City of Robbinsdale

Economic Development Authority Meeting
Tuesday, January 9, 2024
4100 Lakeview Avenue North
Robbinsdale, MN
7:00 PM

AGENDA

1. MEETING CALL TO ORDER

2. MICROPHONE CHECK

3. ROLL CALL: Murphy, Wagner, Blonigan, President Parisian

4. CONSENT AGENDA: Pursuant to REDA policy, one motion, non-debatable, will approve the recommendation noted. Any member of the REDA Board may ask for an item to be taken from the Consent Agenda for discussion and separate action. Such items removed from the Consent Agenda shall be considered immediately following approval of the balance of the Consent Agenda:

   A. Designation of Depositories for REDA

   B. Interfund Loan for Future Anticipated TIF Districts

   C. Regular Meeting Minutes of December 12, 2023

5. ANNUAL ELECTIONS/UPDATES

   A. Election of officers

   B. Designation of Official Newspaper

   C. 2024 REDA Meeting dates

6. OLD BUSINESS

   A. None

7. NEW BUSINESS

   A. None

8. OTHER BUSINESS

9. INFORMATION ONLY

   A. Requested Information on TIF Districts

10. REDA GENERAL COMMUNICATIONS

11. ADJOURNMENT

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Diaa Tahoun, Finance Director
APPROVED BY:	Tim Sandvik, City Manager
DATE:	January 9, 2024
RE:	Designation of Depositories for REDA

Background:

Minnesota Statutes, Section 427.01 and 427.09 require that the official depositories of the Robbinsdale Economic Development Authority (REDA) be designated at the first Board meeting in January of each year. The depositories are financial institutions in which the REDA places public monies in checking accounts and savings accounts.

Analysis:

The Finance Director recommends that the REDA designate the below listed financial institutions as official depositories for 2024:

US Bank
Citizens Independent Bank
UBS Wealth Management

Recommendation:

By motion, recommend that US Bank, Citizens Independent Bank and UBS Wealth Management be designated as depositories of the Robbinsdale Economic Development Authority funds for 2024.

Attachments:

None

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Diaa Tahoun, Finance Director
APPROVED BY:	Tim Sandvik, City Manager
DATE:	January 9, 2024
RE:	Interfund Loan for Future Anticipated TIF Districts

Background:

Tax Increment Financing (TIF) Statutes require anticipated new TIF Districts, which plan on using Non-TIF funds to finance projects that are to be reimbursed through future TIF Revenues, to pass a resolution authorizing and setting terms of an interfund loan. The interest rate that is allowed on interfund loans is set annually by State Statute and regulated by the Office of the State Auditor. It is recommended that any interfund loans be set with a variable rate that is equal to the maximum allowed each year as set by State Statute.

In the past, the REDA has adopted Interfund Loan Resolutions so that the REDA could be reimbursed for using Non-TIF funds to finance projects that are to be reimbursed through future TIF Revenues. Those resolutions addressed expenditures that occurred during a two-year period. They also provided that the interest would be at a variable rate, fluctuating with the maximum rate allowed under State Statute.

The intended effect of stating a variable and fluctuating interest rate for each interfund loan resolution allows all outstanding advances to be charged the same interest rate as set by Statute. This is the preferred method from an administrative point of view, as the actual difference received will be nominal, subject to availability of TIF, the 10% administrative expense cap, and could even result in a lower charge under the fixed method.

Analysis:

The REDA plans to incur various expenses within the REDA General Development Fund throughout 2024-2025 that will be eligible for reimbursement through future Tax Increment Financing revenues. It is requested that the REDA authorize an interfund loan for future Tax Increment Financing eligible costs from the General Development Fund as needed in an amount not to exceed $1,000,000. The Loan will have a life equal to that of any TIF District that is established and be at a variable rate, which will be equal to the maximum rate allowed under the State Statute. The interest rate is currently restricted under State Statutes, and is 5%. Interest is to be calculated yearly based on the average monthly balance remaining on the loan. The REDA General Development Fund will collect principal and interest no less than once per year, providing that revenues are available, with interest being collected first. Upon dissolution of the TIF Districts that were established under this resolution, any remaining loan balance will be expensed to the REDA General Development Fund.

Recommendation:

By motion, waive the reading and order the adoption of the resolution to authorize an interfund loan for eligible REDA General Development Fund expenditures that will occur during 2024 and

2025, and are intended to be reimbursed by future tax increment revenues through the creation of future tax increment financing districts in an amount not to exceed $1,000,000 and specifying the interest rate to be variable, fluctuating with the maximum rate allowed under State Statute.

Attachments:
None

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Rick Pearson, Community Development Coordinator
APPROVED BY:	Tim Sandvik, City Manager
DATE:	January 9, 2024
RE:	Regular Meeting Minutes of December 12, 2023

Background:

Staff requests that the EDA approve December 12, 2023 Minutes

Analysis:

NA

Recommendation:

Motion to approve the minutes from December 12, 2023

Attachments:

1. 12-12-23 Minutes

ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, DECEMBER 10, 2023
COUNCIL CHAMBERS

CALL TO ORDER:

1. The Robbinsdale Economic Development Authority (REDA) meeting was called to order at 7:00 p.m. by President Parisian.

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Wagner, Wagner, Blonigan, President Parisian
Members Absent: Murphy
Staff Present: Tim Sandvik, Executive Director, Diaa Tahoun, Finance Director, Rick Pearson, City Planner, Ron Batty, EDA Attorney, Jason Aarsvold, Ehlers Public Finance Advisors

#4A-B CONSENT AGENDA:

4. **MOTION** by Member Wagner, seconded by Member Blonigan to approve and place on file the Consent Agenda Items #4A-B:
   A. **Motion** to approve and order placed on file minutes of the following:
      - **Regular Meeting Minutes of November 14, 2023**
   B. **Motion** to approve Disbursement Requests for **period ending December 10, 2023**.

   The vote was 3-0 and the motion carried.

5. PUBLIC HEARINGS: None

6. OLD BUSINESS: None

7. NEW BUSINESS
A. 2024 Proposed Budget

8. Finance Director Tahoun presented the 2024 Proposed REDA Budget.

9. **MOTION** by Member Blonigan, seconded by Member Wagner to approve the resolution adopting the 2024 Budget of the Robbinsdale Economic Development Authority and Approving the Amendment of the 2023 Budget. **The vote was 3-0 and the motion carried.**

10. **B.** Adopt a Resolution Approving A Redevelopment Plan For The Master Redevelopment Project Area And Modified Tax Increment Financing Plans For Tax Increment Financing District.

Jason Aarsvold of Ehlers Financial Advisors presented the Redevelopment Plan for the Master Redevelopment Project Area.

11. Member Murphy requested a list of the Scattered site projects and requested additional explanation regarding the Scattered Site TIF projects that were “losers” and how they were determined.

12. A map was presented showing the different TIF project areas including the scattered sites. Staff offered to provide additional information as needed at a later date to explain the “loser” projects vs. the “winner” projects.

13. MOTION by Member Blonigan, seconded by Member Wagner to Adopt a Resolution Approving A Redevelopment Plan For The Master Redevelopment Project Area And Modified Tax Increment Financing Plans For Tax Increment Financing Districts. **The vote was 4-0 and the motion carried.**

#9: INFORMATION ONLY: Project Update

21. None

#10: REDA GENERAL COMMUNICATIONS:

22. None

#11: ADJOURNMENT:

28. **MOTION** by Member Blongian, seconded Member Wagner to adjourn the meeting at 7:41p.m.
ROLL CALL:
YEA: Murphy, Wagner, Blonigan, President Parisian
NAY: None
The vote was 4-0 and the motion carried.

_____________________________ _____________________________

Mia Parisian, REDA President | Tim Sandvik, Executive Director

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Rick Pearson, Community Development Coordinator, Tim Sandvik, City Manager
APPROVED BY:	Tim Sandvik, City Manager
DATE:	January 9, 2024
RE:	Election of officers

Background:

1. ELECTION OF OFFICERS:

A list of officer duties from the REDA By-Laws is shown in **Attachment 1**. Section 2.1 indicates that the President, Vice President and Treasurer are to be elected annually.

2023 Officers were:

President:	Commissioner Parisian
Vice President:	Commissioner Webb
President Pro Tem:	Commissioner Wagner
Assistant Treasurer:	Commissioner (open)
Secretary:	Commissioner Wagner
Treasurer:	Commissioner Blonigan
Executive Director:	Tim Sandvik

* Reminder: Mayor Blonigan needs to be Treasurer for check-signing purposes.

Analysis:

NA

Recommendation:

Elect the appropriate officers for the Robbinsdale Economic Development Authority for 2024.

Attachments:

1. REDA List of duties

2. ORGANIZATION

Section 2.1. Officers. The officers of the Authority shall consist of a President, a Vice President, a Secretary, a Treasurer and an Assistant Treasurer. The President, Vice President, and the Treasurer shall be members of the board and shall be elected annually, and no Commissioner may serve as President and Vice President at the same time. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner.

Section 2.2. President. The President shall preside at all meetings of the board.

Section 2.3. Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President cannot exercise or perform the same due to absence, inability or if President requests the Vice President to preside.

Section 2.4. President Pro Tem. The President Pro Tem, who is a commissioner, may be appointed by the Board. The President Pro Tem shall preside at any meeting in the event the President and Vice President are absent, unable to act, or in the event the President and Vice President request the President Pro Tem to preside.

Section 2.5. Treasurer. The Treasurer shall receive and be responsible for Authority money, shall disburse authority money by check only, keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto, shall file the Authority's financial statement with its secretary at least once a year as set by the Authority, and be responsible for the acts of the assistant treasurer.

Section 2.6. Assistant Treasurer. The Assistant Treasurer shall have all the powers and duties of the Treasurer if the Treasurer is absent or disabled.

Section 2.7. Secretary. The Secretary shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.

Section 2.8. Executive Director. The Executive Director shall be designated from time to time by the Authority, shall be the chief appointed executive officer of the Authority, and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe. The Executive Director shall serve at the pleasure of the Board.

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Rick Pearson, Community Development Coordinator
APPROVED BY:	Tim Sandvik, City Manager
DATE:	January 9, 2024
RE:	Designation of Official Newspaper

Background:

The Crystal•Robbinsdale SunPost has served as the REDA's official newspaper in the past, including 2023. It is recommended that the City Council designate the Crystal•Robbinsdale SunPost as the official newspaper for the City of Robbinsdale for 2024.

Analysis:
NA

Recommendation:
By motion, designate the *Crystal•Robbinsdale SunPost* as the official newspaper for the Robbinsdale Economic Development Authority for 2024.

Attachments:
None

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Rick Pearson, Community Development Coordinator, Tim Sandvik, City Manager
APPROVED BY:	Tim Sandvik, City Manager
DATE:	January 9, 2024
RE:	2024 REDA Meeting dates

Background:

Set 2024 REDA Meeting Dates

Analysis:

Tuesday, January 9
Tuesday, February 13
Tuesday, March 12
Tuesday, April 9
Wednesday, May 15 (Tuesday primary election)
Tuesday, June 12
Tuesday, July 9
Wednesday, August 14 (Special election for Ward 2)
Tuesday, September 10
Tuesday, October 10
Tuesday, November 12
Tuesday, December 10

Recommendation:

Discuss the 2024 REDA meeting dates listed.

Attachments:

None

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Tim Sandvik, City Manager
APPROVED BY:	Tim Sandvik, City Manager
DATE:	January 9, 2024
RE:	Requested Information on TIF Districts

Background:

At the December 12, 2023 REDA meeting, Commissioners asked for a bit of history on the scattered site program.

Analysis:

Several years ago, the REDA was trying to match individual properties which were not likely to pay off (losers) with properties which were likely to cover costs (winners) for inclusion in each new TIF district. There was a fairly constant stream of eligible properties, and the goal was to assemble a balanced “crop” before creating a new TIF district. That was a form of pooling, because extra increment from one parcel could offset high expenses from another property within the same district.

There were a lot of old “garage” houses that we were trying to get rid of because they were a blight on the whole block. We were also interested in building large houses to diversity the housing stock. Robbinsdale had too many old inter-war houses and too few of the types of housing that people were moving further out from the City for. Those were some of the public policy benefits REDA saw in these projects without paying too much attention to whether we’d make everything back. And, at that time, the REDA had a healthy development account balance from the old pre-1979 downtown TIF district, which allowed greater flexibility.

In total, there were more than 200 addresses in these efforts, so a comprehensive study would take weeks to complete.

Recommendation:

NA

Attachments:

None