonka, Minnesota

Project # Dev/Redev-01
Project Name Pre-Development

<table>
<thead>
<tr>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>The initial stages of development or redevelopment require extensive analysis, by the developer and the city, to determine if a project is viable. Analysis by the city includes financial readiness, design assistance, geotechnical data gathering, and preliminary work for TIF/tax abatement.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>SCHEDULING AND PROJECT STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>This is an on-going program. Staff determines when it is appropriate to use for a potential redevelopment project. For example, initial TIF runs were done for the Tonka on the Creek project to determine if a TIF district would be feasible. Once it was determined that it was, and the developer moved forward as such, the developer was then responsible for paying all legal counsel and financial consultant expenses.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Justification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predevelopment activities make the city development ready by preparing property for development or redevelopment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive Plan-Support existing commercial areas and encourage new development techniques that contribute to the vitality and diversity of the area.</td>
</tr>
</tbody>
</table>

| Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities. |

<table>
<thead>
<tr>
<th>KEY MEASURES</th>
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<tbody>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Projects Continued after Assistance</td>
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<table>
<thead>
<tr>
<th>Budget Impact/Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development projects can be time intensive for staff. The range per year is 500 to 1,000 hours depending on the request, number of meetings and type of assistance requested. The predevelopment funds will be used to hire consultants or others to complete work outside of staff’s expertise.</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Expenditures</th>
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<table>
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<tr>
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<table>
<thead>
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<tbody>
<tr>
<td>30,000</td>
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</table>
The village center studies take a look at each of the city’s thirteen designated village centers and create a guide for redevelopment. The following village centers have been completed: Minnetonka Mills, Opus, Hwy 7/101, Ridgedale, and some Glen Lake. The Shady Oak/Excelsior study is underway, and another Glen Lake study is anticipated later in 2015. Additional village center or special area studies may be completed prior to the Comprehensive Plan update which will begin in 2016.

Justification

The village center studies provide a guide to potential investors or developers to the organization of the property, general layout of building envelopes, and a defined range of uses. There is a strong emphasis on community engagement and realistic implementation strategies.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Guide development and redevelopment to ensure community vitality.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

KEY MEASURES

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Expenditures

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Funding Sources

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<td>75,000</td>
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</tbody>
</table>

Budget Impact/Other

While a consultant(s) is brought on to assist with the project, there is staff time spent on the village center studies to prepare contracts, review plans, facilitate ideas, prepare for public meetings and attend public meetings. This work can range from 1500-1750 hours per year.

There will be significant staff time when the Comprehensive Plan is updated.
Minnetonka has actively been planning for LRT since the early 2000's. By late 2014 SWLRT design was at 30% design and work on the infrastructure around the station areas continues to be discussed and added to when possible. As the LRT project progresses from design to construction there is a desire for redevelopment to occur around the city's station areas to make a more transit oriented area.

It is anticipated that because of limited county, regional and state resources, as well as the competition for these resources, that in order to assist in facilitating redevelopment in the LRT station areas, the city will need to provide resources of its own. Resources that are available as of 2015 include:

- Hennepin County
  - Capital infrastructure (streets, etc.)
  - Transit Oriented Development fund
  - Community Works funds
  - Affordable housing incentive fund
  - Environmental Response fund
- Regional (Met Council)
  - LCDA-TOD fund
  - TBRA-TOD fund
- State
  - Transit Improvement Area (unfunded)
  - Redevelopment grant
  - Contamination Clean-Up and Investigation
  - Transportation Economic Development

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

- Comprehensive Plan: Encourage a greater density/intensity and mix of land uses where access is available and supported by regional transportation systems (such as LRT).
- Strategic Plan: Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

KEY MEASURES

TBD

### Expenditures

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<tr>
<th></th>
<th>2016</th>
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<th>2019</th>
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### Funding Sources

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</table>

### Budget Impact/Other

It is unknown what type of programs will need to be added and therefore budget impacts are unknown. As programs are developed, staff time and future funding will need to be reviewed to determine a program's viability.
Economic Improvement Program
City of Minnetonka, Minnesota

Project #  Dev/Redev-04
Project Name  Strategic Marketing

Type  Conceptual  Department  4-Development & Redevelopment
Useful Life  N/A  Contact  Community Development
Category  Develop/Redevelopment  Priority  n/a

Key Measures

Description
Development of a marketing strategy to promote the city to current and future residents and businesses.

SCHEDULING AND PROJECT STATUS
The first step—a market assessment was completed in 2014. A marketing plan will be developed in 2015 with existing funds.

Justification
Minnetonka is ideally located and in the past has been successful in attracting residents, as well as all types of businesses, including multi-national corporations without much need for promotion. As the economy changes and attracting residents and businesses becomes more competitive it may be necessary to develop a marketing strategy to better promote the city.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Provide regional leadership in promoting community facilities, programs and land uses that are diverse, inclusive, and supportive of residents and businesses.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

KEY MEASURES
TBD

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<table>
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<th>2018</th>
<th>2019</th>
<th>2020</th>
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</table>

Budget Impact/Other
Development of a marketing strategy will likely take significant time to develop—including time from both city staff and outside assistance. Funds were budgeted previously from the HRA Levy to begin the marketing project. Future funds will be determined once the marketing plan is completed.
The city owns scattered site residential and commercial properties. These properties have been purchased over the years for a variety of reasons.

SCHEDULING AND PROJECT STATUS
This is an on-going project.

Justification
The city-owned properties include:

- 5501 Baker Road (residential)
- 5432 Rowland Road (residential)
- 3441 Martha Lane (residential)
- 5937 County Road 101 (residential)
- 4292 Oak Drive Lane (residential)
- 4312 Shady Oak Road (commercial)

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Encourage a diversity of land uses within the city to ensure a broad range of housing and employment choice, shopping and other services for residents and businesses.

Strategic Plan-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment and public activities.

KEY MEASURES
TBD

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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Budget Impact/Other
There is some staff time every year devoted to the upkeep on the properties; however, a property manager is hired for properties where there are tenants, lessening the staff time required.
TAX INCREMENT FINANCING

MINNETONKA ECONOMIC IMPROVEMENT PROGRAM
Description
Any time a TIF district is formed, a development agreement is prepared between the city and the developer. Administration for both the TIF and the development agreement, over the life of the TIF district, is required.

SCHEDULING AND PROJECT STATUS
Administration and review of the existing development agreements and TIF districts is ongoing until the projects expire.

New TIF districts are anticipated to be added as new redevelopment projects are proposed in anticipation of the LRT.

Justification
In some cases redevelopment projects need city assistance, such as in the form of Tax Increment Financing (TIF) in order for the project to be financially feasible. Anytime a TIF district is set-up there is a cost to the city for monitoring the project.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Encourage redevelopment projects that include mixed income housing, including affordable units, while balancing density and the preservation of natural resources.

Strategic Plan-
-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.
-Actively promoting the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment and public activities.

KEY MEASURES

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Budget Impact/Other
Development agreements and TIF administration are staff led activities. The city regularly calls upon its financial consultants and legal counsel to assist in these matters. Staff time estimates are 520 hours.
**Economic Improvement Program**

**City of Minnetonka, Minnesota**

### Description

The Beacon Hill TIF district is a housing district approved on February 14, 1994 to construct a senior living facility that includes both senior housing (110 units) and an assisted living component (42 units).

### Scheduling and Project Status

This TIF district was approved in 1994 and will expire in 2021. All of the original obligations were paid on the district by 2009. At that time though the EDA modified the district at that time to keep it open in order to keep the affordability in some of the units. With the revised contract stipulates the city extended the assistance for affordability, but reduces the percent of increment paid to the development, 90% for five years (2015) and decreases by 10% every year until 2020.

### Justification

The Beacon Hill TIF District was established to assist in the development of 152 total units, of which, 62 units are affordable to those at 60% AMI or less.

### Program Goals and Relationship to Other Plans

Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

### Key Measures

|------|------|------|------|------|------|------|------|------|------|------|------|

### Expenditures

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### Budget Impact/Other

Staff, with occasional consultant assistance, oversees the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.
The Boulevard Gardens TIF district was adopted December 11, 1995 to facilitate the redevelopment and affordable housing built at West Ridge Market, beginning in 1996. Over 500 housing units were created with over 200 of those units as affordable ownership and rental. West Ridge Market was one of the very first Metropolitan Council Livable Communities Demonstration projects.

SCHEDULING AND PROJECT STATUS
This TIF district was approved in 1995, and will expire in 2022. The developer's note was paid in full in 2011. The housing affordability, set at 30 years, will expire between 2025 and 2027 depending on the component.

In 2010 a TIF plan modification was made using the "Jobs Bill" legislation to allow for special TIF pooling for affordable housing as well as $100,000 to pay for the utility costs associated with the construction of The Glenn by St. Therese in the Glenhaven TIF District.

Justification
The development agreement expired with the final TIF payment in 2011. This district has a maximum life of 26 years. The city could use the cash balance to pool for other redevelopment eligible projects in the city if the TIF plan and the project areas are modified.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES

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Budget Impact/Other
Staff, with occasional consultant assistance, oversees the administration of the TIF district.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.
Description
The Glenhaven TIF district is a renewal and renovation district approved on January 23, 2006. Special legislation was granted to the city in 2009 to extend the duration of the district by seven years to December 31, 2029.

SCHEDULING AND PROJECT STATUS
This TIF district was approved in 2006 and will expire in 2029. The first two phases of the project—a mixed use apartment building with retail on the first floor and a senior housing rental community are completed. The third phase, originally planned as a condominium building, was recently changed and a 54-unit cooperative will be built on the site beginning in late 2015.

TIF revenue bonds were issued in 2010 and have a lien on the current TIF revenues. Annually, after the bonds are paid, the excess increment will pay the city's $500,000 interfund loan. Next, the developer's pay as you go note is paid, and once that is paid off, then the city will repay itself for costs associated with the Alano facility. Even with the third phase, it's not likely the developer's note or the city's costs with Alano will be repaid.

Justification
The Glenhaven TIF District was established to assist in the Glen Lake Redevelopment of housing and mixed use. There are 43 affordable units in the total development, affordable to those at 60% AMI or less.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.
Strategic Plan-
-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.
-Actively promote the vitality of designated village centers, which integrate uses and connect people to commercial, residential, employment, and public activities.

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Budget Impact/Other
Staff, with occasional consultant assistance, oversees the administration of the district. A portion of the increment is retained to cover administrative costs. More detailed information on the TIF district, its obligations, performance, and other development agreement compliance can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.
Description
The Tonka on the Creek TIF district is a housing district approved February 10, 2014. A 100-unit apartment building, containing 20 affordable units, will be constructed as part of the project.

SCHEDULING AND PROJECT STATUS
This TIF district was approved in 2014 and will end in 2042. Construction began in late 2014, and is anticipated to be completed sometime in 2015.

Justification
The Tonka on the Creek TIF District was established to assist in the development of an 100-unit apartment building, of which 20 units will be affordable to those at 50% AMI or less.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES
-----------------|------|------|------|------|------|------|------|------|------|------|------
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Expenditures
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Budget Impact/Other
Staff, with occasional consultant assistance, oversees the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.

More detailed information on the TIF district, its obligations, performance, and other development agreement compliance can be found in the December 2014 TIF Management Report prepared by the Ehlers, Inc., the city's financial consultant.
Economic Improvement Program
City of Minnetonka, Minnesota

Project # TIF-07
Project Name Applewood Pointe TIF District

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Description
The Applewood Pointe TIF district is a redevelopment TIF district approved August 2014. An 89-unit senior cooperative building, containing 9 affordable units will be constructed as part of the project.

SCHEDULING AND PROJECT STATUS
The TIF district was approved in 2014 and will end in 2041. Construction is anticipated to begin in late 2015 or in 2016.

Justification
The Applewood Pointe TIF District was established to assist in the development of an 89-unit senior cooperative building, of which 9 units will be affordable.

PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

KEY MEASURES

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Budget Impact/Other
Staff, with occasional consultant assistance, oversee the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.
### Description

At Home apartments is proposing a 106-unit apartment building and is requesting TIF assistance through a housing TIF district. As proposed, 21 units will be made affordable to those at 50% AMI or less.

### SCHEDULING AND PROJECT STATUS

The TIF district was approved in 2015 and will end in 2043. Construction is anticipated to begin in 2015 or 2016.

### Justification

This is a proposed TIF district where 21 of the 106 rental units will be made affordable to those at 50% AMI or less.

### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS

Comprehensive Plan-Support and encourage housing options that are attractive to a wide variety of age and income levels of residents.

Strategic Plan-Initiating programs and policies that broaden housing choices to both meet the needs of our aging population and attract young residents.

### KEY MEASURES

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### Budget Impact/Other

Staff, with occasional consultant assistance, oversee the administration of the TIF district.

A portion of the tax increment is retained to cover administrative costs.
TAX ABATEMENT
## Economic Improvement Program
City of Minnetonka, Minnesota

### Ridgedale

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#### Description
The Ridgedale Tax Abatement was approved in connection with the Ridgedale Mall expansion. The funds are to be used for transportation improvements around the mall site and with public amenities on the site.

#### SCHEDULING AND PROJECT STATUS
The Ridgedale Tax Abatement project was approved in Spring 2013.

#### Justification
The Ridgedale Tax Abatement will assist in financing the transportation and other public improvements that must be completed due to the Ridgedale Mall expansion.

#### PROGRAM GOALS AND RELATIONSHIP TO OTHER PLANS
Comprehensive Plan-Manage the impact of new development upon the local transportation system and encourage the use of Transportation Demand Management (TDM) and other traffic management techniques.

Strategic Plan-Supporting business retention and expansion and attracting new businesses to help our private sector be economically competitive.

#### KEY MEASURES

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#### Expenditures

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<td>2020</td>
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</table>

#### Budget Impact/Other
Staff, with occasional consultant assistance, oversees the administration of the Tax Abatement.

A portion of the abatement is retained to cover administrative costs.
FUND DESCRIPTIONS

Development Fund
The Development Fund was created with funds remaining after retiring the bonds of a single Tax Increment Finance (TIF) district in 1993. Under provisions of the TIF contract and law, the Development Fund may only be used for costs associated with Minnetonka's redevelopment and economic development activities. The city's Economic Development Authority initiates projects appropriate to these activities.

Livable Communities Fund
The Livable Communities fund was created after receiving special legislation to develop an account from the revenues of a closed Tax Increment Finance (TIF) district. The legislation specifically restricts the use of these funds for affordable housing programs. Standards for affordability are consistent with the Metropolitan Council's income, rent and sales price limits.

Community Development Block Grant (CDBG)
Since 1975, the Community Development Block Grant (CDBG) fund has accounted for revenues and expenditures made under the federal CDBG program. Minnetonka typically uses these funds for housing projects and programs (such as housing rehab, affordable housing, and supportive housing) and supportive services (such as senior chore programs, information and referral services and others).

HRA Levy
Minnesota Statutes 469.033, Subd. 6 authorizes housing and redevelopment authorities (HRAs) the power to levy a tax upon all property within its district to finance housing and redevelopment programs subject to the consent of the city council. In 1988 and amended in 1994 and 2010, the Minnetonka City Council established the Economic Development Authority (EDA) of the City of Minnetonka and transferred to the EDA the control, authority and operation of all projects and programs of the city's HRA. The law and council resolutions further require the EDA to file a budget in accordance with the budget procedure of the city in the same manner as required of executive departments of the city.

TIFPooling
Under the Minnesota Statutes Chapter 469, at least 75 percent of tax increment in a redevelopment tax increment financing (TIF) district must be spent on eligible activities within the district, leaving up to 25 percent of the funds to be pooled and therefore eligible to be spent outside of the district, but within the project area. An exception to the pooling funds is for affordable rental housing that meet federal housing tax credit guidelines. The city may choose to increase the pooling allowance to 35 percent, which can then go to finance certain affordable housing projects.
### SUMMARY TABLE

**EIP 2016**

**Expenditures by Category & Fund**

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## EIP 2016-2025

### All Categories

#### Funding Sources and Expenditure Projections

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**Fund Balance Analysis**

**Housing District 2 Beacon Hill**

Housing District  
City approved: 2/14/1994  
Cert Request: 4/19/1994  
Certified: 9/19/1994  
Decertifies: 12/31/2021  
Fund 3350  
County #1458

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### City of Minnetonka

**Fund Balance Analysis**

**TIF 1-2 Boulevard Gardens**

*Redevelopment*

City approved: 12/11/1995  
Certified: 7/2/1996  
Decertifies: 12/31/2022 (duration extended in 2010)

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### Glenhaven TIF District

**Renewal and Renovation**

City approved: 1/23/2006  
Certified: 5/2/2006  
Decertified: 12/31/2022, 12/31/2029  
(Duration extended by special leg)

**County #1463**

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#### Revenues

- **Bond proceeds**: $5,000,000  
- **Tax increment**: $13,300,000  
- **Interest**: $231,659  
- **MVHC**: $68  
- **Sales/lease proceeds**: $0  
- **Interfund loan**: $2,000,000

**Total Revenues**: $20,300,000

#### Expenditures

- **Land/building**
- **Site**
- **Public utilities**
- **Public park facilities**
- **Public parking facilities**
- **Social/recreational**
- **Streets/sidewalks**
- **Bond**
  - **Principal**: $5,000,000  
  - **Interest**: $4,700,000  
- **Admin**
  - **Loan**
    - **Principal**: $1,330,000  
    - **Interest**: $1,330,000  
- **Bonds**
  - **Discount**
  - **Interfund Loan-interest**

**Total Expenditures**: $23,355,428

#### Fund Balance Analysis

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<td>2021</td>
<td>221,766</td>
<td>221,668</td>
<td>226,118</td>
</tr>
<tr>
<td>2022</td>
<td>226,118</td>
<td>235,286</td>
<td>233,686</td>
</tr>
<tr>
<td>2023</td>
<td>233,686</td>
<td>233,166</td>
<td>234,629</td>
</tr>
<tr>
<td>2024</td>
<td>234,629</td>
<td>235,817</td>
<td>236,729</td>
</tr>
<tr>
<td>2025</td>
<td>236,729</td>
<td>237,368</td>
<td>237,729</td>
</tr>
<tr>
<td>2026</td>
<td>237,729</td>
<td>237,817</td>
<td>237,629</td>
</tr>
<tr>
<td>2027</td>
<td>237,629</td>
<td>152,290</td>
<td>152,290</td>
</tr>
</tbody>
</table>

**Projected Ending Fund Balance**: $2,055,011

---

**Management Review & Analysis - Tax Increment Financing Districts**

City of Minnetonka, MN  
December, 2014  
Page 30
AFFORDABLE HOUSING GOALS
AFFORDABLE HOUSING GOALS

Progress on the city's affordable housing goals.

In 1995, the Minnesota Legislature created the Livable Communities Act (LCA) to address the affordable and life-cycle housing needs in the Twin Cities metropolitan area. When the LCA was established, Minnetonka was one of the first communities to sign up to participate in the program. At that time, a series of affordable housing goals for the city was established for 1996 to 2010. The city has elected to continue to participate in the LCA program, establishing affordable and lifecycle housing goals for 2011 to 2020.

1995-2010 AFFORDABLE HOUSING GOALS

<table>
<thead>
<tr>
<th>Goals (1995-2010)</th>
<th>Results</th>
<th>Percent Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Affordable Ownership Units</td>
<td>180 Units</td>
<td>202</td>
</tr>
<tr>
<td>New Affordable Rental Units</td>
<td>324 Units</td>
<td>213</td>
</tr>
<tr>
<td>New Rental Units (All)</td>
<td>540 Units</td>
<td>697</td>
</tr>
</tbody>
</table>

1995-2010 New Affordable Ownership Units

<table>
<thead>
<tr>
<th>Project</th>
<th>Year Completed</th>
<th>Affordable Units</th>
<th>EIP Program Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gables of West Ridge Market</td>
<td>1996-1997</td>
<td>90</td>
<td>Boulevard Gardens TIF</td>
</tr>
<tr>
<td>Habitat for Humanity</td>
<td>1999</td>
<td>4</td>
<td>None</td>
</tr>
<tr>
<td>Ridgebury</td>
<td>2000</td>
<td>56</td>
<td>Ridgebury TIF</td>
</tr>
<tr>
<td>The Enclave</td>
<td>2002</td>
<td>1</td>
<td>None</td>
</tr>
</tbody>
</table>
| The Sanctuary | 2005-2007 | 3 | -Grants
- Homes Within Reach |
| Lakeside Estates | 2005 | 1 | Homes Within Reach |
| Cloud 9 Sky Flats | 2006 | 34 | Homes Within Reach |
| Wyldewood Condos | 2006 | 8 | None |
| Minnetonka Drive | 2007 | 1 | Homes Within Reach |
| Deephaven Cove | 2007 | 2 | -Grants
- Homes Within Reach |
| Meadowwoods | 2007/2008 | 2 | Homes Within Reach |

1995-2010 New Affordable Rental Units

<table>
<thead>
<tr>
<th>Project</th>
<th>Year Completed</th>
<th>Affordable Units</th>
<th>EIP Program Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excelsior Court Apartments</td>
<td>1996</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>West Ridge Retirement</td>
<td>1997</td>
<td>45</td>
<td>Boulevard Gardens TIF</td>
</tr>
<tr>
<td>Boulevard Gardens</td>
<td>1997</td>
<td>46</td>
<td>Boulevard Gardens TIF</td>
</tr>
<tr>
<td>Crown Ridge Apartments</td>
<td>1997</td>
<td>46</td>
<td>Boulevard Gardens TIF</td>
</tr>
<tr>
<td>Minnetonka Mills</td>
<td>1997</td>
<td>30</td>
<td>Minnetonka Mills TIF</td>
</tr>
<tr>
<td>Cedar Pointe Townhouses</td>
<td>1997</td>
<td>9</td>
<td>Cedar Pointe</td>
</tr>
<tr>
<td>The Oaks at Glen Lake</td>
<td>2008</td>
<td>13</td>
<td>Glenhaven TIF</td>
</tr>
</tbody>
</table>
## 2011-2020 AFFORDABLE HOUSING GOALS

<table>
<thead>
<tr>
<th></th>
<th>Goals (2011-2020)</th>
<th>Results</th>
<th>Percent Achieved (to date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Affordable Units (rental &amp; ownership)</td>
<td>246 to 378</td>
<td>81</td>
<td>32%</td>
</tr>
<tr>
<td>New Lifecycle Units</td>
<td>375 to 800</td>
<td>214</td>
<td>57%</td>
</tr>
</tbody>
</table>

### 2011-2020 New Affordable Units (rental and ownership)

<table>
<thead>
<tr>
<th>Project</th>
<th>Year Completed</th>
<th>Affordable Units</th>
<th>EIP Program Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Glenn by St. Therese</td>
<td>2011</td>
<td>30</td>
<td>Glenhaven TIF</td>
</tr>
<tr>
<td>The Ridge</td>
<td>2013</td>
<td>51</td>
<td>TIF Pooling</td>
</tr>
<tr>
<td>Tonka on the Creek*</td>
<td>2015 (est.)</td>
<td>20</td>
<td>Tonka on the Creek TIF</td>
</tr>
<tr>
<td>At Home*</td>
<td>2016 (est.)</td>
<td>21</td>
<td>Rowland Housing TIF</td>
</tr>
</tbody>
</table>

*Indicates projects that are approved, but not yet constructed therefore affordable and lifecycle units are not counted in 2011-2020 goals.

### 2011-2020 New Lifecycle Units

<table>
<thead>
<tr>
<th>Project</th>
<th>Year Completed</th>
<th>Lifecycle Units</th>
<th>EIP Program Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Glenn by St. Therese</td>
<td>2011</td>
<td>150</td>
<td>Glenhaven TIF</td>
</tr>
<tr>
<td>The Ridge</td>
<td>2013</td>
<td>64</td>
<td>TIF Pooling</td>
</tr>
<tr>
<td>Tonka on the Creek*</td>
<td>2015 (est.)</td>
<td>100</td>
<td>Tonka on the Creek TIF</td>
</tr>
<tr>
<td>At Home*</td>
<td>2016 (est.)</td>
<td>106</td>
<td>Rowland Housing TIF</td>
</tr>
<tr>
<td>Applewood Pointe*</td>
<td>2017 (est.)</td>
<td>89</td>
<td>Applewood Pointe TIF</td>
</tr>
</tbody>
</table>

*Indicates projects that are approved, but not yet constructed therefore affordable and lifecycle units are not counted in 2011-2020 goals.
The following is a list EIP programs and their contribution to the city’s affordable housing goals.

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>AFFORDABLE HOUSING CONTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing</strong></td>
<td></td>
</tr>
<tr>
<td>CDBG Program Administration</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Crown Ridge Apartments</td>
<td>46 affordable units participate in program</td>
</tr>
<tr>
<td>Emergency Repair Program</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Employer Assisted Housing</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Fair Housing</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Homes Within Reach</td>
<td>Preservation of affordable housing</td>
</tr>
<tr>
<td>Housing Improvement Area (HIA)</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Minnetonka Heights Apartments</td>
<td>172 affordable units participate in program</td>
</tr>
<tr>
<td>Minnetonka Home Enhancement Program</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Owner-Occupied Housing Rehabilitation</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Public Services</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Senior Regeneration Program</td>
<td>Program could preserve affordable units</td>
</tr>
<tr>
<td>Tax Exempt Financing</td>
<td>Program may add or preserve affordable units</td>
</tr>
<tr>
<td>TIF Pooling</td>
<td>51 units added through The Ridge</td>
</tr>
<tr>
<td>Welcome to Minnetonka program</td>
<td>No direct impact</td>
</tr>
<tr>
<td><strong>Business</strong></td>
<td></td>
</tr>
<tr>
<td>Economic Gardening</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Fire Sprinkler Retrofit</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Grants</td>
<td>May assist with components of projects that have affordable units</td>
</tr>
<tr>
<td>Industrial Revenue Bonds (Common Bond)</td>
<td>No direct impact</td>
</tr>
<tr>
<td>GreaterMSP</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Minnesota Community Capital Fund (MCCF)</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Minnesota Investment Fund (MIF)</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Open to Business</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Outreach</td>
<td>No direct impact</td>
</tr>
<tr>
<td>PACE</td>
<td>No direct impact</td>
</tr>
<tr>
<td><strong>Transit</strong></td>
<td></td>
</tr>
<tr>
<td>Commuter Services</td>
<td>No direct impact</td>
</tr>
<tr>
<td>LRT</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Transit Improvements</td>
<td>No direct impact</td>
</tr>
<tr>
<td><strong>Redevelopment</strong></td>
<td></td>
</tr>
<tr>
<td>Predevelopment Projects</td>
<td>May assist projects that are developing affordable housing</td>
</tr>
<tr>
<td>Village Center</td>
<td>Help to guide areas where affordable housing may be developed</td>
</tr>
<tr>
<td><strong>Tax Increment Financing (TIF)</strong></td>
<td></td>
</tr>
<tr>
<td>Development Agmt/TIF Admin</td>
<td>No direct impact</td>
</tr>
<tr>
<td>Beacon Hill TIF District</td>
<td>44 affordable units added in 1994 (prior to affordable housing goals). Preserved in 2010.</td>
</tr>
<tr>
<td>Boulevard Gardens TIF District</td>
<td>227 affordable units added in 1996/1997</td>
</tr>
<tr>
<td>Glenhaven TIF District</td>
<td>43 affordable units added in 2008 and 2011</td>
</tr>
<tr>
<td>Minnetonka Mills TIF District</td>
<td>30 affordable units added in 1997. Even though district has expired, units remain affordable</td>
</tr>
<tr>
<td>Tonka on the Creek TIF District</td>
<td>20 affordable units expected in 2015</td>
</tr>
<tr>
<td>Applewood Pointe TIF District</td>
<td>9 affordable units expected in 2017 (will not meet Met Council guidelines, therefore not included in goals)</td>
</tr>
<tr>
<td><strong>Tax Abatement</strong></td>
<td></td>
</tr>
<tr>
<td>Ridgedale</td>
<td>No direct impact</td>
</tr>
</tbody>
</table>
Resolution No. 2015-

Resolution adopting the 2016-2020 Economic Improvement Program

Be it resolved by the City Council of the City of Minnetonka, Minnesota as follows:

Section 1. Background.

1.01. The preliminary 2016-2020 Economic Improvement Program was presented to the City Council for its consideration on April 27, 2015.

1.02. As a result of that review, it was concluded that the preliminary Economic Improvement Program articulates the city’s economic development priorities and allocates funding accordingly over a multi-year planning horizon.

Section 2. Council Action.

2.01. That the 2016-2020 Economic Improvement Program as presented and discussed by the City Council on April 27, 2015, and as amended is hereby adopted.

Adopted by the City Council of the City of Minnetonka, Minnesota, on May 18, 2015.

________________________________________
Terry Schneider, Mayor

Attest:

________________________________________
David E. Maeda, City Clerk

Action on this resolution:

Motion for adoption:
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.
I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on May 18, 2015.

______________________________
David E. Maeda, City Clerk
City Council Agenda Item #15A
Meeting of May 18, 2015

Brief Description: Appointments to the senior citizen advisory board

Recommended Action: Approve the recommended appointments

Background

The senior citizen advisory board currently has two open positions. Ron Parker and Judith Hansen have expressed their willingness to dedicate the time and energy necessary to be contributing members. Based on the material they submitted and recommendations from Steve Pieh, the senior services and activities manager, I recommend that they be appointed. The updated membership roster showing the composition of the senior citizen advisory board is attached.

Recommendation
To approve the following appointments:

- Ron Parker, to the senior citizen advisory board, to serve a two-year term, effective June 1, 2015 and expiring on May 31, 2017.
- Judith Hansen, to the senior citizen advisory board, to serve a two-year term, effective June 1, 2015 and expiring on May 31, 2017.

Respectfully submitted,
Terry Schneider
Mayor
Senior Citizen Advisory Board

Current Members

This board is comprised of 15 members whose duties include advising the city council on the needs and status of seniors in the city, recommending ways in which those needs may be met; determining and assessing existing resources in the city which may be utilized by seniors to meet their needs; evaluating and assessing proposed programs, grants and other governmental activities which may impact seniors; recommending policies, goals and objectives for the operation of the Senior Center, and working with staff and the senior director. Members serve two-year terms, and meet the second Tuesday of each month at 10:00 a.m.

<table>
<thead>
<tr>
<th>Name</th>
<th>Ward</th>
<th>Comments</th>
<th>Appointed:</th>
<th>Reappointed:</th>
<th>Reappointed:</th>
<th>Reappointed:</th>
<th>Reappointed:</th>
<th>Term Expires:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frances Dranginis</td>
<td>1</td>
<td></td>
<td>6/3/2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5/31/2015</td>
</tr>
<tr>
<td>Judith Hansen</td>
<td>1</td>
<td></td>
<td>5/18/2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5/31/2017</td>
</tr>
<tr>
<td>Dewey Hassig</td>
<td>1</td>
<td></td>
<td>12/15/2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5/31/2015</td>
</tr>
<tr>
<td>Allan Kind</td>
<td>4</td>
<td></td>
<td>12/22/2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5/31/2016</td>
</tr>
<tr>
<td>Jeanne Lutgen</td>
<td>1</td>
<td>President</td>
<td>12/22/2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5/31/2016</td>
</tr>
<tr>
<td>Christopher Meyer</td>
<td>3</td>
<td></td>
<td>2/22/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5/31/2016</td>
</tr>
</tbody>
</table>

Tuesday, May 12, 2015
<table>
<thead>
<tr>
<th>Name</th>
<th>Ward</th>
<th>Appointed:</th>
<th>Term Expires:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loy O'Boyle</td>
<td>1</td>
<td>2/22/2010</td>
<td>5/31/2016</td>
</tr>
<tr>
<td>Ron Parker</td>
<td>4</td>
<td>5/18/2015</td>
<td>5/31/2017</td>
</tr>
<tr>
<td>Thomas Scott</td>
<td>1</td>
<td>6/2/2014</td>
<td>5/31/2016</td>
</tr>
</tbody>
</table>

**Staff Liaison:**
Steve Pieh, Senior Services Director, Ph # 939-8366