

**Economic Development Authority
Agenda Item 5.A
Meeting of March 9, 2026**



Title: Regarding CEE Housing Loan Programs

Report from: Kendyl Larson, Housing Coordinator

Submitted Through: Alisha Gray EDFP, Economic Development and Housing Manager
Darin Nelson, Assistant Treasurer
Julie Wischnack, FAICP, Community Development Director
Erik Nilsson, City Attorney
Mike Funk, Executive Director

Presenter: Julie Wischnack, FAICP, Community Development Director

Action Requested: Motion

Form of Action: Resolution

Votes needed: 4 votes

Summary Statement

The report summarizes the staff recommendation for EDA approval of an eleventh amendment and the transfer of HRA Levy funding for the Pathways program to the Affordable Housing Trust Fund.

Recommended Action

Motion to adopt the resolutions:

1. Approving the Eleventh Amendment to the Loan Origination agreement with CEE
2. Accepting the transfer of funds from the Affordable Housing Trust Fund of the City of Minnetonka to the Pathways to Homeownership Down-Payment Assistance Program

Financial Consideration

Yes

\$275,000 - Funding for the CEE loan programs is from the HRA Levy which was approved by the 2026 Budget and the 2026-2030 EIP. Transferring of HRA Levy to AHTF for the Pathways Program.

Background

The Center for Energy and Environment (CEE) administers four loan programs for the city: the Minnetonka Home Enhancement program, Pathways to Homeownership Down Payment Assistance (DPA) program, Welcome to Minnetonka DPA program, and the Commercial Code Compliance program.

The 2026-2030 Economic Improvement Program (EIP) approved by the council on [Sep 8, 2025](#), and the 2026 budget adopted at the [Dec 8, 2025](#), council meeting approved the use of HRA levy funds for the Pathways to Homeownership DPA program (\$175,000), Welcome to Minnetonka DPA program (\$50,000), and Minnetonka Home Enhancement program (\$50,000). No additional funds were allocated for the Commercial Code Compliance program in 2026 because there is a fund balance.

CEE has drafted an amendment to the Loan Origination Agreement to reflect the approved funding for the housing programs.

In addition, the Pathways program was established through the Affordable Housing Trust Fund (AHTF). The HRA Levy dollars allocated to the Pathways program in the 2026 budget need to be transferred to the AHTF for the program. The city council action approves the transfer of \$175,000 from the AHTF to the Pathways Program through a resolution. For reference, that action is in the council packet for March 9, 2026.

The EDA actions authorize the HRA Levy transfer of \$175,000 to the AHTF, accept the transfer of funds for the program, and approve the eleventh Amendment of the city's contract with the CEE, the organization that disburses the funding.

ATTACHMENTS:

[Resolution - Approving the Amendment](#)

[Resolution - Accepting Funds](#)

[Agreement](#)