

# Strategic Plan for Housing and Economic Development

Approved by the City Council October 2, 2012

Community Development Department

City of Eden Prairie

Strategic Plan for Housing  
and Economic Development

2012 - 2018

## Table of Contents

<b>1. Executive Summary</b> .....	3
<b>2. Background</b> .....	5
<b>2.1. Vision / Mission / Values</b> .....	5
- Community Development Department.....	5
- Economic Development Division.....	6
- Housing and Community Services Division.....	6
<b>3. History</b> .....	7
<b>3.1. Strategic Planning Summary</b> .....	7
<b>3.2. 2005 Projects</b> .....	8
- 2005 High Priority Projects Status.....	8
- 2005 Medium Priority Projects Status .....	14
- 2005 Lower Priority Projects Status .....	17
- 2005 CDBG Projects Status.....	18
- 2005 Economic Development/Redevelopment Projects Status.....	19
<b>4. 2012 – 2018 Projects</b> .....	21
<b>4.1. Southwest Light Rail Transit (LRT)</b> .....	21
- Description.....	21
- Eden Prairie Stations.....	22
- Funding Sources .....	26
- Transit Project Timeline/Decision Milestones .....	27
- Eden Prairie Southwest Light Rail Transit (LRT) 2012 – 2018 Projects .....	28
<b>4.2. Economic Development</b> .....	37
- Description.....	37
- Funding Sources .....	38
- Economic Development 2012 – 2018 Projects.....	38

*(Continued on Page 2)*

**Table of Contents** *(Continued)*

**4.3. Housing** ..... 50

- Strategies..... 50
- Funding Sources ..... 50
- Housing 2012 – 2018 Projects ..... 51

**5. Appendixes**..... 58

Appendix **1. Economic Development and Housing Funding Sources** ..... 58

- Economic Development Fund ..... 58
- Housing Funding Sources ..... 60

## 1. Executive Summary

The City of Eden Prairie Strategic Plan for Housing and Economic Development (2012 – 2018) recognizes the Community Development Department’s mission, prioritizes the Housing and Economic Development Divisions’ projects, and identifies implementation strategies and funding sources for the next seven years. It is a comprehensive update of the 2005 Strategic Plan for Housing and Economic Development, which was created by the Community Development Department and reviewed by the City Council. The 2005 plan received minor updates in 2008 and 2010.

The 2012 - 2018 Strategic Plan for Housing and Economic Development is the product of a collaborative effort between the Community Development Department and the City Council.

The purpose of the Strategic Plan is to:

- Report on the Housing and Economic Development activities since 2005 (History)
- Identify and prioritize Housing and Economic Development projects for 2012-2018
- Outline the implementation actions to be undertaken during 2012-2018
- Foster coordination between the Community Development Department, City Administration and the City Council
- Help keep the public informed of key Housing and Economic Development projects and initiatives

Various policies and strategies from the City’s 2008 Comprehensive Guide Plan are recognized and prioritized within this Strategic Plan.

### 2012 - 2018 Projects

Chapter 4 of the Strategic Plan summarizes the projects that are planned for 2012-2018 and it comprises the following sections:

#### South West Light Rail Transit



Section 4.1 focuses on projects related to the proposed South West Light Rail Transit (SW LRT). These projects have been identified as top priorities of the Strategic Plan. SW LRT will connect Eden Prairie with downtown Minneapolis, the University of Minnesota, and downtown St. Paul.

Five station areas are being planned in Eden Prairie. Most of them will include substantial park-and-ride facilities as well as new or improved roadways, sidewalks, trails and other infrastructure. The station areas are also the focus of additional housing, employment and shopping opportunities via infill or redevelopment. In addition, the operation and maintenance facility for the SW LRT line is being strongly considered for Eden Prairie. This section contains a comprehensive list of all the Eden Prairie projects associated with SW LRT along with timelines, strategies and potential funding sources.

## **Economic Development**



Section 4.2 of the plan concentrates on the Economic Development initiatives and projects that are planned for the next few years. These projects are intended to stimulate business growth, community development and redevelopment and to ensure the overall economic growth and vitality of Eden Prairie. The projects include a broad range of activities such as business retention efforts, communication with the business community impacted by LRT projects, and a pro-active effort to work with developers to identify inventories and land availability. Most of the economic development projects initiate and direct special economic development and redevelopment, collect and distribute information regarding available financing sources and alternatives business development, and support transportation, road improvements and other infrastructure enhancements throughout the city. This section provides a detailed list of projects and implementation targets for economic development as well as priorities, timelines and funding sources.

## **Housing**



Section 4.3 consists of the Housing projects that are planned for the next few years. It focuses on the key policy priorities the City has established specifically related to housing development such as affordable housing programs, rental and homeownership initiatives, rehabilitation loan program, housing improvement grant and allocation of funding sources that could be used for various housing initiatives. This section provides detailed profiles on the housing projects, as well as priorities, timelines, strategies and funding sources.

## 2. Background

### 2.1 Vision / Mission / Values

#### Community Development Department

The Community Development Department supports the long-term vitality of the City through city-wide land use planning and development review activities, maintaining a positive environment for business, addressing housing and community service needs, and enhancing revenue generation through responsible property valuations. The department includes twenty full- and part-time employees within the following divisions: Assessing, Planning, Economic Development, and Housing and Community Services. The department creates and administers current and long-range plans for the City and promotes and facilitates the orderly development, redevelopment and economic viability of the City. The department helps maintain the City’s high quality of life by partnering with other departments and organizations in addressing community needs.

*Figure 1. Community Development Department Divisions*



## **Economic Development Division**

The Economic Development Division is responsible for services that promote business growth, community development and redevelopment, and that support the overall economic growth and vitality of the Eden Prairie. Division services include: (1) Business (job) retention, development, expansion, promotions, and communications; (2) New development and redevelopment planning and site location services; (3) Coordinate public financing for development and redevelopment; (4) Manage real estate sales and acquisition activities; (5) Support programs and initiatives of other City Departments, the Chamber of Commerce, School District, and other organizations as appropriate that improve or maintain a high quality of life in Eden Prairie; (6) Support and advocate for transportation and development infrastructure improvements; and (7) Help developers navigate development review process.

## **Housing and Community Services Division**

The Office of Housing and Human Services has four areas of responsibility – Housing, Community Services, Immigrant Services, and Community Building.

For Housing, work includes the Affordable Housing Program, which includes affordable rental and home ownership initiatives and tracking progress on Livable Community Act goals; and the Rehab Loan Program, which provides low interest loans to eligible homeowners.

For Community Services, work includes matching individual needs with community based resources, performing strategic outreach to service providers, businesses and civic organizations, and managing contracts with human services providers.

For Immigrant Services, work includes supporting other city departments with translation and interpretation of Somali language and culture; and assisting newly arriving immigrants, from all countries, with securing the basic living needs.

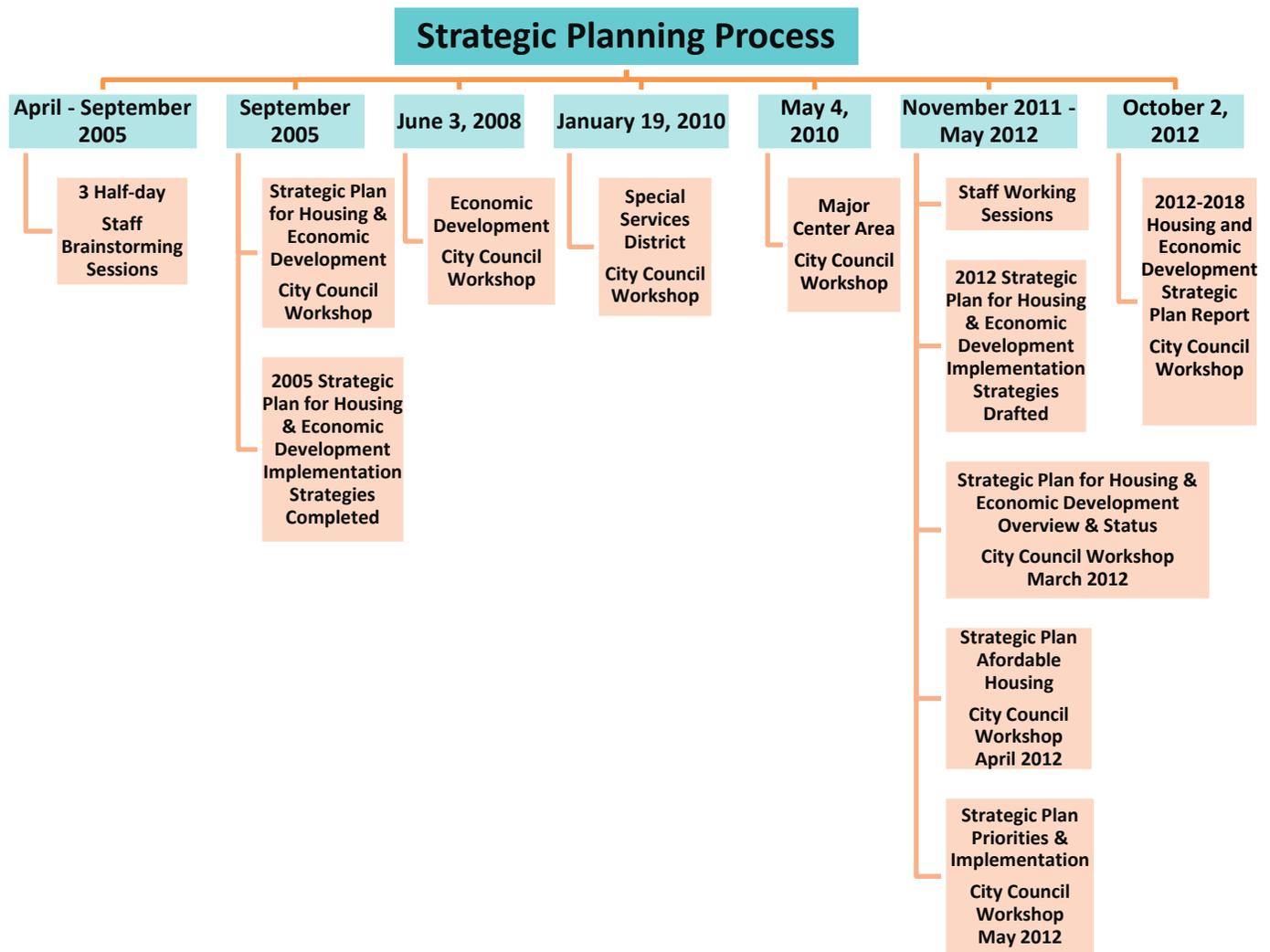
For Community Building, work includes bringing together community groups and individuals to address issues related to human rights, education, transportation, immigration, and housing; and organizing work related to resource procurement through the FamiLink Resource Center.

### 3. History

#### 3.1. Strategic Planning Summary

The 2005 Strategic Plan for Housing and Economic Development was a collaborative interdepartmental effort that included City Council input. The plan was revisited in 2008 and 2010. In March, April and May of 2012, a series of three City Council workshops were held in relation to a more comprehensive update of the Strategic Plan. The purpose of these workshops was to update the City Council about the status of the 2005 initiatives and obtain input and direction from the Council for the new strategic plan.

Figure 2. Strategic Planning Process



**3.2. 2005 Projects**

**2005 High Priority Projects Status**

**Major Center Area (MCA),  
Wayfinding Signage**

*2005 Projects*

**Regulatory**

- Potential City Sign Ordinance amendments for off-site directional
- MNDOT approval for highway signs (also County if 212 turned back first)

**Financing**

- Private/Public Partnership (80% private, 20% public?)
- Special Assessments or other private sector payments
- Special Service District?
- HRA Levy increase (City-wide?)

**Current Status (as of July 2012)**

- Sign ordinance amendments not necessary for directional signs without business names
- MN DOT Turn back and TH61 signage Phase I completed; Phase II under review
- General Growth directional signage back to highways completed
- “Mall” directional signage on ring road completed
- Town Center monument sign installed



## Major Center Area (MCA)

2005 Projects

### Park Acquisition

(Lake Idlewild portion of Emerson industrial property)

#### Regulatory

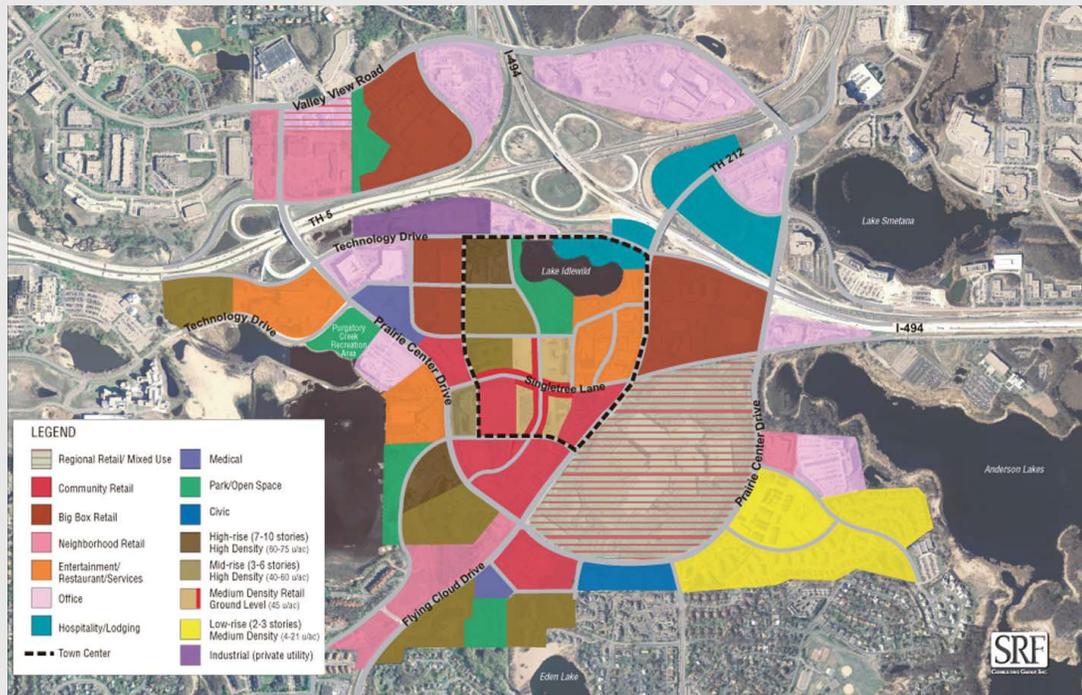
- Comp. Plan & Zoning Amendments
- Official Map?
- Land Dedication with any Subdivision of this property

#### Financing

- If can't require/negotiate with redevelopment or need amenity to catalyze redevelopment, consider grants, park dedication fees, referendum, etc.

#### Current Status (as of July 2012)

- Comprehensive Plan amendment completed in 2009 showing Park designation; implementation of zoning awaiting outcome of Town Center LRT station alternatives analysis
- Official Map may be implemented when LRT alignment finalized.
- Land dedication contingent on potential future redevelopment of Emerson Rosemount



Major Center Area, Land Use Plan

**Major Center Area (MCA)  
Local Street Construction and Realignments**

*2005 Projects*

(Including associated sidewalks, overpasses, and transit improvements)

**Regulatory**

- Comp. Plan (Transportation Plan and Redevelopment Chapter)
- Official Map?
- Some ROW could be dedicated with redevelopment (some already exists or could be traded)

**Financing**

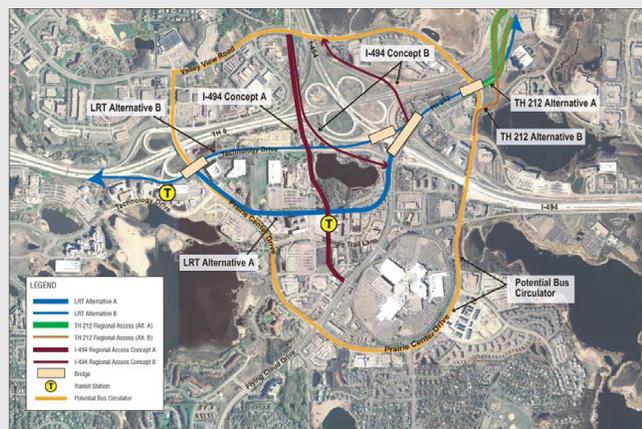
- Local State Aid (as available)
- Special Service District?
- Grants (Livable Communities LCDA or County TOD?)

**Current Status (as of July 2012)**

- Comp Plan amended for MCA roadway, sidewalk, transit improvements in 2009
- Official Map may be implemented when LRT alignment finalized
- ROW/ easements and streetscape escrow received with Walmart rehab
- Special Service District agreements received from Windsor Plaza and Presbyterian Homes
- LCDA grant approved for public improvements related to future Presbyterian Homes redevelopment
- Trails completed on Flying Cloud Drive & Technology Drive
- Singletree Lane Phase I roadway and streetscape improvements completed



*Future North-South Roadway Alignment Options*



*Major Center Area, Long-Term Transportation Improvements*

**Major Center Area (MCA) Streetscape**

*2005 Projects*

(Valley View Road/Prairie Center Drive "Ring Road" and internal streets; includes sidewalks or trails, pedestrian lighting, landscaping, benches, transit shelters, banners, etc.)

**Regulatory**

- Comp Plan
- Potential Zoning Ordinance amendments to require or incent certain improvements with redevelopment

**Financing**

- HRA Levy Increase?
- Special Service District?
- Sidewalk Improvement Area?

**Current Status (as of July 2012)**

- Streetscape Master Plan approved and Comp Plan amended
- Town Center Zoning Ordinance adopted
- Windsor Plaza and Presbyterian Homes agreed to special services district
- Singletree Lane Phase I streetscape completed
- \$538,000 cash escrow received from Walmart for Singletree Lane Phase II streetscape



**Major Center Area (MCA) Public Art**

*2005 Projects*

(At key points along Greenways and at LRT Station)

**Regulatory**

- Comp. Plan
- Potential Ordinance Amendments to require development fees for public art or incent with redevelopment projects

**Financing**

- Development Fees?
- Endowments?

**Current Status (as of July 2012)**

- Comp Plan amended
- Town Center ordinance adopted
- Windsor waterfall and sculpture completed
- Staff meeting with Minneapolis held regarding LRT station art Station area public art discussions at Arts & Culture Commission



**Major Center Area (MCA) Mixed Use  
Redevelopment with Structural Parking**

*2005 Projects*

**Regulatory**

- Comp. Plan
- New Mixed Use Zoning District(s)

**Financing**

- Gap financing – new tax abatement or TIF where feasible
- Community Investment Fund?
- Special Assessments for Parking Structures?

**Current Status (as of July 2012)**

- Comp Plan amended
- Town Center mixed use ordinances adopted
- Windsor Plaza and Bobby & Steve’s redevelopments near completion (one restaurant pad remains)



**Golden Triangle Redevelopment of Old  
Physical Electronics Building**

*2005 Projects*

(EP Tech Center) As Office and Foss Swim Uses

**Regulatory**

- Comp. Plan Amendment and rezoning for office
- PUD Zoning Amendment, Site Plan Review, and plat for Foss

**Financing**

- Gap financing – TIF substandard building analysis contract to be considered by Council; if doesn’t qualify, potential tax abatement?

**Current Status (as of July 2012)**

- Superior Office redevelopment with TIF completed
- Also Starkey redevelopment of Research Inc. (William Austin Center)



*Old Physical Electronics*



*New Superior Office*

**Conference Center**

*2005 Projects*

(With new hotel development potentially on old Best Buy headquarters site or in MCA)

**Regulatory**

- Refine and adopt Golden Triangle and MCA studies into Comp. Plan
- Zoning Amendments as necessary and Site Plan review

**Financing**

- Gap financing – TIF if qualifies or tax abatement for conference center or meeting hall?
- Lodging Tax?

**Current Status (as of July 2012)**

- Continued interest from the private sector but no available sites
- Convention and Visitors Bureau being reconsidered with Chamber in 2012



*Old Best Buy Headquarter Site*

**Chestnut Apartment Improvements**

*2005 Projects*

(Physical and reduce police calls)

**Regulatory**

- Multifamily maintenance inspections
- Continue working with owner/management (encourage Property Manager Group participation, etc.)

**Financing**

- Encourage additional private reinvestment
- CDBG?
- Bond and low interest loan?

**Current Status (as of July 2012)**

- Adopted Fire Inspection ordinance for all rental properties
- Continued training and discussion with Property Manager’s Group
- Fire Inspections completed - some repairs completed; more comprehensive solution needed



**St. John's Woods Housing Improvements**

*2005 Projects*

**Regulatory**

- Multifamily maintenance inspections
- Initial meeting has taken place to discuss improvement strategies

**Financing**

- Housing Improvement Area (HIA)?

**Current Status (as of July 2012)**

- Adopted Fire Inspection ordinance for all rental properties
- Property management not interested in HIA
- Inspections and Property Management updates still needed



**2005 Medium Priority Projects Status**

**Golden Triangle Neighborhood Park Site**

*2005 Projects*

(10-20 acres to serve up to 3000 new housing units and trail connections)

**Regulatory**

- Refine and adopt GTA Study into Comp. Plan; designate park property
- Potential rezoning
- Potential park dedication amendments (fee increases? Take 10% of acreage plus setback area?)

**Financing**

- Park dedication fees?
- Referendum?
- Grants?

**Current Status (as of July 2012)**

- Comp. Plan amendments complete.
- Rezoning and development of park area anticipated when construction of new housing occurs.
- Humphrey Capstone report included small pocket park for LRT Station area.



## Vikings Training Facility

2005 Projects

### Regulatory

- Potential Comp. Plan and zoning amendments

### Financing

- Potential gap financing (dependent upon proposal and City desires for site)

### Current Status (as of July 2012)

- Contingent on whether new stadium site will include a training facility



## Edendale Housing Improvements

2005 Projects

### Regulatory

- Multifamily maintenance inspections

### Financing

- CDBG?

### Current Status (as of July 2012)

- Adopted Fire Inspection ordinance for all rental properties
- \$115,000 in CDBG grants funding for structural upgrades complete
- Plan for expanded parking approved
- 



**Truth-In-Housing**  
(Point of Sale Inspections)

2005 Projects

**Regulatory**

- Comp. Plan update should address need/policy interest
- Future ordinance amendments

**Financing**

- Inspection Fees – should break even

**Current Status (as of August 2012)**

- Comp Plan update complete
- Council workshop on August 21, 2012 and direction for staff to begin drafting ordinance & fees



**Neighborhood Service Areas in SW and NW Areas of City**

2005 Projects

**Regulatory**

- Address with neighborhood meetings during Comp. Plan Update Process (2006-2007)
- Potential rezoning

**Financing**

- City assistance likely unnecessary

**Current Status (as of July 2012)**

- Reviewed with the 2009 Comp Plan amendment. No recommendations for rezoning based upon adjacent single family development.
- During 2012 workshop, City Council did not express interest in further consideration
- Dell Rd daycare development (New Horizon) approved next to Fire Station 4



*New Horizon Daycare, Elevation Rendering*

**2005 Lower Priority Projects Status**

**Midwest Asphalt Area Redevelopment**

*2005 Projects*

**Regulatory**

- Comp. Plan amendments (2018 or before?)
- Rezoning
- Eminent Domain?

**Financing**

- Property Assembly?
- Gap Financing?

**Current Status (as of July 2012)**

- No Comp. Plan amendments adopted
- Will address with 2018 Comp. Plan updates



**BFI Site End Use Concepts**

*2005 Projects*

(Potential Combination of: Par 3 Golf Course/Driving Range, Off Leash Dog Park/Training Area, BMX Bicycle Course, Walking Trails along Bluff -160 acres)

**Regulatory**

- Comp. Plan amendment that it will be public use in future (address with text in Redevelopment Chapter with 2008 update)
- End Use Plan with MPLA within approx. 15 years (lease agreement) and adopt into Comp. Plan (2018 update or before?)

**Financing**

- Consider maximizing park dedication fees to help create funding for future (or at least increasing; currently charging 4% and we're 4<sup>th</sup> highest City)

**Current Status (as of July 2012)**

- MPCA acquired landfill and implementing remedial action plan
- Follow up w/Park & Rec on allowable uses



**2005 CDBG Projects Status**

**CDBG Funded Projects**

*2005 - 2012 Updates*

**Current Status (as of July 2012)**

- Upgrades of 3 senior group homes
- Upgrades of 4 developmental disabled group homes.
- Rehab of 2 ABC homes
- Assisted acquisition of property for PROP Shop
- Assisted City Hill Fellowship with new Green Affordable Home utilizing Hennepin Tech. construction students
- Assisted purchase of 8 Land Trust affordable housing projects
- Created new First Time Home Buyer's program in 2011 and assisted 11 home buyers
- Assisted 83 Home Rehabs



*Edendale Housing Improvements*



*Senior Group Home*



*PROP Shop*



*Affordable Land Trust Homes*



*Senior Group Home, Rehab Project*

**2005 Economic Development/Redevelopment Projects Status**

**Economic Development/Redevelopment Projects**

*2005 - 2012 Updates*

**Current Status (as of July 2012)**

- Superior Office redevelopment completed
- SuperValu Eastview Headquarters building renovated
- Liberty Property Trust (Compellent/Dell) building – 7625 Smetana completed
- New ATK building completed
- New CH Robinson campus Phases I and II completed
- Flying Cloud Fields completed
- Presbyterian Homes redevelopment approved and \$848,300 LCDA grant approved (construction anticipated 2013)
- CVS Drug Store completed
- Windsor Plaza & Bobby & Steve’s redevelopment nearly completed (one restaurant pad remains)
- Best Buy store redevelopment completed
- Gander Mountain redevelopment completed
- New Harley Davidson dealership completed
- New Fireside Heath & Home store completed
- Fountain Place Retail Center;
- Office Max and Spire Credit Union completed
- Walmart renovations completed
- New Eden Prairie Ford completed
- Menards two level store redevelopment completed
- W 78th Retail redevelopment completed (Smash Burger/Verizon)
- Walgreens redevelopment completed
- Primrose School of Eden Prairie (Preschool) completed
- Erik’s Bike Shop completed
- Emerson’s \$25 million renovation under construction
- UHG’s 1.5 million square feet office development approved and phase one under construction
- Wedding Day Jewelers expansion completed
- Anchor Bank renovation completed (former Krispy Kreme)
- Old Chicago renovations completed



*Best Buy*



*Gander Mountain*



*Primrose School of Eden Prairie*



*Old Chicago*

**Economic Development/Redevelopment  
Projects** *(continued)*

*2005 - 2012 Updates*

**Current Status** *(as of July 2012)*

- Famous Dave’s renovation completed (former Boston Market)
- Redstone expansion completed
- IHOP renovation complete (former Fuddrucker’s)
- Best Buy store renovations underway (2012)
- Eden Prairie Den Road Liquor Store - new tenant renovations
- One Southwest Crossing (CIGNA) parking ramp expansion completed (2012)
- GE ECO Experience Center completed (2012)
- Osaka Restaurant renovations completed
- Star Bank renovations completed
- Starkey expansion completed (former Xiotech)
- Milestone Av Technologies renovations completed (former Dept. 56)
- Ion Corporation renovations completed
- VISI Data Center renovations completed



*One Southwest Crossing*



*Redstone*



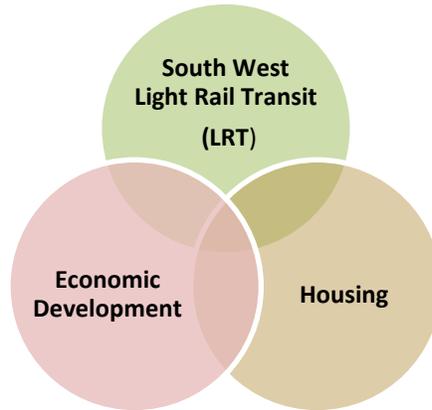
*Milestone Av Technologies*



*Starkey*

#### 4. 2012 - 2018 Projects

*Figure 3. Housing and Economic Development Interconnected Relationship*



##### 4.1. Southwest Light Rail Transit (LRT)

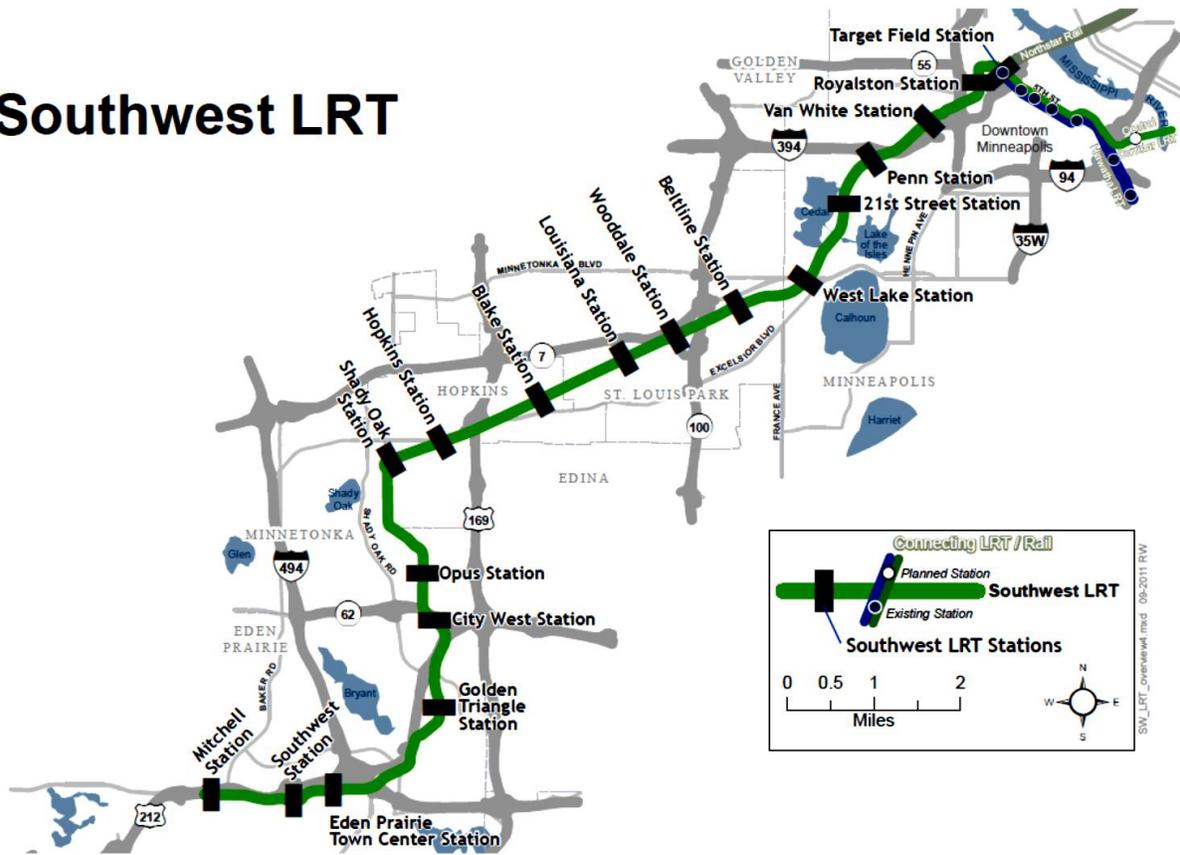
**Description**

The proposed Southwest Light Rail Transit (LRT) line is a high-frequency train serving Eden Prairie, Minnetonka, Hopkins, St. Louis Park, and Minneapolis. It is part of the Green Line which includes the Central Corridor LRT currently under construction. Therefore, riders of Southwest LRT will be able to continue into St. Paul via Central Corridor without changing trains.

The Southwest LRT line will also connect to other rail lines (Hiawatha, Northstar, and the future Bottineau) and high-frequency bus routes in downtown Minneapolis, providing access to the University of Minnesota, Minneapolis-St. Paul Airport, Mall of America, the State Capitol, downtown St. Paul, Big Lake, and eventually the northern Twin Cities suburbs.. Connections to other rail lines will occur at the Intermodal Station in downtown Minneapolis. At this time, the Southwest LRT is projected to open in 2018, though project schedule depends on securing federal and local funds.

There are five proposed Light Rail stations in Eden Prairie. The Operation and Maintenance Facility (OMF) for the Southwest LRT trains is also being considered for Eden Prairie. Eden Prairie’s LRT projects include planning and development of the stations, park-and-ride facilities, potential OMF, local roadway improvements, sidewalks, trails, streetscape and other infrastructure. The station areas also have great potential for additional housing, employment and shopping opportunities via infill or redevelopment. Eden Prairie’s strategies for SW LRT projects consist of utilizing in-house staff as much as possible, collaborating with Hennepin County Community Works and Metropolitan Council’s Southwest LRT Project Office, and pursuing grant funding opportunities.

# Southwest LRT



Southwest LRT Map

## Eden Prairie Stations

Each station along the South West Corridor has a unique character. Conceptual site development plans and planned land use concepts strengthen the idea of “place-making” by emphasizing individual station characteristics. The following are the five proposed LRT stations in Eden Prairie:

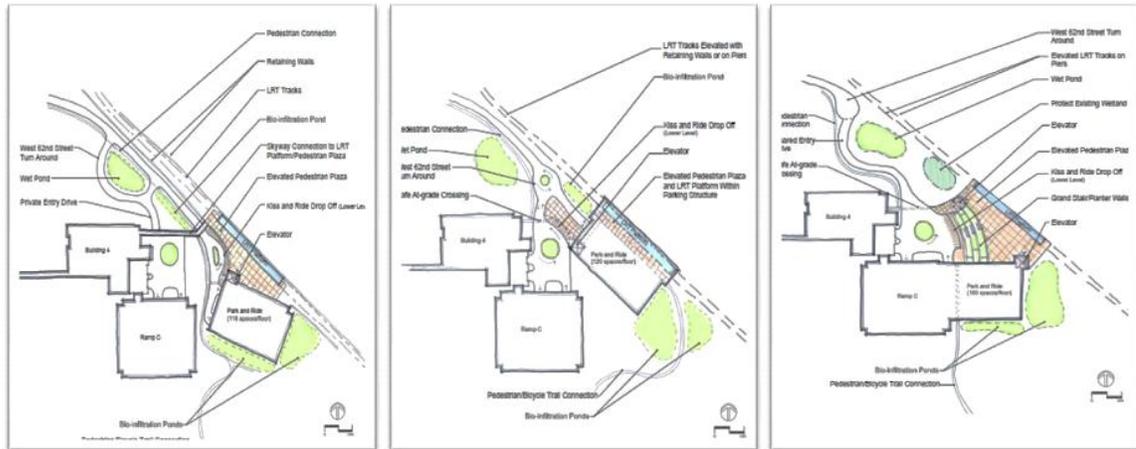


Eden Prairie LRT Stations Map

**SOUTHWEST**  
transit  
**STATION AREA PLANNING**

- **City West Station** - Sited on the South side of Highway 62, West of Highway 212.

City West Station will be located within a new campus currently being built by UnitedHealth Group, consisting of four 8-15 story office buildings with 6,600 employees. The development will be compact to allow for retention of the wetlands and natural features on the site, and will provide for internal pedestrian and bicycle circulation. Additional improvements to the street, bicycle and pedestrian systems will provide convenient and walkable access to the station for commuters from the surrounding areas and nearby residential and commercial developments. Retail and restaurant opportunities will likely be enhanced to serve the additional employees and commuters.



- **Golden Triangle Station** - Sited South of Shady Oak Road, East of Highway 212.

The Golden Triangle Station will serve the Golden Triangle business park, home to several corporate headquarters and a total of over 20,000 jobs. Development is mixed in among wetlands and natural areas and is mostly office, warehouse/distribution and manufacturing with some multi-family residential buildings. Approximately 200 acres of land adjacent to the proposed station is envisioned for a sustainably designed, mixed-use neighborhood with 2,650 housing units and up to 700,000 square feet of retail and additional office development within a 10 minute walk of the station. The plan preserves over 100 acres of open space adjacent to Nine Mile Creek and includes a greenway and additional recreational opportunities.



- **Town Center Station** - Sited on Technology Drive, West of Flying Cloud Drive.

The Eden Prairie Town Center Station area is adjacent to Emerson Process Management, which has recently expanded to over 1,000 employees at this location. There are also over 3,000 medical office jobs as well as retail stores, restaurants, apartments, Lake Idlewild and Purgatory Creek Park within walking distance of the station. This station is anticipated to serve mostly walkers and bicyclists from existing and planned uses in the Town Center area. The vision for the 120 acre Town Center area is a concentrated, pedestrian and transit-oriented, live-work community that has a supportive mix of high density residential, commercial, office, entertainment, and open space within a 10 minute walk of the proposed station. An additional Town Center Park is planned as a focal point and community gathering place. Improvements to the street, bicycle and pedestrian systems will provide convenient and walkable access to the station from nearby residential and commercial developments in the Town Center. Parking will be limited at this station due to the compact development and to further encourage walking and bicycling.



- **Southwest Station** - Sited South of Highway 5 / Highway 212, and West of Prairie Center Drive.

The Southwest Station area is currently home to a major express bus park-and-ride development with 905 parking spaces, 6,000 sq. ft. of office space, restaurants, apartments and condominiums immediately adjacent to the station. Approximately 3,000 medical and office jobs currently exist within walking distance with opportunity for

additional job growth. The vision for the Southwest Station area is to maintain and enhance the existing mix of residential and commercial uses within a 10 minute walk of the proposed station. Approximately 600,000 additional square feet of office space is expected to develop on nearby vacant land bringing additional jobs within walking distance of the proposed station. The adjacent restaurants, city park and natural area provide an amenity for residents and employees.



- **Mitchell Station** - Sited South of Highway 5 / Highway 212, and West of Mitchell Road.

The Mitchell Station area is the first station for commuters from the western suburbs and will include a major park and ride facility. It is located with convenient access from both Highway 212 and Highway 5 within the Eaton campus. Most of the land area within ½ mile of the station is currently developed as office and industrial uses including Eden Prairie City Hall, other municipal and school facilities, CH Robinson and the Optum medical office campus. Approximately 600,000 square feet of additional office is approved on the nearby Optum medical office campus with 3,500 additional jobs anticipated in the area. There is also an 8 acre site adjacent to the station that would be appropriate for transit parking and high density residential. Improvements to the street, bicycle and pedestrian systems will provide convenient and walkable access to the station.



**Funding Sources**

**Transit Project**

Funding for capital costs of the transit line, stations, park and ride facilities, local access improvements, and operation and maintenance facility will come from four sources: the transit sales tax in the Metro Area (30 percent), the Hennepin County Regional Railroad Authority (10 percent), the State of Minnesota (10 percent), and the Federal Transit Administration (FTA) (50 percent).

**Eden Prairie Southwest LRT Projects’**

Funding sources to support additional land use development and amenities around the station areas include: Tax Increment Financing (TIF), pooled TIF funds from previous projects, federal Community Development Block Grant (CDBG) funds, the City’s Economic Development Fund, and grants.

**Grant Programs**

<b>List of Grant Programs</b>		
<b>MN Department of Employment &amp; Economic Development (DEED)</b>	<b>Hennepin County</b>	<b>Metropolitan Council</b>
Minnesota Investment Fund (MIF)	Southwest LRT Community Works	Livable Communities Transit Oriented Development (TOD) Grants
Bioscience Business Development	Hennepin County Capital Improvement	Livable Communities Demonstration Account (LCDA)
Innovative Business Development	Environmental Response Fund (ERF)	Local Housing Incentive Account (LHIA)
Transportation Economic Development (TED)	Transit Oriented Development (TOD)	Tax Base Revitalization Account (TBRA)
Redevelopment Grant Program	Affordable Housing Incentive Fund (AHIF)	Corridors of Opportunity (CoO): Local Implementation Capacity Grants
	Hennepin County Corridors of Opportunity Challenge Fund	Corridors of Opportunity (CoO): Community Outreach and Engagement Grants

**Transit Project Timeline / Decision Milestones**

- **2012. Draft Environmental Impact Statement (DEIS) Comment Period** - The required DEIS is expected to be released for comment in October, 2012 with a minimum 30 day period for public comment. All substantive public comments must be addressed. Hennepin County is required to prepare a response to every timely and substantive comment it receives. When the public comment period is complete and all comments have been evaluated, the County is also required to make an official decision regarding the environmental review process. Once a final decision has been made, the County distributes a notice of the decision and a response to comments to individuals who submitted a timely and substantive comment. The project may then begin preliminary engineering, which will address the comments in more detail.
- **2013. Preliminary Engineering (PE) and Municipal Consent** - The Metropolitan Council is the lead agency for PE, which is expected to officially begin in January, 2013 and take approximately one year. The PE consultant contract has been divided into east and west segments, so there may be more than one consultant team working on PE. This process will take the transit project to 30% engineering and will include location of the tracks, transit station platforms, park and ride facilities, operation and maintenance facilities, and other necessary supporting infrastructure. Once the preliminary engineering is complete, each City along the transit corridor will be asked to provide municipal consent to the project. The request for municipal consent is expected to take place in the fourth quarter of 2013.
- **2014. Final Engineering and Final Environmental Impact Statement (FEIS)** - The Final Engineering and FEIS are expected to be completed in 2014. Engineering, operating, funding and project management plans are completed during this phase. This last phase also includes right-of-way acquisition, utility relocation, the preparation of final construction plans (including construction management plans); detailed specifications, construction cost estimates, and bid documents. The project's financial plan is finalized, and a plan for the collection and analysis of data needed to undertake a Before & After Study is developed. Construction typically follows completion of Final Design, when funding and project management are fully in place, although alternative approaches are possible. As an example, the Hiawatha project used the "design-build" construction approach. Design-build allows construction to begin on fully designed elements while other elements are finalizing design. This method is used in some cases to shorten construction periods for major projects. Concerns include lack of substantial public input time.
- **2014 - 2018. Construction** - The Southwest LRT project is expected to take four years to complete. This includes the tracks, station platforms, associated parking, the operations and maintenance facility, and all other necessary supportive infrastructure.
- **2018. Opening** - If there are no delays in the schedule, the transit line is expected to open in the fourth quarter of 2018.

**Eden Prairie Southwest Light Rail Transit (LRT) 2012 – 2018 Projects**

*2012 - 2018 Projects*  
**Business Strategy Update**

**Priority: High**

➤ Overall Strategy:

**Timing: 2012-2018**

- Keeping business and property owners along the corridor informed and involved

**Funding: Use City Staff**



➤ 2012. Town Center station location alternatives:

- Individual meetings/conversations with 53 potentially affected businesses/property owners
- Comments will be used to help inform 2013 decision on Town Center station location



*Town Center LRT Alternatives Map*

*2012 - 2018 Projects*

## Town Center Station & Alignment

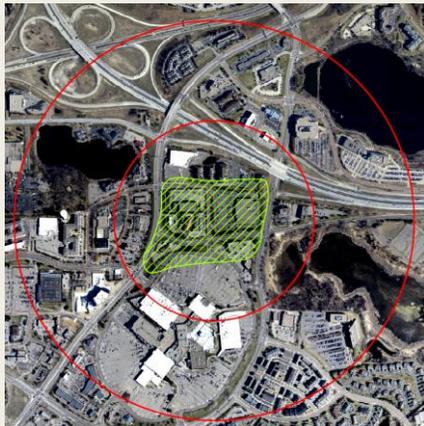
**Priority: High**

**Timing: 2012-2013**

**Funding: Use City staff**



*Town Center Station Area A*



*Town Center Station Area B*



*Town Center Station Area C*

➤ Council Direction:

- Evaluate the feasibility of a more centrally located and walkable Town Center Station (rather than the proposed Technology Drive location between Costco and Emerson Rosemount)
- Minimize Town Center Station parking. If possible re-allocate parking to Southwest Station and Mitchell Rd. Station
- Mitigate impacts on existing businesses

➤ Station Location & Alignment Priorities:

- Ridership Potential – Walkability to Housing and Employment
- Close proximity to Eden Prairie Center (station within ¼ mile to a mall entrance)
- Maximize potential redevelopment and reinvestment opportunities (consider recent investments in the area)
- Provide greater separation from Southwest Station LRT station
- Minimize adverse traffic impacts
- Provide grade separation of Prairie Center Drive and Flying Cloud Drive

➤ Consider three potential Town Center station alternatives:

- Location A – Singletree Lane area
- Location B – West 78<sup>th</sup> Street area
- Location C – Regional Center Road area

**Legend**

- Station Area
- 1/4, 1/2 Mile Radius Ring

*2012 - 2018 Projects*

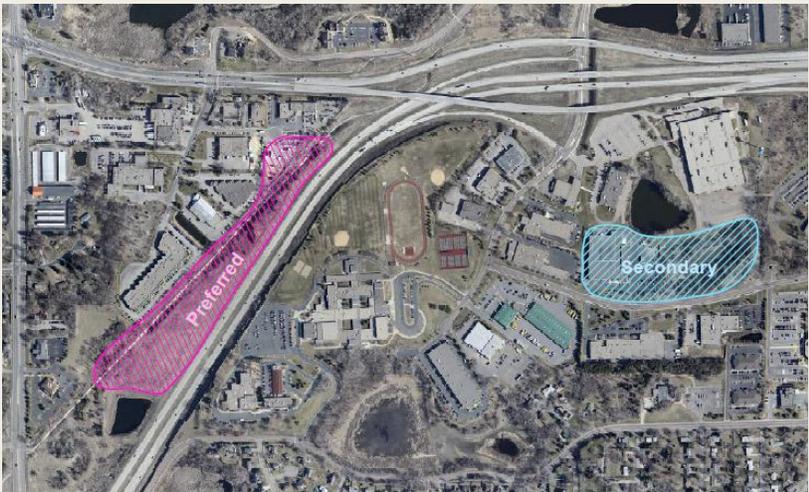
**Operation & Maintenance Facilities  
Site Selection**

**Priority: High**

**Timing: 2012**

**Funding: SW LRT  
Project**

- An Operation and Maintenance Facility (OMF) is needed to serve Southwest LRT. The OMF requires 10-20 acres of land. It will include office space for approximately 100 transit workers and a storage and maintenance facility for the trains. Currently, one site is being considered in Minneapolis and three sites are being considered in Eden Prairie near the Mitchell Road station.
- Work with potentially impacted property owners in Eden Prairie to ensure their concerns and preferences as well as economic development potential and tax base are considered during the site selection process.
- Work with the Transitional Station Area Action Planning and Preliminary Engineering staff and consultants to ensure Eden Prairie’s comments are addressed in the OMF alternatives analysis. A decision is expected by the end of 2013.



**Legend**

 Preferred

 Secondary

*Potential Locations for the Operation Maintenance Facility in Eden Prairie*

2012 - 2018 Projects

**Transitional Station Area Action Plans (TSAAP)**

**Priority: High**

**Timing: 2012-2013**

**Funding: Metropolitan Council Grant to County and City staff time**



- Hennepin County, with the collaboration of the Cities of Eden Prairie, Hopkins, Minneapolis, Minnetonka, and St. Louis Park, is hiring a consultant team for the development of Transitional Station Area Action Plans (TSAAP) for the 17 proposed stations along the SW LRT line. This work is considered to be part of the project development process.
- The Transitional Station Area Action Plans are an example of the early integration of LRT engineering and land use/economic development.
- Primary Focus:
  - Promote opening day readiness (2018) by bridging the gap between current conditions and those anticipated to exist on opening day of the Southwest LRT line.
  - Identify and prioritize infrastructure improvements that enhance existing business, support mixed-income housing opportunities, and encourage new development.
- Long-term Goal: Create unique, transit-oriented stations along a dynamic and diverse corridor that is part of a larger metropolitan transit network. The TSAAPs should address mitigation for existing businesses and facilitate the evolution of station areas into Transit Oriented Development (TOD) areas with a unique sense of place that relates positively to the corridor as a whole.
- Strategy: Work with the County, the TSAAP consultant team, staff from other cities, and the PE team to ensure the Transitional Station Area Action Plans are realistic and address Eden Prairie’s needs including adequate business mitigation and long-term economic development viability.

*2012 - 2018 Projects*

## Town Center Stormwater Analysis

**Priority: High**

**Timing: 2012 - 2013**

**Funding:  
Metropolitan  
Council Grant to City  
and City staff time**

➤ **\$45,000 Livable Communities Transit Oriented Development (TOD) Grant Awarded 2011**

- This TOD project will create opportunities for additional TOD redevelopment by addressing the need for innovative multi-purpose stormwater management facilities that utilize a shared function serving more than one property and providing more than one function (e.g. a regional Best Management Practice (BMP) that provides stormwater functions such as rate control and infiltration as well as potentially providing an aesthetic amenity in a new development.)
- Two-phased approach:
  - First, work with hired consultants to identify potential locations where multi-purpose stormwater management facilities can be constructed within a one-half mile radius of the proposed station. Several specific areas will be selected, analyzed and conceptually designed in order to determine costs to accommodate TOD.
  - Second, work with hired consultants to develop a Stormwater Management Guide for Redevelopment which will establish a set of stormwater management criteria specific to multi-purpose facilities. The Guide will inform and assist developers in designing innovative, green BMPs for use within the Station Area while facilitating transit-oriented development objectives.



*MCA Future Land Use*

2012 - 2018 Projects

## Corridor Housing Strategy

**Priority: High**

**Timing: 2012 - 2013**

**Funding: Metropolitan Council Grant to ULI and City staff time**

➤ **Southwest Corridor Housing Strategy:**

- Housing Inventory (Collect & understand existing conditions)
  - Transitional Station Area Action Plans (Inventory provides input to TSAAPs)
  - Household Demographics
  - Existing Available Housing
  - Commute & Labor Shed
  - Housing + Transportation Index
  - School Data
  - City Tools & Strategies
- Market Feasibility & Accessibility (Development assessment & TSAAP)
- Gap Analysis (Plans/market/financing/displacement)
- Strategy & Goals
  - Collaboration & Support
  - Stakeholder Engagement

- Work with consultant team and stakeholders on promotion of Fair and Affordable Housing in overall TOD strategies to ensure sufficient housing, both new production and preservation, to serve a full range of incomes.
- The Southwest Corridor-wide Housing Inventory will provide critical baseline data on existing housing conditions and demographic information in the Southwest Corridor. The Housing Inventory also ensures that the housing strategy is grounded in market reality and is connected to financial feasibility and employment growth.



*2012 - 2018 Projects*

**Community Engagement**

**Priority: High**

**Timing: 2012 - 2013**

**Funding: Metropolitan Council Grant to New American Academy; City staff time**

- **Corridors of Opportunity Outreach and Engagement Grant**
- Objective:
  - Involving people from underrepresented communities such as low-income, people of color, immigrants, or people with disabilities in transit planning
- Grant Recipient:: New American Academy (NAA)
- Purpose of grant::
  - Outreach, identify and recruit low-income as well as disenfranchised but resolute immigrant participants who will assert leadership and civic engagement roles for the Southwest LRT project.
  - Form, the “Southwest Corridor Immigrant Council” to formulate and implement specific goals, visioning and long-term strategies that will benefit the southwest corridor
  - Train immigrants to be business entrepreneurs and take advantage of future TOD development opportunities
- City strategy: Work with NAA and Metropolitan Council to help ensure that the Immigrant Council and business training includes all immigrant groups in Eden Prairie



*2012 - 2018 Projects*

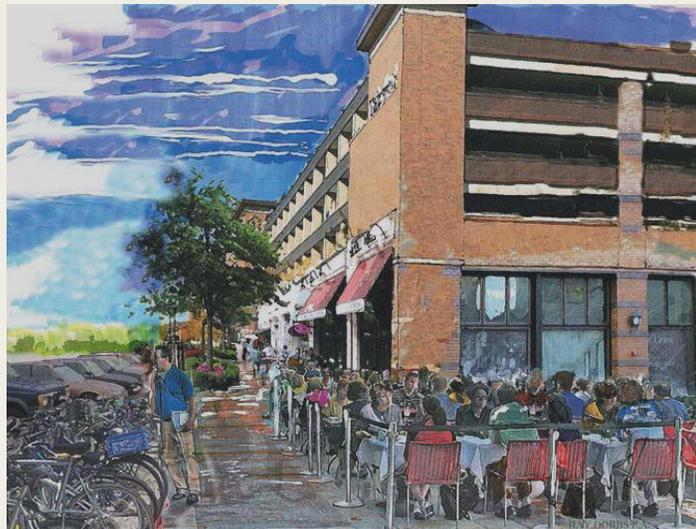
**Town Center Business Development**

**Priority: Medium**

**Timing: 2012 - 2013**

**Funding: Metropolitan Council Grant to LISC; City staff time**

- Partnership with Twin Cities Local Initiatives Support Corporation (LISC) and their Corridor Development Initiative (CDI)
- The Local Initiatives Support Corporation (LISC) is dedicated to helping community residents transform distressed neighborhoods into healthy and sustainable communities of choice and opportunity
- The Town Center Business Development Project will look at development opportunities for local entrepreneurs and businesses within walking distance of the future Town Center LRT station in Eden Prairie
- Strategies:
  - work with LISC, the Eden Prairie Immigrant Council, the Open to Business Program, and the Eden Prairie Chamber of Commerce to include Eden Prairie’s immigrant community and other potential entrepreneurs in the initiative consider the need for additional affordable housing in the area as well as circulator buses to and from existing workforce housing



*2012 - 2018 Projects***Transit Oriented Development  
(TOD) Ordinance****Priority: Medium****Timing: 2012 - 2013****Funding: Applied for  
Metropolitan Council Grant  
to City; portion from  
Economic Development  
Fund; City staff time**

- In 2012, the City of Eden Prairie applied for a \$60,000 Livable Communities Transit Oriented Development (TOD) Grant from the Metropolitan Council to hire a consultant to help the City develop a TOD Ordinance for Eden Prairie's LRT station areas. If awarded, the grant will be matched with \$7,500 of City Economic Development Funds and City staff time.
- The TOD Zoning District will provide standards for development of attractive, compact, walkable, mixed-use housing and employment centers that creates a live/work/play environment for the community near LRT station area. The purposes are to:
  - Provide a mix of higher density residential, mixed uses, and employment within walking distance of Light Rail, and a more efficient, compact and connected development pattern;
  - Incorporate connections between the various land uses; including pedestrian, street and visual;
  - Incorporate civic amenities such as urban parks and plazas, civic and cultural spaces, sidewalks and trails, and landscaped streetscapes;
  - Promote land-efficient parking design, including structured parking, on-street parking, and shared parking;
  - Locate and design buildings that are oriented to public spaces, including streets, sidewalks, plazas and open spaces, to create the feel and function of a traditional town center and to emphasize a pedestrian oriented environment; and
  - Encourage non-automobile access and circulation, including transit, walking and biking.



2012 - 2018 Projects

**Light Rail Transit (LRT) Station Area Redevelopment**  
(TOD Project)

**Priority: High**

**Timing: 2013+**

**Funding: Private/ Grants / TIF / Other**

- Facilitate development and redevelopment around each of the 5 station areas planned in Eden Prairie
- Apply for grants and consider gap financing as needed



**4.2. Economic Development**

**Description**

Economic development is the process of creating jobs, tax base and general wealth by targeting physical development of the community private and public business activity. Eden Prairie’s strength has built on a series of physical assets and community resources that contribute to what many business owners and developers have described as ‘quality of life’.

‘Quality of life’ derives from residents’ experience of schools, parks, ease of movement on the transportation system and the cost and value of housing stock. While traditional investment in economic development strategies is unchanged, over time staff has worked to support the basic quality of life fundamentals recognizing their role in community vitality. The city’s diversified profile across industry sectors, with strong representation in industrial, high tech manufacturing, retail, and financial and professional services has created a stable platform for continued growth. Over time as companies grow and experience a need for change, the City has responded with a focus on retaining those existing businesses.

A key component of economic strength is managing the needs of existing and prospective businesses to ensure that the mix is appropriate for Eden Prairie’s image and regional profile, and that there continues to be an adequate supply of land to support desired commercial or industrial/manufacturing activity.

**Funding Sources**

The City’s Economic Development Fund was created in the early 1990’s to support projects that help create and/or retain jobs, improve the local tax base, support redevelopment efforts, or otherwise enhance the quality of life in the community. The fund is capitalized through the sale of various city-owned surplus properties over the last 20 years including a recent sale of a small parcel for a new daycare center located next to Fire Station #4 in southwest Eden Prairie. Other funding sources used for Economic Development projects include: Minnesota Department of Employment and Economic Development (DEED) loan and grant programs, Minnesota Department of Transportation (MnDOT) grant programs such as Transportation Economic Development (TED) grants, City Tax Increment Financing (TIF) - Redevelopment and Economic Development, City TIF Pool, Private Developer, Eden Prairie Chamber of Commerce, Capital Improvement Plan (CIP) and the South West Light Rail Transit (LRT) funding sources mentioned in section 4.1 of the report.

**Economic Development 2012 – 2018 Projects**

*2012 - 2018 Projects*

**City Center Leases**  
(Nearly half of the 230,000 square foot City Center is leased to CH Robinson and the EP School District)

**Priority: High**

**Timing: 2012 - 2014**

**Funding: City staff time**

- CH Robinson lease expires February 2014 and they have informed the City they will be moving into their new Eden Prairie headquarters campus
- Budget Advisory Commission (BAC) advised the City Council to find a new tenant
- Strategy: work with a commercial broker to help market the space on a percentage fee basis
- The current lease with the School District expires in 2012 and a new lease is expected to be signed



*2012 - 2018 Projects*

## **Shady Oak Bridge Reconstruction**

(This bridge serves the Golden Triangle and City West Business Parks)

**Priority: High**

**Timing: 2012 - 2014**

**Funding: Private / Grants/County/City CIP/TIF Pool**

\$32 million project

- In 2012, the Economic Development Division helped secure a \$7 million grant through Transportation Economic Development Program (DEED & MNDOT)
- United Health Group is providing about \$8 million and the balance will be funded by the City and Hennepin County. City funding options include the CIP fund and pooled TIF funds designated for transportation
- Strategy: Continue communicating with area businesses, seeking grants and County funding, and facilitating construction to enhance business access and economic development opportunities



*2012 - 2018 Projects*

**Web-Based Business Directory**

**Priority: High**

**Timing: 2012 - 2013**

**Funding: Private / City / Chamber**

- Shop QA – Business Directory
- Partner with the Eden Prairie Chamber of Commerce
- Business directory on City and Chamber websites



*2012 - 2018 Projects*

**Realtor's Forum**

**Priority: High**

**Timing: 2013+**

**Funding: City Staff Time/ General Fund Supplies**

- Collaborate with the School District to host a Realtor's Forum in 2013 and consider making it annual or biannual
- 2011 Realtor's Forum was well attended and received; included presentations by City and School District leaders and a tour of Eden Prairie
- Strategy: continue collaborating with the School District and attempt to get pre-approval for Realtor's continuing education credits again to aid attendance; plan presentation and a tour to highlight all of the positive aspects of Eden Prairie so the realtors relay that information to prospective residents



2012 - 2018 Projects

**Business Retention & Expansion**

**Priority: High**

**Timing: Ongoing**

**Funding: ED Fund / TIF/  
Grants**

- Continue Supporting Business Retention and Expansion
- Consider financing as needed with TIF, MN Investment Fund DEED grants, Economic Development Fund



Rosemount Emerson- \$5 Million DEED

2012 - 2018 Projects

**Open To Business Program**

**Priority: High**

**Timing: Ongoing**

**Funding: County/  
MCCD/ City ED Fund**

- Continue to support his new business assistance program as a partnership with Hennepin County and the Metropolitan Consortium of Community Developers (MCCD)
- In 2012, the City approved use of \$5,000 from the Economic Development Fund to support a MCCD staff person providing one-on-one assistance to Eden Prairie entrepreneurs with business plan development, cash flow projections, marketing, and loan preparation



*2012 - 2018 Projects*

## Prairie Center Dr Streetscape Phase I

**Priority: High**

**Timing: 2014+**

**Funding: Private  
(Presbyterian Homes) / ED**

- Presbyterian Homes agreed to fund their portion of the streetscape and be part of a Special Service District for on-going maintenance; development anticipated to start construction in late 2013 or 2014 and will include streetscaping the west side of Prairie Center Drive from Columbine to Flying Cloud
- Continue working with other property owners along Prairie Center Drive to gauge interest in a larger Phase I project and potential Special Service District



*2012 - 2018 Projects*

## Singletree Lane Phase II Streetscape

**Priority: High**

**Timing: 2014 - 2015**

**Funding: Private /City CIP/ TIF Pool  
ED Fund/Grants**

- Continuation of the Major Center Area Streetscape Plan for Singletree Lane that was implemented between Flying Cloud Drive and Eden Road; Phase II extends for Eden Road to Prairie Center Drive
- The project includes street reconstruction and streetscaping in keeping with Phase I
- Walmart has dedicated ROW for the street project and an escrow for their portion of the streetscape improvements
- Strategy: Continue working with property owners regarding design, financing, and maintenance including potential Special Service District
- Revisit the City's policy of 80% private, 20% City financing of streetscape projects



*2012 - 2018 Projects*

## Major Center Area (MCA) Mixed Use Redevelopment

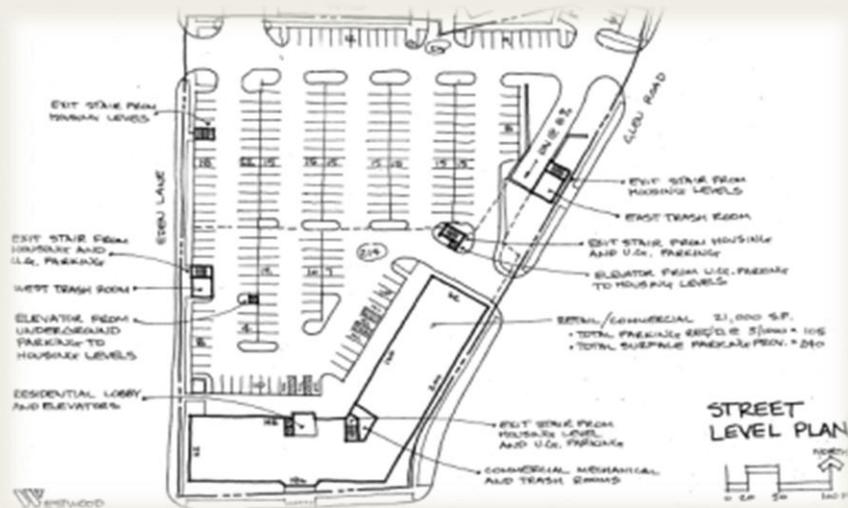
**Priority: High**

**Timing: 2014+**

**Funding: Private / TIF /  
Grants / Other**



- Town Center mixed use ordinances adopted; rezoning pending outcome of Southwest LRT Town Center station alternatives analysis and TSAAP process
- City-owned Ace Daycare property lease expires in 2015
- Has great redevelopment potential
- Long term vision is to redevelop this property to higher density vertically integrated housing, retail, and office use
- Strategy: complete Town Center station alternatives analysis, TSAAP process, Town Center Business Development Study and Town Center Stormwater Analysis to help finalize redevelopment plans; facilitate redevelopment including applying for grants and consideration of gap financing



*2012 - 2018 Projects*

**Major Center Area (MCA)  
Wayfinding Signage Phase II**

**Priority: Medium**

**Timing: 2012+**

**Funding: Private / ED  
Fund / MNDOT**

- Wayfinding phase II: This would complete the back to highway signs
- \$50k cost estimate but funding source and MnDOT approval pending
- Council policy of 80% private/20% City funding should be confirmed or amended



*2012 - 2018 Projects*

**Major Center Area (MCA)  
Local Street Construction**

**Priority: Medium**

**Timing: 2014+**

**Funding: State Aid/  
SW LRT Project/  
City CIP / TIF Pool/  
Private  
Redevelopment**

- Includes a new north-south roadway and grid system of streets in the Town Center and extension of MedCom Boulevard to Franlo Road
- Includes any associated sidewalks, trails, pedestrian lighting, landscaping, street furniture, benches, transit shelters and banners
- ROW dedicated with Windsor Plaza and agreed to future Special Service District improvements
- Road easements obtained from Walmart & Emerson
- Public Works agreed to fund MedCom extension if future developer completes ROW dedication at no cost
- Strategy: Continue working with property owners, complete Town Center LRT station alternatives analysis, TSAAP and PE processes to determine final Town Center street locations; consider potential funding from LRT project, and work with property owners and developers to set aside additional ROW and potentially agree to assessments or Special Service District participation

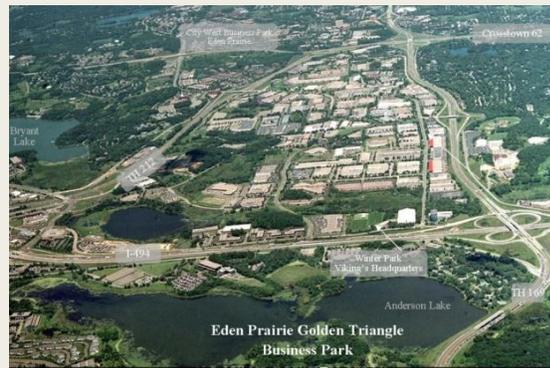
*2012 - 2018 Projects*  
**GTA Land Use / Transportation Analysis**  
(TOD Project)

**Priority: Medium**

**Timing: 2013 - 2014**

**Funding: ULI, County Community Works TSAAP /Grants**

- Reevaluate redevelopment (job) growth opportunities in the GTA utilizing ULI Development Workshop, TSAAP process and other grant funding opportunities as needed
- Identify transportation improvement needed to accommodate future job growth



*2012 - 2018 Projects*

## **Coworking/Collaborative Business Center & Business Incubator**

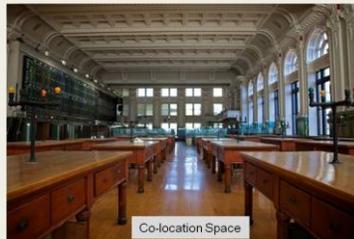
(An alternative for independent workers, small businesses, start-ups, and corporate work groups)

**Priority: Medium**

**Timing: 2012 - 2013**

**Funding: Private / ED Fund / City Ctr. Space**

- Help find a space or facilitate a private company to open co-location office/business incubator space in Eden Prairie
- The space can have multi-functions. It can serve the Somali groups that are asking for incubation support for Somali businesses



*2012 - 2018 Projects*

## **Fiscal Impact Modeling (FIM)**

**Priority: Medium**

**Timing: 2013+**

**Funding: Grants/ City Staff Time**

- New software demo in February 2012
- Spreadsheet tool evaluates impact of development on a city's bottom line
- Compares different development scenarios and fiscal impacts on City government finances
- Developed by the U of M Center for Urban and Regional Affairs (CURA) and being refined through a demonstration project with the City of St Paul
- Strategy: Continue collaborating with CURA and other Southwest LRT cities on a possible demonstration project utilizing FIM to help analyze different TOD development scenarios



*2012 - 2018 Projects*

**City Entry Monument Signage Program**

**Priority: Medium**

**Timing: 2013-2014**

**Funding: ED Fund**

- Develop a plan for installing entry monuments at key strategic locations in the City to assist residents and visitors in identifying when they have entered Eden Prairie.



*2012 - 2018 Projects*

**Convention & Visitors Bureau - Conference Center**

**Priority: Medium**

**Timing: 2013+**

**Funding: Private / TIF / Other**

- Met with Hoteliers February 2012
- Discussed forming a Convention & Visitors Bureau
- Hoteliers also expressed need for a large meeting space or conference center in EP
- Strategy: Continue working with Chamber of Commerce on potential Convention & Visitors Bureau and continue working with hoteliers, brokers and property owners on potential conference center location and any gap financing considerations



*2012 - 2018 Projects*

**Major Center Area (MCA) Public Art**  
(Future Vision Options)

**Priority: Medium**

**Timing: 2014+**

**Funding: Private / Grants / Ordinance**

- Potential Comprehensive Plan Amendments and Potential Ordinance Amendments to require development fees for public art or incent with redevelopment projects
- Strategy: Continue integrating into LRT Station area public art discussions at Arts & Culture Commission and consider provisions in new TOD Ordinance



*2012 - 2018 Projects*

**Midwest Asphalt Redevelopment**

**Priority: Low**

**Timing: 2014+**

**Funding: Private / Grants / TIF / Other**

- Future Redevelopment Area in North Central Eden Prairie
- Explore options for any necessary remediation; work with any prospective developers and consider potential TIF redevelopment district



2012 - 2018 Projects

### Singletree Lane / W78th St. Realignment

**Priority:** Low

**Timing:** 2018+

**Funding:** State Aid / City  
CIP, TIF Pool /  
Southwest LRT Project /  
Grants

- Realignment of Singletree lane so that it connects with W. 78<sup>th</sup> St. was recommended in the Major Center Area Study as a near-term improvement; the City Council reprioritized it to long-term and approved interim improvements to Singletree Lane expected to accommodate traffic until approximately 2018. Strategy: Discuss policies for completing improvements including potentially integrating with the Southwest LRT project depending upon the outcome of Town Center station area alternatives



### 4.3. Housing

#### Strategies

1. Partner with vendor agencies and community groups to identify service needs and gaps in the community and facilitate the funding process to ensure quality, appropriate services to meet the needs. This is an on-going process, accomplished by participation in monthly meetings, on-site visits, and referrals.
2. Ensure that immigrant populations have the tools and knowledge to share in the high quality of life in Eden Prairie.
3. Identify and coordinate resources to prevent duplication of services and promote efficient use of resources.
4. Allocate General Funds and CDBG funds to affordable housing initiatives, housing rehab and human services programs

#### Funding Sources

##### **Tax Increment Financing (TIF; City of Eden Prairie)**

Taxes generated from the increased value (assessed value) of an improved property (new housing project) are used to help finance the improved property over a specific period. Projects financed with TIF must provide rents affordable to persons with incomes below 50 percent of the metro median on 20 percent of the total units or below 60 percent of the metro median income on 40% of the total units.

##### **TIF Pooled Housing and Admin Funds**

Existing TIF Housing projects often include provisions for a percentage of the tax increment funds to be pooled for future affordable housing projects. These funds can be used to help finance new affordable housing development or improvements to existing units as long as income limits are met by the residents. These funds can support City programs such as Homeowner's Association Improvement Grants (HAIG) and the Housing Rehab Program. A small percentage of the tax increment from projects is also allocated to administrative expenses. These TIF Admin funds can be used for attorney and consultant costs of preparing documents such as TIF extensions to preserve affordability.

##### **Community Development Block Grant Program (City & Federal)**

Created by HUD in 1974, this program provides annual entitlements to cities based on a population, age of housing, and poverty level formula. Cities have the flexibility to use these funds in a variety of ways to address issues affecting primarily low-income persons. Eden Prairie dedicates most of its funding for housing related activities including financing affordable renting projects. CDBG financed projects must provide rents that are affordable to persons with income below 80 percent of the median for the metro area. For rental housing, the City of Eden Prairie typically requires that rents be affordable to persons with incomes below 50 percent or 60 percent of the metro median to meet TIF requirements. For homeownership and rehab, the City typically requires incomes below 80 percent of the metro median.

**Other Grants, Loans, and Incentives**

A number of other grants, loans and incentives are available for housing projects that include affordability components. The City administers Housing Revenue Bonds to help Eden Prairie property owners finance improvements to multi-family developments with moderate and low-income families and seniors. The City collects a percentage fee for this service. Hennepin County administers the Affordable Housing Incentive Fund (AHIF) program which provides loans for rehab or construction of affordable housing. The Metropolitan Council administers the Local Housing Incentive Account (LHIA) which provides loans to purchase property for affordable housing. The Metropolitan Council also administers the Livable Communities Demonstration Account (LCDA) and Transit Oriented Development (TOD) grants and the Corridors of Opportunity Local Implementation Capacity grants, all of which favor projects with affordable housing. In addition, the Minnesota Housing Finance Agency (MHFA) administers the Low Income Housing Tax Credits (LIHTC) program which provides incentives for developers to include affordable housing in their projects.

**Housing 2012 – 2018 Projects**

*2012 - 2018 Projects*

**Extend Affordability of Existing TIF Housing Projects**

**Priority: High**

**Timing: 2012+**

**Funding: TIF Admin;  
TIF**

- The TIF for various affordable housing developments was originally approved for 15 years, after which time, the affordability requirements expire
- Strategy: Work with property owners to extend the TIF and affordability requirements while improving the properties as needed; start with projects expiring first and package extensions together when feasible; use TIF Admin for attorney/consultant costs
- First Priority: Extend TIF 12
- (Columbine)
  - Built 1996
  - Units: 32
  - Funding Sources: CDBG and TIF (Expires 2012)



*2012 - 2018 Projects***Scenic Heights Green Mid-Market Neighborhood****Priority: High****Timing: 2012 - 2014+****Funding: ED Fund/  
TIF Pool / CDBG /  
HTC/Grants**

- An 8 acre remnant parcel from construction of Hwy 212 will soon be sold by MNDOT for development at the southwest quadrant of 212 and County Road 4 accessible from Scenic Heights Road
- The City Council has expressed interest in development of a green, mid-market single-family neighborhood; there is also market interest in a neighborhood commercial component which could be considered if adequately separated from the existing nearby residential
- Strategies: In order to ensure and incent green, mid-market development, pursue temporary ownership as a first right of refusal from MNDOT
- Research Green/LEED Neighborhood Development/Design (LEED ND) standards and “New Normal” housing guidelines and obtain feedback from City Commissions, the adjacent neighborhood and developers on criteria for guiding and zoning this property
- Study the housing market to set a price range and define a criteria for Mid-Market Housing Development
- Develop concept site plans for neighborhood/developer discussions
- Consider partnerships and financing options including City Hill Fellowship Green Home Model with WHAHLT (Land Trust)/ Hennepin Technical College Construction Partnership, and grants
- Issue a RFP for green, mid-market development; review the proposals and resell the property to a private developer conditioned on approval of acceptable plans in keeping with the new Green, Mid-Market criteria
- Facilitate financing of the development

2012 - 2018 Projects

## Increase Homeownership Opportunities

**Priority:** High

**Timing:** 2012+

**Funding:** CDBG / TIF  
**Pool/ Grants**

- **Invest in opportunities for low and moderate income residents to own homes**
- **Strategy: First Time Homebuyer Program**
  - No Interest, Deferred Loan
  - Loans up to \$25,000 Available
  - Assistance may be used for:
    - 50% of the required down payment
    - 10% principal reduction up to \$20,000
    - 100% of allowable closing costs up to \$5,000



- **Strategy: Collaborate with West Hennepin Affordable Housing Land Trust (WHAHLT)**
  - The City has provided a rolling CDBG loan account with WHAHLT to assist with single-family and townhome ownership opportunities including new construction and existing homes
  - WHAHLT indicates they have additional potential homebuyers and asked for our letter of reference for the State Housing Grant
  - Current focus on purchase and rehab of foreclosed/distressed properties with subsequent resale of building to income-eligible homeowner with WHAHLT retaining land ownership



*2012 - 2018 Projects*

**Housing Improvement Areas (HIA)**

**Priority: High**

**Timing: 2012+**

**Funding: Special Assessments**



- Promotes neighborhood stabilization and revitalization of townhome properties that do not have adequate resources for necessary repairs/improvements
- Properties are assessed for the cost of the improvement
- City provides the financing for the improvements and assesses the individual homeowner's property tax
- Terms are generally 15 years – current interest rate
- Strategy: Work with existing townhome associations to identify needs and facilitate HIA creation; work with Financing to consider reduced fees/interest rates for HIA special assessments while protecting City's financial rating

*2012 - 2018 Projects*

**Homeowner's Association Improvement Grants (HAIG)**

**Priority: High**

**Timing: 2012+**

**Funding: TIF Pool**



- Facilitates housing improvements for townhome properties with 95% low - moderate income owners
- Strategy: Work with Homeowner Associations (HOAs) to identify needs and income eligibility; HOA receives a grant to make certain eligible improvements. Grant is matched by HOA funds (cash or soft); focus on projects that improve energy efficiency and accessibility

*2012 - 2018 Projects*

## Rehab Loans – Single Family and Duplexes

**Priority: High**

**Timing: 2012+**

**Funding: CDBG;  
pooled TIF**

- Up to \$20,000 loan to income eligible homeowners for qualified repairs/improvements
- Interest Free – Deferred for 30 years or until home is sold
- 90 Outstanding Housing Rehab Loans; Payoff Amount: \$1,679,374
- Strategy: Use repaid loan funds, new CDBG funds, and pooled TIF funds to assist approximately 12 rehab projects per year and preserve/enhance quality of existing housing
- Currently funded entirely with CDBG, which is limited to residents with incomes below 80% of area median
- Requesting flexibility to use pooled TIF funds to help support this program for residents with incomes above 80% but less than 95% of median income



*2012 - 2018 Projects*

## Rehab Grants – Nonprofits

**Priority: Medium**

**Timing: 2012+**

**Funding: CDBG**

- 10 Nonprofit Organizations, including group homes and a senior facility, received CDBG rehab grants since 2006
- Total All Grants Amount: \$911,960
- Strategy: Identify needs and use repaid and new CDBG for grants to preserve/enhance the quality of group homes and other nonprofit facilities serving income eligible residents



*2012 - 2018 Projects*

**Existing Rental Housing  
Quality/Operations/Affordability  
(e.g., Chestnut Apartments)**

**Priority: Medium**

**Timing: 2012+**

**Funding: TIF Pool / CDBG**

- Some existing apartments need physical improvements or have operational challenges. They may be providing affordable rents without subsidies due to the condition of the properties
- Strategies: Reach out to the owners of Chestnut Apartments to offer a financial package for necessary improvements in return for converting a number of market rate units to affordable rental for a specified period of time. If improvements are privately funded, explore the possibility of using public financing to cover the gap between the affordable rate and the market rate
- Explore other ways to increase the number of affordable rental units among our existing supply of rental housing
- Utilize the Property Manager’s Group to educate landlords regarding Fair Housing requirements, the City Rental Inspections and Maintenance Program, and other initiatives to improve the operations and maintenance of rental housing
- Explore ways to assist with operational issues that may affect future preservation of affordable housing (e.g., Lincoln Parc)



*2012 - 2018 Projects*

**New Housing Affordability**

**Priority: Medium**

**Timing: 2012+**

**Funding: CDBG/ TIF/  
TIF Pool/ WHAHLT/  
Grants/ Tax Credits**

- Eden Prairie has adopted a goal of having 1,198 to 1,843 new affordable housing units (out of 3,500 total projected new units) between 2010 and 2020 to help meet regional goals; this includes subsidized and market rate affordability; existing unaffordable market rate units can also be converted to affordable to help meet this goal
- Strategy: Work with all housing developers and encourage to include affordable units in their developments utilizing all potential funding mechanisms



**5. Appendixes**

**Appendix 1. Economic Development and Housing Funding Sources**

**Economic Development Fund** (as of May 1, 2012)

<b>Fund Balance and Projections</b>					
<b>Year</b>	<b><u>Beginning</u> <u>Cash</u> <u>Balance</u></b>	<b><u>Rental</u> <u>Income</u> <u>(Daycare)</u></b>	<b><u>Sale of</u> <u>Daycare</u></b>	<b><u>Sale of</u> <u>Dell</u> <u>Property</u></b>	<b><u>Ending</u> <u>Cash</u> <u>Balance</u></b>
2012	\$ 3,854,672	\$ 66,492		\$ 450,000	\$ 4,371,164
2013	\$ 4,371,164	\$ 66,492			\$ 4,437,656
2014	\$ 4,437,656	\$ 66,492			\$ 4,504,148
2015	\$ 4,504,148	\$ 49,869			\$ 4,554,017
2016	\$ 4,554,017		\$ 850,000		\$ 5,404,017
2017	\$ 5,404,017				\$ 5,404,017
2018	\$ 5,404,017				\$ 5,404,017
2019	\$ 5,404,017				\$ 5,404,017
2020	\$ 5,404,017				\$ 5,404,017
2021	\$ 5,404,017				\$ 5,404,017
2022	\$ 5,404,017				\$ 5,404,017
2023	\$ 5,404,017			\$ -	\$ 5,404,017
2024	\$ 5,404,017				\$ 5,404,017
2025	\$ 5,404,017				\$ 5,404,017
<b>Total</b>		<b>\$ 249,345</b>	<b>\$ 850,000</b>	<b>\$ 450,000</b>	

<b>Economic Development Fund Proposed Uses</b>			
<u>Project Description</u>	<u>Year</u>	<u>Cost</u>	<u>Estimated Cost</u>
Singletree Improvement - KinderCare Acquisition	2009	\$ 833,710	\$ -
City Portion of Singletree Phase I Improvements	2010	\$ 115,000	\$ -
Town Center Phase II Market/Financial/ Design Studies	2009-10	\$ 16,809	\$ -
20% of MCA Wayfinding Phase II-III Signage	2012 -2016	\$ -	\$ 175,000
20% of Prairie Center Drive Streetscape	2014-2018?	\$ -	\$ 1,600,000
20% of Remainder of Singletree Lane Streetscape	2014-2015?	\$ -	\$ 360,000
20% of Future North-South Main Streetscape Available for Business Retention/Emerging Needs	2016-2017?	\$ -	\$ 400,000
	As needed	\$ -	\$ 1,836,164
<b>TOTAL</b>		<b>\$ 965,519</b>	<b>\$ 4,371,164</b>
<b>2012 Fund Balance (after Dell property sale closing) \$ 4,371,164</b>			

**Pooled TIF Funds**

<b>Proposed Uses</b>		
<u>Project</u>	<u>Total Cost</u>	<u>TIF</u>
Shady Oak Bridge Reconstruction	\$30 million +/-	\$2 million
Singletree Lane Phase II Reconstruction	?	?
Singletree - W78th Realignment	\$ 3.5 million	?

**Housing Funding Sources** (as of May 1, 2012)

**CDBG Allocation**

<u>Program Year</u>	<u>CDBG Allocation</u>	<u>Housing Rehab</u>	<u>Affordable Housing</u>	<u>Public Service</u>	<u>Program Admin</u>
2007	\$267,766	\$150,469	\$45,000	\$40,165	\$32,132
2008	\$256,033	\$116,684	\$65,200	\$46,000	\$28,149
2009	\$259,443	\$65,448	\$120,000	\$45,500	\$28,495
2010	\$280,792	\$144,680	\$50,000	\$55,500	\$30,612
2011	\$233,334	\$103,668	\$50,000	\$54,000	\$25,666
2012	\$243,436	\$164,659	\$0	\$52,000	\$26,777
<b>Projected</b>					
2013-2015	\$690,000	\$314,100	\$150,000	\$150,000	\$75,900

**CDBG Generated Program Income**

<u>Development</u>	<u>Annual Payment</u>	<u>Expires</u>
Edenvale	\$37,812.00	Jan 2015
Bluffs @ Nine Mile	\$37,342.00	Dec 2016
Columbine	\$10,000.00	Jul 2024
Lincoln Parc	\$21,508.00	Dec 2021
<b>Total</b>	<b>\$106,662.00</b>	

## Pooled TIF Funds

<b>TIF Fund Balance &amp; Projections - City Share</b>				
<b>Year</b>	<b>Housing</b>	<b><u>Housing</u></b> <b><u>(Cumulative)</u></b>	<b><u>Redevelopment</u></b>	<b><u>Redevelopment</u></b> <b><u>(Cumulative)</u></b>
2011	1,549,048		2,571,362	
2012	224,807	1,773,855	383,979	2,955,341
2013	389,365	2,163,220	383,979	3,339,320
2014	167,595	2,330,815	383,979	3,723,299
2015	145,038	2,475,853	383,979	4,107,278
2016	56,858	2,532,711	383,979	4,491,257
2017	56,858	2,589,569	383,979	4,875,236
2018	56,858	2,646,427	50,532	4,925,768
2019	68,398	2,714,825	50,532	4,976,300
2020		2,714,825	50,532	5,026,832
2021		2,714,825	52,442	5,079,274
2022		2,714,825	147,404	5,226,678
2023		2,714,825	26,314	5,252,992
2024		2,714,825	26,314	5,279,306
2025		2,714,825	26,314	5,305,620
2026		2,714,825	26,314	5,331,934
2027		2,714,825	26,314	5,358,248
2028		2,714,825	26,314	5,384,562
2029		2,714,825	26,314	5,410,876
2030		2,714,825	26,314	5,437,190
2031		2,714,825	26,314	5,463,504
2032		2,714,825	<u>26,314</u>	5,489,818
<b>Total</b>	<b>2,714,825</b>		<b>5,489,818</b>	

Projections last updated September 2011 by Springsted

**Pooled TIF Funds** *(continued)*

<b>Proposed Uses</b>		
<b><u>Project</u></b>	<b><u>Total Cost</u></b>	<b><u>TIF</u></b>
Scenic Heights Acquisition	\$ 1-2 million?	\$ 1-2 million
Scenic Heights Mid-Market Housing	?	?
HAIG Housing Rehab	?	?
Chestnut Apartments Rehab	\$ 1 million	\$ 1 million