ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
AGENDA
TUESDAY, JANUARY 12, 2016
7:00 P.M.
COUNCIL CHAMBERS

1. MEETING CALLED TO ORDER

2. MICROPHONE CHECK:

3. ROLL CALL: Backen, Blonigan, Murphy, Selman, President Rogan

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:

8. OLD BUSINESS:
   A.

10. OTHER BUSINESS:
   A.

11. INFORMATION ONLY:
    A. Project Updates.. **37**

12. REDA GENERAL COMMUNICATIONS

13. ADJOURNMENT

Marcia E. Glick

Marcia Glick, Executive Director

ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, DECEMBER 8, 2015
COUNCIL CHAMBERS

CALL TO ORDER:

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

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Selman, Blonigan, Murphy, Backen, President Rogan
   Members Absent: None
   Staff Present: Marcia Glick, Executive Director
   Rick Pearson, Community Development Coordinator
   Ron Batty, REDA Attorney

#4A-D: CONSENT AGENDA:

4. **MOTION** by Member Blonigan, seconded by Member Murphy to approve the Consent Agenda Items #4A-D:
   4A Motion to approve **Regular Meeting Minutes and Executive Session of Meeting Minutes of November 10, 2015 and Special Meeting Minutes of November 24, 2015**;
   4B Motion to approve **Disbursement Requests** for period ending December 8, 2015;
   4C Motion to designate the property at **4023 Zane Ave N** as blighted and indicating intent to place the home in a future TIF District;
   4D Motion to accept **4501 Orchard Ave N Update**.
   All were in favor and the motion carried.

#5A: Continued Public Hearing: 4518 Regent, 4524 and 4530 Regent – Disposition of Land:

5. Mr. Pearson presented the staff report for these 3 lots noting that there are no pending offers.

6. President Rogan opened the public hearing. No one spoke to this item.

7. **MOTION** by Member Murphy, seconded by Member Selman to continue the public hearing until January 12, 2016 at 7:00 pm. **All were in favor and the motion carried.**

#5B: Continued Public Hearing: 4629 France Ave N – Disposition of Land:

8. Mr. Pearson reviewed the staff report noting that there are no pending offers. Price for the lot is $74,900.

9. President Rogan opened the public hearing. No one spoke to this item.

10. **MOTION** by Member Murphy, seconded by Member Selman to continue the public hearing until January 12, 2016 at 7:00 pm. **All were in favor and the motion carried.**

#5C: Public Hearing: 3807-11 Major Ave N – Disposition of Land

11. Mr. Pearson reviewed the staff report noting that there were no pending offers. Rezoning this property to R-1, single family.

12. President Rogan opened the public hearing. No one spoke to this item.

13. **MOTION** by Member Murphy seconded by Member Selman to continue the public hearing until January 12, 2016 at 7:00 p.m. **All were in favor and the motion carried.**

#8A: Greater Metropolitan Housing Corporation Consultant Services:

14. Mr. Pearson reviewed the staff report and shared statistics on the program. These services are available to all residents. Provide info on various programs. Reviewed spread sheets.

15. **MOTION** by Member Selman, seconded by Member Blonigan to authorize the Executive Director to execute the Consultant Services Agreement for 2016 and payment of the $8,000 annual fee. **All were in favor and the motion carried.**

#8B: NEW BUSINESS: 3835, 37, 39 West Broadway Consider Acquisition from Hennepin County Tax Forfeiture:

16. Mr. Pearson reviewed the staff report. These lots were originally planned to be part of a 10 home project but only 7 were built. Mr. Pearson noted the zoning is B-1. Discussion on potential use.

17. Glick noted that the purchase of these properties may be an eligible use of TOD sales proceeds.

18. **MOTION** by Member Murphy, seconded by Member Selman, to authorize the Executive Director to prepare a formal letter to Hennepin County on behalf of the REDA to request purchasing the tax forfeited properties at 3935, 3937 and 3939 West Broadway. **The vote was unanimous and the motion carried.**

8C: NEW BUSINESS: Modification of Project 2000-8 TIF District or New Project 2000-9:

19. Ms. Glick reviewed the staff report. Have purchased one blighted property and may purchase another soon. Can modify current district or create a brand new district. REDA Attorney Batty reviewed advantages and disadvantages of new district versus old district.

20. **MOTION** by Member Selman, seconded by Member Backen to authorize the REDA Attorney to begin the process to amend TIF District 2000-8 to add 4023 Zane and 3912 Quail. **The vote was unanimous and the motion carried.**

#8D: NEW BUSINESS: West Broadway TIF 10:

Member Blonigan recused himself as he has worked with the property owner.

21. Ms. Glick reviewed the staff report. Provided background info on this tax district in downtown Robbinsdale. Property is now for sale. Priced at $500K. Another party has signed a purchase agreement for $390K subject to financing and have approached the EDA for financing. Contract for Deed is best for the EDA. Reviewed appraisal report, appraised valued at $395K. Existing business called Performance Meals. Has been offering pre-packed meals delivered to workout gyms for 6 months and growing from 70 to 800 per week. In a growth spurt operating in basement of Travail and has the capacity to triple growth. Negotiating with seller and going to start looking outside of Robbinsdale.

22. **James Winberg, 4124 West Broadway and Mike Brown, 4423 Josephine Lane:**
Described business. In business for almost 6-months and business went from serving 70 to 800 meals a week. Did not anticipate growth so quickly...has outgrown its existing kitchen in the basement of Travail. Goal is to get into a facility to handle the anticipated volume of 3000-4000 meals per week. Getting into a facility which can handle 3000 to 4000 branded meals. Want to also get this product available outside of gyms. Anticipate 6-10 staff, $11-$12 per meal. Potential for a kitchen store, potential gym boutique, potential that Performance Meals could grow. . The kitchen will be required to be to Department of Agriculture rules. Bank is looking at 10% down. First step would be curb appeal including signs. Agreement to include performance/upgrade markers.

23. Member Murphy mentioned improved return on investment, building improvements, contract for deed in case risk fails, TIF district, successful entity/establishments.

24. Member Backen supports retail on both sides of street.

25. **MOTION** by Member Selman, seconded by Member Murphy to direct staff to development an agreement. **The vote was 4-0 with Member Blonigan recusing himself.**

#10A: INFORMATON ONLY - Project Updates:

26. 4504 Quail expected to completed 12/11/15.

27. Ms. Glick confirmed she will send lots for sale information to owners at 3358 Grimes to share with friends.

28. President Rogan noted that 4145 Halifax is completed.

#11: REDA GENERAL COMMUNICATIONS:

29. Member Murphy thanked the Chamber of Commerce, Wuollet Bakery and Cub Foods for co-sponsoring the tree lighting. Also noted Chamber award winners.

30. Member Backen noted that REDA Members toured the completed home at 3358 Grimes, which was a former REDA property. Welcome to the Berzins.

31. President Rogan stated the tree lighting was a huge success with 90 kids greeting Santa.

32. Member Selman suggested having an alternate tree available in case something happens to this tree and more space may be need in the future.

#12: ADJOURNMENT:

33. **MOTION** by Member Murphy, seconded by Member Blonigan to adjourn the meeting at 8:14 pm. **All were in favor and the motion carried.**

Marcia Glick, Recording Secretary

Dan Rogan, REDA President

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING MINUTES
TUESDAY, DECEMBER 15, 2015
6:30 P.M.
COUNCIL CHAMBERS

MEETING CALLED TO ORDER:

1. The Robbinsdale Economic Development Authority (REDA) Special Meeting was called to order by President Rogan at 6:30 p.m.

ROLL CALL:

2. Members Present: Backen, Selman, Murphy, President Rogan
   Members Absent: Blonigan
   Staff Present: Marcia Glick, Executive Director

3A: OLD BUSINESS – 4131-4135 W Broadway

3. Glick distributed an updated information sheet on the proposed financing for this acquisition. In order for REDA to secure with a contract for deed the purchase agreement between Robert L. Fern and Pro Meals, LLC would be assigned to REDA. Pro Meals, part of the Travail Collective, would provide $39,000 toward the acquisition cost and the remaining $351,000 would be financed at 5% for the first 5 years, 8% for the next 2 years, and 10% for the remaining span of 15 years.

4. MOVED by Selman, second by Murphy to authorize the Executive Director to execute documents for the acquisition and subsequent contract for deed sale as described in the staff report. Motion carried unanimously. Blonigan absent.

3B: OLD BUSINESS: Broadway Court Commercial Lease

5. Glick distributed a lease abstract for leasing Bay A of Broadway Court to ETW Wellness LLC (Embrace the Wobble). The business would have a yoga studio, personal training and Pilates, as well as a separate sub-lease counseling office. The 4 year lease would have a 1 year option to extend.

6. MOVED by Selman, second by Murphy to authorize the Executive Director to execute lease documents as described in the staff report. Motion carried unanimously. Blonigan absent.

3C: OLD BUSINESS: TOD Sales Proceeds Use

7. Glick distributed a staff report listing options and potential distribution of the TOD Proceeds gained from the sale of the TCF Building.

8. Members indicated agreement with the first priority of $70,000 towards purchase of the three tax forfeit townhome lots at 3935, 3937, 3939 W Broadway.

9. Members indicated agreement on offering engineering/planning/legal assistance to the property owners abutting a shared parking lot/loading area: former Chestnut

Café, Strait Stuff, Lions Gym, Wuollet Bakery and Home Options. Option to explore closing the 41 ½ Avenue curbcut and reorienting the loading to the shared parking/loading area eliminating the hidden alcove behind the bakery and making it part of the shared area. Engineering services would also advance plans for widening sidewalks along 41 ½ Avenue as shown in the station area visioning.

10. Third allocation would be for TOD option agreements including hiring third party appraisals and relocation consultants to determine fair market purchase prices. Remaining funds would be in a streetscape improvement fund including street furniture (benches, bike racks, replacing the clockworks) and a small rehab incentive fund.

11. MOVED by Murphy, second by Selman to authorize the Executive Director to send a letter to Hennepin County staff regarding the planned use of TOD sales proceeds as described in the staff report. Motion carried unanimously. Blonigan absent.

ADJOURNMENT

12. **MOTION** by Member Selman, seconded by Member Murphy to adjourn the meeting at 7:02 p.m. All were in favor and the motion carried. Blongian Absent.

Marcia Glick, Recording Secretary

Dan Rogan, REDA President

AGENDA ITEM **# 4B**
January 12, 2016

CONSENT AGENDA: Disbursement Requests for period ending January 12, 2016

This information will be distributed at the meeting.

AGENDA ITEM **# 4C**
January 12, 2016

***Consent:* Designation of Depositories for REDA**

Update for the REDA Annual Elections

DESIGNATION OF DEPOSITORIES

The Robbinsdale Economic Development Authority had the following financial institutions as designated depositories for 2015; US Bank and Citizens Independent Bank. The Finance Director recommends that the REDA designate the below listed financial institutions as official depositories for 2016:

US Bank
Citizens Independent Bank
4M Fund – League of Minnesota Cities

RECOMMENDATION
By motion, recommend that US Bank, Citizens Independent Bank and the 4M Fund be designated as depositories of the Robbinsdale Economic Development Authority funds for 2016.

Marcia Glick
Marcia Glick, Executive Director

CONCURRENCE:

Larry Jacobson
Larry Jacobson, Finance Director

AGENDA ITEM **# 4D**
January 12, 2016

Consent: TOD SALE PROCEEDS

BACKGROUND:
The Redevelopment Agreement with HCHRA for funds used to purchase the old TCF property contains conditions related to reuse of sale proceeds. The REDA's proceeds were $245,900.

REDA is required to use the sale proceeds to further transit-oriented development activities within Downtown Robbinsdale, such as streetscape improvements, real estate development, and economic development efforts that are projected to generate substantial transit ridership or otherwise are designed in a manner consistent with transit-oriented development principles (moderate to high density, lower parking ratios and parking located underground or behind the building, mix of uses when feasible, engaged ground level facades and uses, etc.)

REDA has until 6 months from August 19, 2015 to create guidelines for use of the funds that are acceptable to HCHRA. February 19, 2016 is our deadline for an agreement – there doesn't appear to be a deadline for reuse of the funds.

UPDATE
At the December 15, 2015 meeting REDA authorized the Executive Director to send a letter to the County outlining a list of priorities and anticipated budget allocations. The list in Exhibit 1 has been approved by the county as meeting the guidelines of our agreement. REDA may submit updated guidelines if needed.

RECOMMENDATION:
No action required.

Marcia Glick
Marcia Glick, Executive Director

Redevelopment Agreement for TCF Building Acquisition – A142268

Reinvestment Guidelines

REDA sale proceeds of $245,896.30

Reinvestment Goal – transit oriented real estate development

- Invest funds to acquire and hold tax forfeit property for TOD development 3935, 3937, 3939 West Broadway
- Pursue option agreements for key commercial properties in downtown Robbinsdale including funding appraisals and relocation consultation for negotiation of acquisition cost.

Reinvestment Goal – relocate loading and deliveries to parking areas behind building

- Fund professional services to assist downtown property owners to redesign shared rear parking area for commercial loading and deliveries.

Reinvestment Goal – streetscape improvements

- Implement redesign of 41 ½ Ave N to improve pedestrian connection to transit station eliminating curb cut (facilitated by relocation of loading and deliveries) and wider sidewalk.
- Provide funding for replacing downtown clock – supplementing donations received from downtown businesses.
- Add additional benches and bike racks in the downtown area
- Ground level façade updates – incentive fund for downtown façade updates.

Projected budget allocation -

$70,000	half of funds to reacquire tax forfeit property
$80,000- $100,000	key option agreements
$15,000 - $20,000	professional services for design-relocation of loading activities
$35,000- $40,000	implement sidewalk/curb improvements on 41 ½, including landscape restoration
$25,000 - $50,000	Other streetscape improvements- clock, furniture, façade incentives, ..

AGENDA ITEM **#5A, 5B, 5C**
January 12, 2016

ANNUAL ELECTIONS

A. 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.

2015 Officers were:

President:	Commissioner Rogan
Vice President:	Commissioner Blonigan
President Pro Tem:	Commissioner Backen
Treasurer:	Commissioner Murphy
Assistant Treasurer:	Commissioner Selman
Secretary:	Commissioner Selman
Executive Director:	City Manager Glick

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

RECOMMENDATION:

Elect the appropriate officers for the Robbinsdale Economic Development Authority for 2016.

B. DESIGNATION OF OFFICIAL NEWSPAPER:

The Crystal•Robbinsdale SunPost has served as the REDA's official newspaper in the past including 2015. It was recommended that the City Council designate the Crystal•Robbinsdale SunPost as the official newspaper for the City of Robbinsdale for 2016.

RECOMMENDATION:

By motion, designate the *Crystal•Robbinsdale SunPost* as the official newspaper for the Robbinsdale Economic Development Authority for 2016.

C. 2016 REDA MEETING DATES:

Tuesday, January 12
Tuesday, February 9
Tuesday, March 8
Tuesday, April 12
Tuesday, May 10
Tuesday, June 14
Tuesday, July 12
Tuesday, August 9 **Primary election*
Tuesday, September 13
Tuesday, October 11 **Railvolution 9-12-16*
Tuesday, November 8 **Election day*
Tuesday, December 13

RECOMMENDATION:

Discuss the 2016 REDA meeting dates listed.

Marcia Glick, Executive Director

CONCURRENCE:

Rick Pearson,
Community Development Coordinator

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.

AGENDA ITEM **# 6A**
January 12, 2016

PUBLIC HEARING: Disposition of lot 4023 Zane Avenue North

BACKGROUND:

4023 Zane Ave. N. was purchased with the intention of demolishing the house and reselling the lot for single family development. A blight analysis has been completed and a resolution was adopted on December 8 indicating intent to place the home in a future TIF District.

ANALYSIS/CONCLUSION:

A request for quotes has been distributed to demolition contractors. The quotes are due on Monday, January 11 in case the lowest quote(s) exceed the amount authorized by the Executive Director. Demolition should occur in January or early February.

RECOMMENDATION:

1. Open the public hearing for 4023 Zane Avenue N.
2. Continue the public hearing until 6:30 pm, February 9, 2016.

Marcia Glick

Marcia Glick, Executive Director

CONCURRENCE:

Rick Pearson, Community Development Coordinator

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AGENDA ITEM **# 7A**
January 12, 2016

PUBLIC HEARING: Disposition of land at 3807 Major Ave. N.

BACKGROUND:

The REDA acquired this property with the intent of demolishing the structures and reselling the 80 ft. lot for $50,000 for single family use.

ANALYSIS/CONCLUSION:

The lot has been cleared. Heavy rains caused the contractor to delay seeding until spring.

The second reading of an Ordinance to rezone the property from R-2, Single and two family residential to R-1, Single family residential occurred on January 5, 2016.

Staff has received inquiries about the lot from several parties.

RECOMMENDATION:

1. Open the public hearing.
2. Continue the public hearing until February 9, 2016 at 6:30 pm.

Marcia Glick, Executive Director

CONCURRENCE:

Rick Pearson, Community Development Coordinator

AGENDA ITEM **# 7B**
January 12, 2016

Public Hearing Continued: 4518, 4524 and 4530 Regent Ave. N. disposition of lots

BACKGROUND:
The Regent lots are available to anyone who will build houses in conformance with the Quail Ridge development standards.

ANALYSIS/CONCLUSION:
Staff occasionally receives inquiries, but no offers have been presented. The list prices for the lots are $40,000 each, which is a reflection of the need to remove trees, a garage slab and the possibility that there could be buried foundations.

RECOMMENDATION:
1. Open the public hearing.
2. Continue the public hearing until 6:30 pm February 9, 2016

Marcia Glick

Marcia Glick, Executive Director

CONCURRENCE:

Rick Pearson, Community Development Coordinator

AGENDA ITEM **# 7C**
January 12, 2016

Continued Public Hearing: 4629 France Ave. N.

BACKGROUND:
4629 France Ave. N. is for sale with a list price of $74,900.

ANALYSIS/CONCLUSION:
There are no offers currently pending for this lot.

RECOMMENDATION:
1. Hold the public hearing.
2. Continue the public hearing until 6:30 pm on February 9, 2016.

Marcia Glick

Marcia Glick, Executive Director

CONCURRENCE:

Rick Pearson, Community Development Coordinator

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AGENDA ITEM **# 9A**
January 12, 2016

New Business: 2016 Proposed Budget

BACKGROUND:
The Proposed 2016 Robbinsdale Economic Development Authority Budget is presented for consideration (see attached budget packet). The REDA Board is asked to discuss and provide staff with any comments or direction regarding this proposed budget. The Budget may be adopted with changes desired at this time or could be brought back for adoption at a future REDA Meeting.

RECOMMENDATION:

By motion, waive the reading and order the adoption of the resolution adopting the 2016 Budget of the Robbinsdale Economic Development Authority and Approving Amendment of the 2015 Budget (shown as Exhibit 1).

Marcia Glick
Marcia Glick,
Executive Director

CONCURRENCE:

Larry Jacobson
Larry Jacobson,
Finance Director

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Exhibit 1

Member __________ moved and Member _________ seconded a motion that the following resolution be read and adopted this 12th day of January 2016

REDA RESOLUTION NO. 2016-__

A RESOLUTION ADOPTING THE 2016 BUDGET OF THE ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY AND APPROVING AMENDMENT OF THE 2015 BUDGET

WHEREAS, the Robbinsdale Economic Development Authority has reviewed a proposed comprehensive budget for 2016 and determined it advisable to adopt;

NOW THEREFORE, BE IT RESOLVED by the Robbinsdale Economic Development Authority that said proposed budget for 2016 and the amended budget for 2015 attached hereto are hereby approved and adopted.

The question was on adoption of the resolution and upon a vote being taken thereon the following voted in favor thereof:

and the following voted against the same:

WHEREUPON SAID RESOLUTION WAS DECLARED DULY PASSED AND ADOPTED THIS 12TH DAY OF JANUARY 2016.

____

, President

ATTEST:

____

Marcia Glick
Executive Director

Robbinsdale Economic Development Authority

2016 Budget

Robbinsdale Economic Development Authority (REDA)

January 12, 2016

Dear REDA Board Members:

Enclosed for your review is the proposed 2016 Budget for the Robbinsdale Economic Development Authority. The Budget is summarized into the following areas:

- General Development
- Tax Increment Financing Development
- Tax Increment Financing Debt Service
- Enterprise Operation – Broadway Court

General Development Account

The General Development Account consists of all non-increment funds that are available to the REDA for any City development purpose. The following is an overview of the 2016 General Development Budget:

Revenues

Revenues for General Development are projected to be $988,847. This includes the following:

- An HRA Levy of $165,147.
- With current proposals for building and lot sales, budget includes potential sales of $290,000 which is expected to be conservative (other inventory likely to sell in 2016 is in TIF districts). The estimate includes the Robbins Beach development area ($135,000), 4629 France, and Quail Ridge lots including 4501 Orchard garden.
- Loan revenue of $16,700, representing payments from outstanding development loans that have been made to apartments and businesses for development.
- Transfer from Broadway Court fund for Chestnut Café property acquisition of $350,000.
- Investment earnings of $32,000.
- Interfund loan interest of $125,000 and interfund loan principal payments of $105,000 from TIF districts.

Expenditures

The 2016 Adopted Expenditures Budget for the General Development Fund includes $265,259 of operating expenses and $789,800 of acquisitions and property costs, most of which will be held as land inventory for resale, for a total of $1,055,059. Expenditures include the following projects:

Buydown Agreements: None

General Housing Acquisitions

The 2016 Proposed Budget includes $439,800 for the acquisition and demolition of blighted home sites and acquisition of vacant lots. The sites are planned to be redeveloped into residential housing.

Other Redevelopment

The 2016 Budget also includes funds for the Chestnut Café property net acquisition cost of $350,000. The acquisition cost to be supplemented by down payment on Contract for Deed sale.

Cash Availability
The 2016 Proposed Budget would leave an estimated $2.8 million in the General Development Fund that could be used for future projects. This does not include any funds from Broadway Court.

Residential Rehabilitation Incentive
The REDA continues to fund a residential rehabilitation incentive program administered by GMHC at the Housing Resource Center. Guidelines were updated in 2011.

Downtown Commercial Loan Program
A commercial incentive program was approved in late 2011 offering up to $15,000 with a cap of 20% of improvement costs for buildings in the downtown area. The loan is deemed satisfied if the business continues operations for 10 years after loan execution. The goal is preservation of the main street buildings. Lions Gym (January, 2022), EMI (January, 2022), Wicked Wort (December, 2025)

Developer Roundtable and Follow Up
In 2014, REDA participated in a seminar lead by Urban Land Institute and followed up contracting with Ehlers for a Developer Roundtable. The roundtable introduced several developers to REDA staff to discuss development potential of various Robbinsdale sites. Follow-up to these meetings has included staff-level discussions of potential developments which could advance in 2016. Specific funding has not been included in the budget and would be addressed with budget amendments if needed.

Tax Increment Financing Development

The Tax Increment Financing Development includes Project 2000 Scattered Site Housing Districts, Project 7, Projects 8, 8A, 9, 10 and 11. Highlights of each area are discussed below:

Project 2000
Project 2000 consists of eight TIF districts of scattered site housing that has been or is to be redeveloped. The costs of acquisition and development are advanced from the General Development and then reimbursed over the life of each district from Tax Increment Financing Revenues. Project 2000-6, 2000-7, and 2000-8 are the only districts that are active. All other districts have completed their redevelopment and are being reimbursed through yearly Tax Increment received. Project 2000-3 was decertified in 2011. Project 2000-2 was decertified in 2014. The 2016 Proposed Budget includes the following projects:

Project 2000-6
4050 Lake Road was removed from Project 2000-4 and placed in Project 2000-6 because of the title delays on acquisition. The lot was divided into three parcels. 4150 Lake Road was sold on a contract for deed which was extended in 2014 with a balloon due in April 2022; the home at 4135 Halifax was completed in 2014 and 4145 Halifax was substantially completed and placed on the market in late 2015. Due to high interest in lots at the peak of the market, the other two homes in this district were sold before the project was certified and the assessment agreements were terminated for 2015 values/pay 2015.

Project 2000-7
The district contains 8 lots which were redeveloped as single family homes. The last home was completed and sold in 2015.

Project 2000-8

Project 2000-8, established in 2014, initially included 3828 Major and 3358 Grimes and was expanded to include 3807 Major and 4318 Vera Cruz in 2015. An additional expansion for 4023 Zane and another property will be considered in early 2016.

Project 7

This Tax Increment Financing District was decertified in 2011. The Project provided conduit opportunities for clean up grants for the old Montgomery Wards and Terrace Theater sites.

Project 8

This Tax Increment Financing District was approved in 2004 and includes the former school site at 42nd & Regent Avenue. The REDA entered into an agreement with Parker Village LLC to redevelop the school site into single family homes, townhomes, and a Senior Cooperative (later changed to cottages). To help fund this large project, Tax Increment Bonds in the amount of $5,320,000 were sold in 2004 (3 year temporary) and $5,465,000 were sold in 2007 refinancing the original. The site was expected to be fully developed by 2012 with the District decertification in 2032. In 2010, a General Obligation Tax Increment Bond in the amount of $5,255,000 was issued to pay off the Temporary Bond. The development was fully completed in 2015 with construction and sale of the last single family home. 13 of the cottages were sold with the homeowner incentive agreements between 2011 and 2012; if the homeowners rent or sell within 5 years of purchase they would repay the REDA incentive. One incentive agreement was repaid when a cottage was sold.

While the project has been completed, lower property values and the legislated further lowering of market values used for tax increment calculations (with the homestead market value exclusions) may result in total increments being less than what is required for bond payments. Market values did increase in 2015. Assessment agreements were terminated with issuance of the 2010 bond.

Project 8-A

In 2011, Tax Increment District 8-A was established for 6 lots on Scott Avenue which are included in the Project 8 redevelopment project area. All of the homes were constructed and sold before the end of 2013 to buyers who occupy the homes gaining the builder the full $45,000 incentive.

Project 9

This Tax Increment Financing District was established in 2005 for the development of townhomes on the 39th & West Broadway Ave block. The district was decertified in 2014. REDA is in the process of reacquiring the 3 vacant lots which were tax forfeited.

Project 10

This district was certified in 2013 covering the site nearly completed for the Travail/Rookery restaurant and possible improvements at the site developed as Chestnut Cafe. An assessment agreement put the $720,000 estimated value on the Travail site starting 1/2/2015. REDA is in the process of negotiating acquisition of the Chestnut Café property with simultaneous sale on contract for deed.

Project 11

This district was created in 2014 covering the Clare Terrace development site. A pay-as-you-go TIF note was issued in the amount of $350,000 and TIF is also expected to reimburse a deferred WAC fee of $40,000.

TIF Debt Service

The debt related to Project 8 was reissued in 2010. A summary of Debt Service for 2016 is included.

Enterprise Operations

The REDA owns Broadway Court, which operates as an Enterprise Fund.

Broadway Court

The debt on Broadway Court was refinanced in June of 2006. This released the funds from the control of the trustee. The next call date on the bonds is in 2015 and refinancing appears to be a favorable option. The REDA maintains reserves for repair and replacement, debt service, and operating. A new management agreement starting in 2014 was executed with Great Lakes following an RFP process. The repair and replacement reserve requirements will be reviewed to determine future needs and planned replacement funding schedules at a future date. Any remaining funds will be available to the REDA. Transfers to the General Development Fund are anticipated to begin at some future date. Although the commercial units have underperformed, the residential units have had low vacancy. A lease for the open commercial space is expected to be executed for February 1, 2016 occupancy.

Conclusion

This represents the Proposed Budget for 2016. The REDA Board is asked to discuss and provide staff with any comments or direction regarding this proposed budget. The Budget may be adopted with changes at this time. A resolution has been provided for that purpose.

As we enter 2016, we will continue to focus on the following programs:

- ✓ Downtown Marketing and exploration of potential higher density housing sites.
- ✓ Highway 100 Turn back lots and scattered single family housing opportunities.

Sincerely,

Marcia Glick
Executive Director

Concurrence:

Larry Jacobson
Finance Director

Robbinsdale Economic Development Authority
CITY OF ROBBINSDALE, MINNESOTA

Fund: **General Development**
Fund Type: **Special Revenue**

	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Adopted
Revenues and Other Sources					
HRA Tax Levy	$ 150,564	$ 149,949	$ 146,193	$ 146,193	$ 165,147
Excess TIF Distributions	42,322				
Grants	2,174	479,628		10,832	
Loans:					
Principal Payments	37,632	234,657	20,200	12,491	12,000
Interest Payments	17,490	13,236	7,500	4,800	4,700
Insurance Dividends	6,750	6,487	6,300	14,359	10,000
Investment Earnings	(19,145)	65,531	28,000	30,000	32,000
Land Sales	213,000	146,000	415,000	448,446	290,000
Miscellaneous	2,230	8,465			
Interfund Loan Interest	143,375	149,505	130,500	130,500	125,000
Operating Transfers					350,000
Total Development Revenue	$ 596,392	$ 1,253,458	$ 753,693	$ 797,621	$ 988,847
Expenditures And Other Uses					
Community Development	$ 757,875	$ 439,030	$ 274,059	$ 231,372	$ 265,259
Operating Transfers		19			
Total Development Expenditures	$ 757,875	$ 439,049	$ 274,059	$ 231,372	$ 265,259
Fund Equity					
Excess (Deficiency) of Revenues over Expenditures	(161,483)	814,409	479,634	566,249	723,588
Fund Balance:					
Beginning of Year	6,452,785	6,291,302	7,105,711	7,105,711	7,671,960
End of Year	$ 6,291,302	$ 7,105,711	$ 7,585,345	$ 7,671,960	$ 8,395,548

Cash Account Analysis(2014-2015)		
Beginning Cash (12/31/14 audit)	$ 2,165,703	$ 2,773,617
Revenue / Receipts	797,621	988,847
Advance principal repayments	105,000	105,000
Disbursement / Expenditures (includes property acquisitions)	(294,707)	(1,055,059)
Ending Cash (estimated)	$ 2,773,617	$ 2,812,405

Robbinsdale Economic Development Authority
2016 Program Budget Worksheet

Fund: Development — **Fund Type:** Special Revenue
TIF Area:
Activity: Development — **JDE Prog** **2005**

JDE Object	Category /Description	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Proposed
	Expenditures					
	Personal Services					
6139	Commissioner Stipend	4,860	2,970	3,500	3,615	3,600
	Subtotal	4,860	2,970	3,500	3,615	3,600
	Supplies					
	General Supplies					
6214	Operating Supplies	1,997	852	1,500	209	1,000
6216	Clothing & Personal Equip					
	Total Supplies	1,997	852	1,500	209	1,000
	Other Services & Charges					
	Professional Services					
6310	Professional Services	19,471	33,840	18,750	12,480	18,750
6311	Legal Fees - General Counsel	19,092	14,145	15,000	27,453	15,000
	Subtotal	38,563	47,985	33,750	39,933	33,750
	Contractual & Maintenance Services					
6336	Other Contracts	53,000	56,000	57,000	56,392	57,000
6340	Repair & Maintenance	3,385	8,654	5,000	23,762	5,000
6356	Development Loans			30,000		30,000
6358	Demolition	1,180	650	20,000		20,000
6359	Development Grants	(25,000)		20,000		20,000
	Subtotal	32,565	65,304	132,000	80,154	132,000
	Communication Services					
6372	Telephone Lines		302	1,200	1,180	
6378	Postage & Shipping		17	20		20
6382	Advertising / Promotions	827		500		500
	Subtotal	827	319	1,720	1,180	520
	Insurance					
6391	General Liability	7,898	5,187	5,250	4,298	4,250
6392	Property Insurance			1,200		1,200
	Subtotal	7,898	5,187	6,450	4,298	5,450
	Utilities					

Robbinsdale Economic Development Authority
2016 Program Budget Worksheet

6405 Electric Service	338	636	2,550	4,800	-
6410 Gas Service			1,000	3,807	-
6414 Water & Sewer Service	144		500	2,400	-
Subtotal	482	636	4,050	11,007	
Internal Charges					
6434 Enterprise Fund Reimb	66,239	66,768	63,589	60,748	63,589
Subtotal	66,239	66,768	63,589	60,748	63,589
Memberships & Travel Charges					
6510 Meeting / Travel Expense					
6512 Conference & Schools					
6514 Dues & Memberships	23				
6516 Subscriptions & Books					
Subtotal	23				
Other Charges					
6712 Legal Notices	173	164	200	725	250
6718 Licenses Taxes & Fees	6,559	6,607	6,500	13,795	6,500
6720 Service Charges	6,788	9,588	6,800		6,600
6722 Closing Costs	7,736	1,349	7,000	15,643	7,000
6724 Inventory writedowns	337,000	(554,453)			
6726 Reimbursements					
6728 Misc Other Charges	92,165	3,006	7,000	65	5,000
Subtotal	450,421	(533,739)	27,500	30,228	25,350
Total Other Charges & Services	597,018	(347,540)	269,059	227,548	260,659
Capital Outlay					
6910 Land	154,000	782,748	300,000	63,335	789,800
Total Capital Outlay	154,000	782,748	300,000	63,335	789,800
Total Transfers		19			
Total Expenditures	$ 757,875	$ 439,049	$ 574,059	$ 294,707	$ 1,055,059
			(300,000)	(63,335)	(789,800)
			274,059	231,372	265,259

Fund: **TIF Development**
Fund Type: **Special Revenue**

	2012 Actual	2013 Actual	2014 Budget	2014 Estimated	2015 Adopted

This information will be updated and handed out at the meeting

Robbinsdale Economic Development Authority

Fund:	Tax Increment Bonds	***Major Objective:***	Debt Service
Tif District:	Project 8		
Program:	TIF Bonds - Project 8	**4272**	

Program Description

Services

Taxable TIF Bonds of 2004 and refinanced with Taxable TIF Bonds of 2007
Taxable TIF Bonds of 2007 were refinanced with Tax Exempt Bonds of 2010

Category	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Adopted
Revenue andOther Sources					
Tax Increment	$ 201,865	$ 198,868	$ 216,150	$ 256,696	$ 260,000
Investment Earnings	(1,674)	4,078	2,900	3,200	3,300
Operating Transfers		19			
Total	$ 200,191	$ 202,965	$ 219,050	$ 259,896	$ 263,300
Expenditures and Other Uses					
Repay Advance from other funds					
Other Services & Charges	$ 952	$ 6,066	$ 1,000	$ 1,000	$ 1,000
Debt Service:					
Principal	110,000	120,000	130,000	130,000	140,000
Interest & Fiscal Charges	165,238	162,327	160,275	160,275	157,813
Interfund Loan Interest	39,773	42,000	43,020	43,020	46,000
Transfers Out	1,625	3,218	6,425	6,425	6,500
Total	$ 317,588	$ 333,611	$ 340,720	$ 340,720	$ 351,313
Fund Equity					
Reserved for Debt Service:					
Balance, January 1	(610,039)	(727,436)	(858,082)	(858,082)	(938,906)
Balance, December 31	$ (727,436)	$ (858,082)	$ (979,752)	$ (938,906)	$ (1,026,919)
Cash Balance					
Reserved for Debt Service:					
Balance, January 1	419,248	301,851	214,737	214,737	176,933
Revenues over (under)	(117,397)	(130,646)	(121,670)	(80,824)	(88,013)
Non Cash Interfund Interest		42,000	43,020	43,020	46,000
Other non-cash		1,532			
Balance, December 31	$ 301,851	$ 214,737	$ 136,087	$ 176,933	$ 134,920

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

Tax Increment Financing
Schedule of Bonds Issues Payable
December 31, 2015

Year	Interest Rate		Principal Amount		Interest Amount		Total
General Obligation Tax Increment Refunding Bonds - Series 2010A - Project 8							
2016	2.25%	$	140,000	$	156,813	$	296,813
2017	2.50%		155,000		153,300		308,300
2018	2.75%		165,000		149,094		314,094
2019	2.75%		180,000		144,350		324,350
2020	3.00%		190,000		139,025		329,025
2021	3.00%		205,000		133,100		338,100
2022	3.00%		220,000		126,725		346,725
2023	3.25%		240,000		119,525		359,525
2024	3.25%		255,000		111,481		366,481
2025	3.50%		275,000		102,525		377,525
2026	3.50%		295,000		92,550		387,550
2027	3.50%		315,000		81,875		396,875
2028	3.75%		335,000		70,081		405,081
2029	4.00%		360,000		56,600		416,600
2030	4.00%		385,000		41,700		426,700
2031	4.00%		410,000		25,800		435,800
2032	4.00%		440,000		8,800		448,800
		$	4,565,000	$	1,713,344	$	6,278,344

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

Fund: **Broadway Court**

Fund Type: **Enterprise**

	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Budget
Operating Statement					
Operating Revenues:					
Apartment Operations	$ 684,325	$ 694,252	$ 684,239	$ 713,288	$ 697,517
Commercial Operations	74,282	64,451	68,701	74,307	67,277
Total Operating Revenues	758,607	758,703	752,940	787,595	764,794
Operating Expenses					
Personal Services	39,726	57,902	83,910	81,276	80,254
Supplies	11,931	5,319	6,846	10,300	6,908
Other Services & Charges	286,190	391,301	320,357	333,814	297,036
Depreciation	157,177	160,354	158,220	158,900	153,080
Total Operating Expenses	495,024	614,876	569,333	584,290	537,278
Operating Income (Loss)	263,583	143,827	183,607	203,305	227,516
Nonoperating Revenues					
Investment Earnings	(9,105)	33,542	26,000	26,000	27,000
Total Nonoperating Revenues	(9,105)	33,542	26,000	26,000	27,000
Nonoperating Expenses					
Interest and Fiscal Charges	184,967	178,610	161,939	161,939	95,520
Total Nonoperating Expenses	184,967	178,610	161,939	161,939	95,520
Net Income (loss) before Operating Transfers	69,511	(1,241)	47,668	67,366	158,996
Transfers From (To) Other Funds					(350,000)
Net Income (Loss)	69,511	(1,241)	47,668	67,366	(191,004)
Retained Earnings					
Beginning of Year	3,616,423	3,685,934	3,684,693	3,684,693	3,752,059
End of Year	$ 3,685,934	$ 3,684,693	$ 3,732,361	$ 3,752,059	$ 3,561,055
Non-Expensed Cash Outlay *					
Bond Principal Payments	$ 145,000	$ 150,000	$ 155,000	$ 155,000	$ 250,000
Capital Improvements	27,139	53,684	30,000	30,000	25,000
Total	$ 172,139	$ 203,684	$ 185,000	$ 185,000	$ 275,000
Cash Availability					
Beginning Cash Balance	$ 2,030,544	$ 2,177,501	$ 2,165,227	$ 2,165,227	$ 2,206,493
Cash Receipts	831,489	819,839	778,940	813,595	791,794
Cash Disbursements	(684,532)	(832,113)	(758,052)	(772,329)	(1,104,718)
Ending Cash Balance	$ 2,177,501	$ 2,165,227	$ 2,186,115	$ 2,206,493	$ 1,893,569
Repair and Replacement Reserve					$ 473,998
Debt Service Reserve					$ 345,520
Unreserved cash					$ 1,074,051

* - Items represented in this category are reflected in the balalnce sheet per proprietary accounting rules established

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

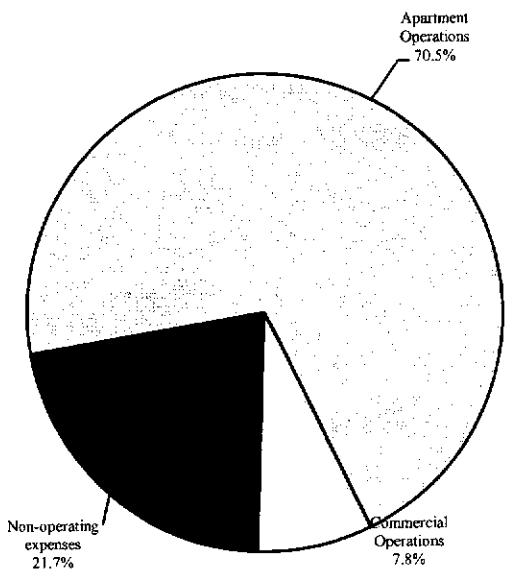
Fund: **Broadway Court**
Fund Type: **Enterprise**

		2013 Actual		2014 Actual		2015 Budget		2015 Estimated		2016 Budget

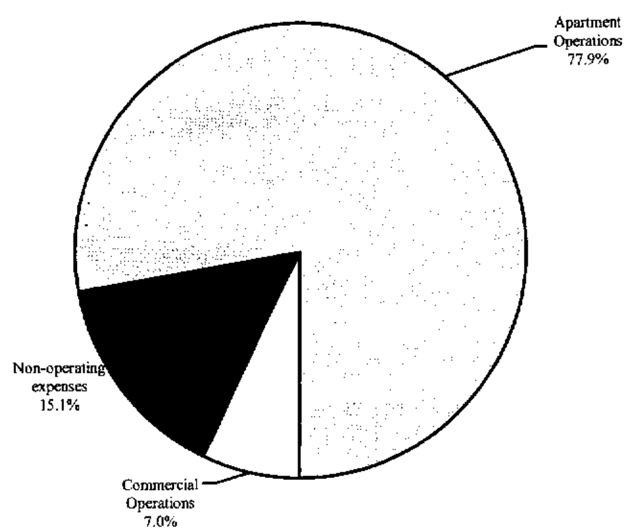
Expenses By Program

		2013 Actual		2014 Actual		2015 Budget		2015 Estimated		2016 Budget
Apartment Operations	$	426,460	$	523,950	$	515,304	$	526,204	$	493,122
Commercial Operations		68,564		90,926		54,029		58,087		44,156
Non-operating expenses		184,967		178,610		161,939		161,939		95,520
Total	$	679,991	$	793,486	$	731,272	$	746,229	$	632,798

2015 Estimate
Expenses By Program



2016 Proposed
Expenses By Program



ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

Fund: Broadway Court — ***Major Objective:*** Enterprise
Departments: Administration & Finance
Program: Apartment Leasing Operations

Program Description

Program accounts for all expenses related to the senior apartment leasing operations of Broadway Court

Services

- Leasing of the apartment units in Broadway Court (contract with Great Lakes Management to provide lease and maintenance services)
- Perform routine cleaning and maintenance of common areas within the building
- Remodel and Improve the common areas of the building as needed

Expenses

Category	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Budget
Personal Services	$ 38,057	$ 55,328	$ 80,111	$ 78,850	$ 76,762
Supplies	11,931	5,319	6,846	10,300	6,908
Other Services & Charges	230,426	315,738	282,247	290,954	261,952
Depreciation	146,046	147,565	146,100	146,100	147,500
Total	$ 426,460	$ 523,950	$ 515,304	$ 526,204	$ 493,122

Related Revenue

Category	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Budget
Apartment Rental	$ 666,703	$ 664,741	$ 664,740	$ 692,954	$ 678,333
Garage Rental	13,640	18,427	18,090	18,548	18,240
Other	3,982	11,084	1,409	1,786	944
Total	$ 684,325	$ 694,252	$ 684,239	$ 713,288	$ 697,517

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

Fund: Broadway Court ***Major Objective:*** Enterprise
Departments: Administration & Finance
Program: Commercial Leasing Operations

Program Description

Program accounts for all expenses related to the commercial space leasing operations of Broadway Court

Services

- Leasing of the commercial space in Broadway Court.
- Perform routine cleaning and maintenance of common areas within the building
- Remodel and Improve the common areas of the building as needed
- Maintain access to the commercial properties to help promote viable downtown businesses.

Expenses

Category	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Budget
Personal Services	$ 1,669	$ 2,574	$ 3,799	$ 2,426	$ 3,492
Other Services & Charges	55,764	75,563	38,110	42,861	35,084
Depreciation & Amortization	11,131	12,789	12,120	12,800	5,580
Total	$ 68,564	$ 90,926	$ 54,029	$ 58,087	$ 44,156

Related Revenue

Category	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Budget
Commercial Rental	$ 39,435	$ 32,833	$ 39,366	$ 45,040	$ 40,278
Common Area	15,608	15,733	12,432	12,396	11,601
Other - Comm Real Estate	19,239	15,885	16,903	16,871	15,398
Total	$ 74,282	$ 64,451	$ 68,701	$ 74,307	$ 67,277

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

Broadway Court
Schedule of Long-Term Debt Issues Payable
December 31, 2015

Year	Interest Rate	Principal Amount	Interest Amount	Total
General Obligation Housing Redevelopment Refunding Bonds - Series 2006A				
2016	2.00%	$ 250,000	$ 94,520	$ 344,520
2017	2.00%	235,000	72,575	307,575
2018	2.00%	240,000	67,825	307,825
2019	2.00%	240,000	63,025	303,025
2020	2.00%	245,000	58,175	303,175
2021	2.00%	250,000	53,225	303,225
2022	2.00%	255,000	48,175	303,175
2023	2.00%	260,000	43,025	303,025
2024	2.00%	265,000	37,775	302,775
2025	2.00%	275,000	32,375	307,375
2026	2.00%	280,000	26,125	306,125
2027	2.00%	285,000	19,063	304,063
2028	2.00%	290,000	11,875	301,875
2029	2.00%	300,000	4,125	304,125
		$ 3,670,000	$ 631,883	$ 4,301,883

AGENDA ITEM **# 11A**
January 12, 2016

INFORMATION ONLY: Project Updates

ADDRESS	COMMENTS
4150 Lake Road *(2007-8 HTC)*	TIF 2000-6: Contract for deed extended. 4% thru 4/29/2019; 6% thru 4/26/2022.
4145 Halifax *(Ayodele Awoleye)*	TIF 2000-6: Waiting for call for final inspection. Listed $349,900. Home to be sold.
3807 Major	TIF 2000-8: Available for purchase. ***See Agenda Item.***
4504 Quail *(Premier Homes)*	Final inspection – more corrections required. Deadline: 5/29/15
3527 Grimes *(Habitat for Humanity)*	Working towards final inspections. Did not meet completion deadline 12/31/15.
3358 Grimes *(Berzins)*	Holding Certificate of Completion until sod complete in the spring.
Twin Oak cul-de-sac lots	Option agreement executed – anticipate agreement execution after the holidays. Subdivision application expected for February/March planning commission. Lot closing after subdivision approved and construction plans ready for submission.
4629 France	Public Hearing ***See Agenda Item.***
4318 Vera Cruz*(Peterson)*	TIF 2000-8: Closed in December. Expect February construction start. Construction completion deadline 9/15/16.
4530 Regent	***See Agenda Item***
4524 Regent	***See Agenda Item***
4518 Regent	***See Agenda Item***
4023 Zane	Property acquired. Working on site clearance. Expected to add to TIF 2000-8
3912 Quail	Offer rejected – Bank minimum $100,000 declined.
Clare Housing TIF District	Project completed. Pay-as-you-go TIF agreement.
TCF Site *(Carlyle LLC)*	Met minimums for 12/31/15 deadline – Anticipate January 22nd opening.
4150 Regent – Garages *(Pendergast)*	TIF Project 8: Construction loan paid in full. Payments on lot to commence in 2016.
39xx W. Broadway *(tax forfeit)*	$139,500 – use $70,000 TOD Sales proceeds
Broadway Court Commercial A	Finalizing lease with ETW Wellness
MNDOT Misc. (lots to acquire)	1. Vera Cruz between 41 & 42. 2 buildable lots available. MNDOT reviewing appraisals. 2. 42xx Toledo-lot on new street/new alley – appraisal requested 3. Easement Only – aging title commitment – on hold:38th & Vera Cruz
4501 Orchard *(Neighbor Garden)*	Neighbors raised issues at CUP hearing –need more complete plans. Agreement executed . Closing deadline March 31, 2016.
Residential Lots on Hold: 3760 Lee 3108-12 Grimes; 4212 Grimes;	Possible sale to City for water treatment plant. Holding.
Twin Oak Lane-rear yards	Outlot B – Contract for deed executed Outlot C – Contract for deed executed.
OPEN TO BUSINESS	Office Hours even numbered months. 1st Wednesday 9:30-11:30 a.m. Multi-year contract with ability to cancel.
Lions Gym & EMI Rehab	Projects completed –forgiven after 10 years (January 2022)
Wicked Wort – Façade grant	Agreement executed – forgiven after 10 years (December 2025)
Golden Age Design	Expecting to move forward.
Wuollet Loan	Payments being made on schedule
Plaza Project	No open initiatives.

Marcia Glick

Marcia Glick, Executive Director

AGENDA ITEM # ______
January 12, 2016

***New Business*:** **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 2006 - 2007, 2008 - 2009, 2010 - 2011, and 2014-2015. 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/CONCLUSION:

The REDA plans to incur various expenses within the REDA General Development Fund throughout 2016-2017 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 State Statute. The interest rate is currently restricted under State Statutes, and is 4%. 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 Resolution, Authorize an interfund loan for eligible REDA General Development Fund expenditures that will occur during 2016 and 2017, 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 rate to be variable, fluctuating with the maximum rate allowed under State Statute.

Marcia Glick

Marcia Glick,
Executive Director

CONCURRENCE:

Larry Jacobson

Larry Jacobson, Finance Director

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Member ______________________ moved and Member ____________________ seconded a motion that the following resolution be read and adopted this 12th day of January 2016.

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. 2016-______

A RESOLUTION TO AUTHORIZE AN INTERFUND LOAN FOR ELIGIBLE REDA GENERAL DEVELOPMENT FUND EXPENDITURES THAT WILL OCCUR DURING 2016 AND 2017, 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 RATE TO BE VARIABLE, FLUCTUATING WITH THE MAXIMUM RATE ALLOWED UNDER STATE STATUTE.

WHEREAS; State Statutes require that the Robbinsdale Economic Development Authority authorize by resolution any Interfund Loans needed by newly established or anticipated Tax Increment Financing Districts; and

WHEREAS; The REDA intends to have expenditures that are Tax Increment eligible during 2016 and 2017 and requires an Interfund Loan for the administration, acquisition, and site preparation costs that are to be reimbursed through future Tax Increment Revenues;

NOW THEREFORE BE IT RESOLVED; that the Robbinsdale Economic Development Authority authorizes an interfund loan for eligible Robbinsdale Economic Development Authority (REDA) General Development Fund expenditures that will occur in 2016 and 2017 from the General Development Fund as needed in an amount not to exceed $1,000,000. The Loan will have a term equal to the life of any future Tax Increment Financing District that is established and be at a variable rate, fluctuating with the maximum rate allowed under State Statute and calculated yearly based on the average monthly balance remaining. The REDA General Development Fund will collect principal and interest no less than once per year, provided that revenues are available, with interest being collected first. Upon dissolution of the District, any remaining loan balance shall be expensed to the REDA General Development Fund.

The question was on the adoption of the resolution and upon a vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

WHEREUPON SAID RESOLUTION WAS DECLARED DULY PASSED AND ADOPTED THIS 12TH DAY OF JANUARY 2016.

____

______________________, President

ATTEST:

____

Marcia Glick, Executive Director

G:\REDA\TIF Districts\Interfund Loan Resolutions\REDA Blanket TIF Interfund Loan Resolution 2016-2017.docx

AGENDA ITEM # 9B
January 12, 2016

***New Business*:** **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 2006 - 2007, 2008 - 2009, 2010 - 2011, and 2014-2015. 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/CONCLUSION:

The REDA plans to incur various expenses within the REDA General Development Fund throughout 2016-2017 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 State Statute. The interest rate is currently restricted under State Statutes, and is 4%. 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 Resolution, Authorize an interfund loan for eligible REDA General Development Fund expenditures that will occur during 2016 and 2017, 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 rate to be variable, fluctuating with the maximum rate allowed under State Statute.

Marcia Glick

Marcia Glick,
Executive Director

CONCURRENCE:

Larry Jacobson

Larry Jacobson, Finance Director

Member ______________________ moved and Member ____________________ seconded a motion that the following resolution be read and adopted this 12th day of January 2016.

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. 2016-______

A RESOLUTION TO AUTHORIZE AN INTERFUND LOAN FOR ELIGIBLE REDA GENERAL DEVELOPMENT FUND EXPENDITURES THAT WILL OCCUR DURING 2016 AND 2017, 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 RATE TO BE VARIABLE, FLUCTUATING WITH THE MAXIMUM RATE ALLOWED UNDER STATE STATUTE.

WHEREAS; State Statutes require that the Robbinsdale Economic Development Authority authorize by resolution any Interfund Loans needed by newly established or anticipated Tax Increment Financing Districts; and

WHEREAS; The REDA intends to have expenditures that are Tax Increment eligible during 2016 and 2017 and requires an Interfund Loan for the administration, acquisition, and site preparation costs that are to be reimbursed through future Tax Increment Revenues;

NOW THEREFORE BE IT RESOLVED; that the Robbinsdale Economic Development Authority authorizes an interfund loan for eligible Robbinsdale Economic Development Authority (REDA) General Development Fund expenditures that will occur in 2016 and 2017 from the General Development Fund as needed in an amount not to exceed $1,000,000. The Loan will have a term equal to the life of any future Tax Increment Financing District that is established and be at a variable rate, fluctuating with the maximum rate allowed under State Statute and calculated yearly based on the average monthly balance remaining. The REDA General Development Fund will collect principal and interest no less than once per year, provided that revenues are available, with interest being collected first. Upon dissolution of the District, any remaining loan balance shall be expensed to the REDA General Development Fund.

The question was on the adoption of the resolution and upon a vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

WHEREUPON SAID RESOLUTION WAS DECLARED DULY PASSED AND ADOPTED THIS 12TH DAY OF JANUARY 2016.

____

____________________, President

ATTEST:

____

Marcia Glick, Executive Director

AGENDA ITEM **# 11A**
January 12, 2016

INFORMATION ONLY: Project Updates

ADDRESS	COMMENTS
4150 Lake Road *(2007-8 HTC)*	TIF 2000-6: Contract for deed extended. 4% thru 4/29/2019; 6% thru 4/26/2022.
4145 Halifax *(Ayodele Awoleye)*	TIF 2000-6: Waiting for call for final inspection. Listed $349,900. Home to be sold.
3807 Major	TIF 2000-8: Available for purchase. ***See Agenda Item.***
4504 Quail *(Premier Homes)*	Final inspection – more corrections required. Deadline: 5/29/15
3527 Grimes *(Habitat for Humanity)*	Working towards final inspections. Did not meet completion deadline 12/31/15.
3358 Grimes *(Berzins)*	Holding Certificate of Completion until sod complete in the spring.
Twin Oak cul-de-sac lots	Option agreement executed – anticipate agreement execution after the holidays. Subdivision application expected for February/March planning commission. Lot closing after subdivision approved and construction plans ready for submission.
4629 France	Public Hearing ***See Agenda Item.***
4318 Vera Cruz*(Peterson)*	TIF 2000-8: Closed in December. Expect February construction start. Construction completion deadline 9/15/16.
4530 Regent	***See Agenda Item***
4524 Regent	***See Agenda Item***
4518 Regent	***See Agenda Item***
4023 Zane	Property acquired. Working on site clearance. Expected to add to TIF 2000-8
3912 Quail	Offer rejected – Bank minimum $100,000 declined.
Clare Housing TIF District	Project completed. Pay-as-you-go TIF agreement.
TCF Site *(Carlyle LLC)*	Met minimums for 12/31/15 deadline – Anticipate January 22nd opening.
4150 Regent – Garages *(Pendergast)*	TIF Project 8: Construction loan paid in full. Payments on lot to commence in 2016.
39xx W. Broadway *(tax forfeit)*	$139,500 – use $70,000 TOD Sales proceeds
Broadway Court Commercial A	Finalizing lease with ETW Wellness
MNDOT Misc. (lots to acquire)	1. Vera Cruz between 41 & 42. 2 buildable lots available. MNDOT reviewing appraisals. 2. 42xx Toledo-lot on new street/new alley – appraisal requested 3. Easement Only – aging title commitment – on hold:38th & Vera Cruz
4501 Orchard *(Neighbor Garden)*	Neighbors raised issues at CUP hearing –need more complete plans. Agreement executed . Closing deadline March 31, 2016.
Residential Lots on Hold: 3760 Lee 3108-12 Grimes; 4212 Grimes;	Possible sale to City for water treatment plant. Holding.
Twin Oak Lane-rear yards	Outlot B – Contract for deed executed Outlot C – Contract for deed executed.
OPEN TO BUSINESS	Office Hours even numbered months. 1st Wednesday 9:30-11:30 a.m. Multi-year contract with ability to cancel.
Lions Gym & EMI Rehab	Projects completed –forgiven after 10 years (January 2022)
Wicked Wort – Façade grant	Agreement executed – forgiven after 10 years (December 2025)
Golden Age Design	Expecting to move forward.
Wuollet Loan	Payments being made on schedule
Plaza Project	No open initiatives.

Marcia Glick
Marcia Glick, Executive Director

Robbinsdale Economic Development Authority

Fund: TIF Development

Fund Type: Special Revenue

	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Budget
Revenues and Other Sources by Program					
Project 2000-1	$ 6,827	$ 5,849	$ 6,500	$ 7,150	$ 7,200
Project 2000-2	19,974	18,158	18,500	22,315	
Project 2000-3	2				
Project 2000-4	16,129	15,268	16,000	16,375	16,400
Project 2000-5	17,853	17,218	18,000	17,052	18,000
Project 2000-6	38,204	39,918	19,468	20,004	19,468
Project 2000-7	30,087	17,828	3,500	9,371	9,600
Project 2000-8		30,500		59,000	
Project 7 Area					
Project 8 Area	1,625	3,218	6,425		
Project 8-A Area	2,609	3,703		14,750	15,000
Project 9	18,021	18,377			
Project 10	12,645	151	2,500	9,250	9,500
Project 11		200,000			
Total TIF Revenue	$ 163,976	$ 370,188	$ 90,893	$ 175,267	$ 95,168
Expenditures and Other Uses By Program					
Project 2000-1	$ 536	$ 553	550	$ 547	$ 550
Project 2000-2	613	584	$ 650	62,228	680
Project 2000-3		152			
Project 2000-4	15,757	15,769	15,800	15,797	15,800
Project 2000-5	14,535	14,434	14,800	14,822	14,800
Project 2000-6	69,119	17,650	21,765	21,844	21,815
Project 2000-7	72,836	62,067	32,350	41,670	31,685
Project 2000-8		111,969	1,515	48,518	124,050
Project 7 Area	411				
Project 8 Area	1,669	1,805	6,425		
Project 8-A Area	64,711	12,416	9,875	10,872	10,875
Project 9	1,304	10,123	572		
Project 10	57,409	14,286	14,055	14,302	14,305
Project 11		217,058	7,050	3,694	7,400
Total TIF Expenditures	$ 298,900	$ 478,866	$ 125,407	$ 234,294	$ 241,960
Fund Equity					
Excess (Deficiency) of Revenues over Expenditures	$ (134,924)	$ (108,678)	$ (34,514)	$ (59,027)	$ (146,792)
Fund Balance:					
Beginning of Year	(2,439,290)	(2,574,214)	(2,682,892)	(2,682,892)	(2,741,919)
End of Year	$ (2,574,214)	$ (2,682,892)	$ (2,717,406)	$ (2,741,919)	$ (2,888,711)

Robbinsdale Economic Development Authority

Fund: Tax Increment Bonds | ***Major Objective:*** Debt Service
Tif District: Project 8
Program: TIF Bonds - Project 8 | **4272**

Program Description

Services

Taxable TIF Bonds of 2004 and refinanced with Taxable TIF Bonds of 2007
Taxable TIF Bonds of 2007 were refinanced with Tax Exempt Bonds of 2010

Category	2013 Actual	2014 Actual	2015 Budget	2015 Estimated	2016 Adopted
Debt Service Cash Flow					
Debt Service:					
TIF Revenue	201,865	198,868	216,150	256,696	260,000
Debt Service:					
Principal	110,000	120,000	130,000	130,000	140,000
Interest & Fiscal Charges	165,238	162,327	160,275	160,275	157,813
	275,238	282,327	290,275	290,275	297,813
Revenue under Debt Service	$ (73,373)	$ (83,459)	$ (74,125)	$ (33,579)	$ (37,813)

Note: Payment amount may not reflect the actual amount due to data sequencing and/or data selection.

Council Check Summary

1/12/2016 - 1/12/2016

Company		Amount
02005 Housing Development		155,531.68
	Report Totals	155,531.68

City of Robbinsdale

Council Check Register by GL

Council Check Register and Summary

1/12/2016 -- 1/12/2016

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
186919	**1/12/2016**		**116321 CARLYLE GROUP LLC**							
		15,000.00	DOWNTOWN LOAN 11/25/15 AGRMENT		108413	20151231	2005.1810	00005223	Notes receivable	Business & Housing Development
		15,000.00								
186920	**1/12/2016**		**114195 ECM PUBLISHERS INC**							
		44.68	4023 ZANE-PHN		108412	290798	2005.6712	00005380	Legal Notices	Business & Housing Development
		44.68								
186921	**1/12/2016**		**100428 HENNEPIN COUNTY TREASURER**							
		46,579.00	3935 W BRDWAY		108414	23497	2005.6910	00005337	Land	Business & Housing Development
		46,579.00	3937 W BRDWAY		108415	23496	2005.6910	00005337	Land	Business & Housing Development
		46,579.00	3939 W BRDWAY		108416	23495	2005.6910	00005337	Land	Business & Housing Development
		139,737.00								
186922	**1/12/2016**		**100426 LOT SURVEYS COMPANY INC**							
		750.00	4023 ZANE-BOUNDY,SURVEY, LOCAT		108411	84671	2005.6310	00005380	Professional Services	Business & Housing Development
		750.00								
		155,531.68	Grand Total							

Payment Instrument Totals

Checks	155,531.68
Total Payments	155,531.68