

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
AGENDA
7:00 P.M.
TUESDAY, MARCH 9, 2021
VIA WebEx**

- The public may participate in this meeting by emailing MGLICK@CLROBBINSDALE.MN.US or calling Marcia Glick, Executive Director by 4:00 pm on the date of the meeting at 763-531-1258.
- The public will be able to listen to this meeting by calling +1-312-535-8110, and then enter access code # 133-228-6851. If prompted, hit #.
- The public can also view and hear the meeting on CCX TV.

1. MEETING CALLED TO ORDER

2. MICROPHONE CHECK:

3. ROLL CALL: Kline, Webb, Selman, Blonigan, President Backen

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. **Motion** to approve and order placed on file minutes of the following:
- **Regular Meeting Minutes of February 9, 2021 and** 2-8
 - **Work Session Meeting Minutes of February 23, 2021.....**
- B. **Motion** to accept the **Open to Business** staff report..... 9-11
- C. **Motion** to approve **Disbursement Requests** for period ending March 9, 2021..... 12

5. CONTINUED PUBLIC HEARING:

- A. 3359 Halifax Ave N - Disposition of Land..... 13-20

6. PUBLIC HEARING:

None scheduled

7. NEW BUSINESS:

- A. Meeting Options for April 13, 2021..... 21
- B. 4165 Hubbard – Northside Oriental Market..... 22

REDA MEETING AGENDA

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8. OTHER BUSINESS:
 - A. Insurance Renewal – Waiving the Statutory Tort Liability Limits..... 23
9. INFORMATION ONLY:
 - A. Project Update..... 24
10. REDA GENERAL COMMUNICATIONS
11. ADJOURNMENT



Marcia Glick, Executive Director

ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, FEBRUARY 9, 2021
VIA WebEX

AGENDA ITEM #4A
March 9, 2021

CALL TO ORDER:

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

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Blonigan, Kline, Webb, Selman, President Backen
Members Absent: None
Staff Present: Marcia Glick, Executive Director
Rick Pearson, Community Development Coordinator

- Note: President Backen was having intermittent log in issues and Vice President Selman chaired the meeting.

#4A-C CONSENT AGENDA:

4. **Member Blonigan removed item B**
5. **MOTION** by Member Blonigan, seconded by Vice President Selman to approve and place on file the Consent Agenda Items #4A and C:
 - A. Motion to approve and order place on file minutes of the following:
 - **Regular Meeting Minutes of January 12, 2021;**
 - B. (removed)
 - C. Motion to approve **Disbursement Requests** for period ending February 9, 2021.

ROLL CALL:

Yea: Blonigan, Kline, Webb, Selman, President Backen

Nay: None

All voted in favor and the motion carried.

6. Member Blonigan noted the motion only suggested short term fixes. Glick responded that later in the agenda there would be discussion regarding the redevelopment plans for this site and agreed if the property lease would potentially be extended, it made sense to look at longer term options.
7. **MOTION** by Member Blonigan, second by Member Selman authorize the Executive Director to hire an HVAC professional to evaluate the roof top units; determine what is needed to provide adequate heat to the grocery store through the end of the lease; and to proceed with repairs for this heating season at **4165 Hubbard Ave.**

#5A: CONTINUED PUBLIC HEARING: 3359 Halifax Ave N – Disposition of Land

8. Pearson presented the staff report and lot offer from Seth and Libby Peterson of Coastland Productions, Inc.; \$40,000 and 2 story home with full basement. Proposal included only doing LP siding on the front; vinyl on other sides. Pearson reviewed all of the amenities proposed. The estimated finished market value is \$515,000.
9. Glick addressed going into executive session; recommended holding the executive session at the end of the meeting.
10. President Backen supported going into closed session. Voiced concern about using two different types of siding on a corner lot home. Concerned about curb appeal along the 34th Ave side.
11. Member Selman asked for more detail on the plans for views of window placement.
12. Member Blonigan agreed with Member Selman. Liked the look of the house, could consider making the house a little bigger up to 3,000 square feet.
13. Vice President Selman opened the public hearing.
14. **Seth Peterson, Applicant** addressed a few of the issues. Likes infill lots where the city has a good vision. Square footage will be added to the first floor. He wanted to get a feel of what the city thinks of the plan to be headed in the right direction. Will have the plans redrawn. The cost of materials, including Hardy siding, have skyrocketed with increases to materials and labor. Wants quality, not cut corners. Proposed to use the LP upfront and vinyl on the sides due to costs; they use a heavier grade vinyl.
15. Vice President Selman requested pictures of the houses they have built including addresses.
16. Member Blonigan agreed with the President and Vice President. Would like to know the increase in cost to use the LP siding on the entire house.
17. **Mr. Peterson** stated that he and his wife choose infill lots in cities that have a good vision of what they want to build. Will be glad to share sworn statements to show profits on houses they have completed.
18. **Motion** by Vice President Selman, seconded by Member Webb to continue the public hearing until March 9, 2021 at 7:00 p.m.
ROLL CALL:
Yea: Blonigan, Kline, Webb, Selman, President Backen
Nay: None
All voted in favor and the motion carried.

#6A: PUBLIC HEARING: 3933, 3935, 3937, 3939 West Broadway – Disposition of Land

19. Glick clarified that this is not a public hearing, though it had been advertised as such and therefore the process will be followed. Pearson presented the staff report. All the lots combined are 110 feet frontage along West Broadway. He reviewed the various types of housing that could be built on the site. He also noted the modification to the resolution to change the third whereas cited should be changed to Subdivision 10 B.
20. Member Blonigan suggested pursuing a landswap that had been discussed in 2020.
21. President Backen supports an RFP to get a broader selection of ideas. Seeking as much input as possible.
22. Vice President Selman agreed with President Backen. Not in a hurry but would like to get it wrapped up and identify the plan for the site.
23. There was discussion on how to proceed. There was support for moving forward with a developer round table at the staff level to get candid points of view. Everyone agreed that more information on the process is needed.
24. Vice President Selman opened the public hearing. No one spoke to this agenda item.
25. **Motion** by President Backen, seconded by Vice President Selman to close the public hearing.
ROLL CALL:
Yea: Blonigan, Kline, Webb, Selman, President Backen
Nay: None
All voted in favor and the motion carried.
26. **Motion** by President Backen, seconded by Member Blonigan to adopt the resolution regarding demolition of a structurally substandard building and inclusion of the lot in a tax increment financing district in the future.
ROLL CALL:
Yea: Blonigan, Kline, Webb, Selman, President Backen
Nay: None
All voted in favor and the motion carried.

#7A: NEW BUSINESS: Downtown Redevelopment Options

27. Glick presented the staff report reviewing various government owned properties in the downtown to consider for redevelopment. Suggested this could be part of round table discussion discussed previously.

28. Members indicated in hearing developers thoughts about the opportunities noting we could be waiting for light rail for a long time.
29. Vice President Selman would prioritize the discussion at the round table meeting. First the Royal Pet site, second being where the surface parking lot is on 42nd, and the downtown to see what developers think they would develop the area into.
30. Member Blonigan pointed out the recent costs to maintain Hubbard Marketplace and that the decision to sell Hubbard Marketplace to Metro Transit has proven to be a financially sound decision for the city.

#7B. NEW BUSINESS: Forgivable Loan Program – Façade Improvements:

31. Glick presented the staff report for this program and request by the owner of 4153 West Broadway, who provide the security for the loan via a mortgage, for the future use of the site should the ownership of the restaurant business take place in the 10 year window. Ben Ditzer is the person authorized to sign agreements for Birdtown Partners LLC.
32. Commissioners indicated support of the proposal indicating that they would support a change in business ownership while stopping the clock at any time that the restaurant changed hands and closed for more than 3 months; open to consider a different type of business that could replace the restaurant in the future, at REDA discretion.
33. Commissioners supported moving forward with the loan agreement to be drafted by the REDA Attorney as noted above.

#8A OTHER BUSINESS: Identify Dates to Tour 3917 Vera Cruz:

34. Vice President Selman asked staff if they had a date in mind. Glick replied March 9th before the EDA meeting. Suggested time is 6:00 to 6:30 pm. Vice President Selman encouraged the new members to look at the house and see how this house would fit on the Halifax lot.
35. Member Blonigan suggested a green sheet item or email to provide before and after pictures of the property.
36. Vice President Selman confirmed the work session/tour date and time as March 9th at 6:00 pm to tour the property at 3917 Vera Cruz before the EDA meeting.

#7: Information Only: Project updates

37. No action required.

#8: REDA General Communications

38. Glick reported that Salon HALO will be expanding into the space next door.
39. Member Blonigan noted that Parker Station Flats expect models to be open in late April 2021. Building will open in June; July move in.
40. President Backen thanked Vice President Selman for leading the meeting due to technical difficulties.
41. Member Blonigan noted that the Bird Bash he attended raised \$50,000. He thanked Member Webb, who is a board member of the Dream Foundation, for all of the hard work that went into putting on the event. It was a great success.

#9: ADJOURNMENT:

42. **MOTION** by President Backen, seconded by Member Blonigan to adjourn the meeting at 8:19 p.m.

ROLL CALL:

Yea: Blonigan, Kline, Webb, Selman, President Backen

Nay: NONE

All voted in favor and the motion carried.

Marcia Glick, Recording Secretary

Pat Backen, REDA President

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, February 23, 2021
COUNCIL CHAMBERS**

CALL TO ORDER:

1. The Robbinsdale Economic Development Authority (REDA) meeting was called to order by Vice President Selman at 7:30 p.m.

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Blonigan, Kline, Webb, Selman, President Backen
Members Absent: None
Staff Present: Marcia Glick, Executive Director;
Rick Pearson, Community Development Coordinator
Others Present: Marleny Leiva, property owner
Jim LaValle and Paul Keenan, development partners

#3 Discussion: 4600 Lake Road – Gap Funding

4. LaValle noted the group has done environmental studies, market feasibility, and reached out to provide equity partners. Robbinsdale is qualified as a viable area with a diverse housing mix and the site itself has a natural amenity area. Noted that building an apartment vs. high end homes opens the location to people of varied incomes. The development is expected to be \$30M with \$9M equity and a gap of \$250,000 to \$300,000 in annual tax increment.
5. Keenen, Reuter Walton VP Development, a Twin Cities multi-family apartment firm. In Maxfield Market Study, 94 of the 118 units would have units below the 80% AMI – good work force housing.
6. LaValle offered to provide a tour of developments that he and Reuter Walton had completed. The project costs include addressing soft soils, infrastructure to improve water quality runoff, a building that was energy efficient with durable finishes while not being a “platinum plated” product.
7. Keenen estimated the payback would be 12-15 years. While qualifying as affordable, there will not be restricted incomes or rents.
8. REDA members indicated there should be clarification on dock use; assuring that the parking demand is managed; addressing traffic count comparison for the use vs current building use if fully rented; also traffic impacts from deliveries.
9. Leiva confirmed that the project size had been reduced from the initial proposal and the parking provided was greater than code required. She noted the previous public hearing was for a higher building unit count.

10. Staff confirmed that the project had completed the planning review in 2020 with a conditional use permit for realigning the shoreline (excavation and fill). There are no variances required for the development.
11. Glick noted next step would be for the developer to start paying for financial consultant, blight analysis consultant, REDA legal costs for document drafting which could run \$20,000. The public hearing before the city council would determine if it makes sense from a financial prospective to use tax increment financing. REDA in supporting the exploration of the financing tool would indicate that there would be a benefit to redeveloping this site as proposed vs. the alternative of the continuation of the current use. The developer is seeking parameters of what REDA would expect from equity ratio, payback, etc. Expecting that 1st step will be running through the initial exploration and then checking in with REDA prior to proceeding with other costs.
12. Leiva shared concern that as office tenants have moved out
13. Staff will collect comparative data for Birdtown Flats, Parker Station Flats, and this current proposal as to the total value, developer equity, TIF assistance. Glick confirmed the requested TIF would be around \$3M.
14. Backen and Selman indicated that they would not support more than a 15 year TIF District.
15. Kline indicated support for an apartment development over a few large houses; providing opportunity for more people to have access to the lake. Webb agreed the apartment may be the best use for the property while noting that ideally there would be an alternative access. Therefore, there's a need to continue the conversation with the people on Lilac Drive.
16. Leiva noted that if she was not able to attract good tenants, a vacant building at the end of a road could be an escalating blighting influence. The project has evolved to be fewer units.

#4: ADJOURNMENT:

17. **MOTION** by Member Backen, seconded by Member Murphy to adjourn the meeting at 8:24 p.m. **All voted in favor and the motion carried.**

Marcia Glick, Recording Secretary

Pat Backen, REDA President



AGENDA ITEM #4B
March 9, 2021

Consent: Open to Business

BACKGROUND:

The Open to Business program includes business plan development, feasibility studies, cash flow and financing projections, marketing, loan request preparations and advocacy with lending institutions. The program is operated by Metropolitan Consortium of Community Developers (MCCD.) A representative is available to consult by appointment.

The current contract is from 2019-2021 at an annual fee of \$3,750, the same as the previous contract.

DISCUSSION:

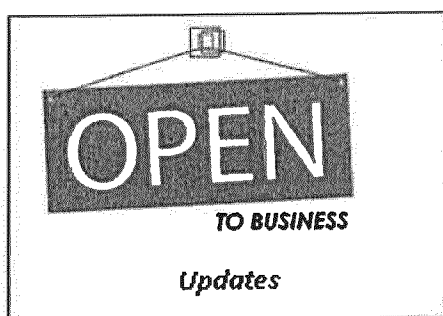
It has been a benefit to have a confidential opportunity for those with business ideas to talk through their plans with the Open to Business staff, particularly with their knowledge of business financing options. In 2020 MCCD also assisted in the administration of CARES grants for some of the Robbinsdale businesses. They also serve as a resource to help struggling businesses prepare a profit/loss report and consider other ways to improve their revenue. The 2020 report is attached.

RECOMMENDATION:

No action required.



Marcia Glick, Executive Director



BUILDING OPPORTUNITY
MCCD 30
 YEARS
 Metropolitan Consortium of Community Developers

Robbinsdale Year End Report – 12.31.2020

Open to Business
 3137 Chicago Ave
 Minneapolis, MN 55407
 612-789-7337

Clients Served

New Entrepreneur/Start-up	2
Existing Business	4
Total	6

Financing & Access to Capital

See below for CARES Act funding and Credit Building loans

Program Hours

	TA Hours
Total	18.00

Industry Segment

Food	2
Health/Fitness	1
Professional	1
Retail	1
<u>Technology</u>	<u>1</u>
Total	7

Referral Source

Entrepreneur	1
Municipality	4
<u>Other</u>	<u>1</u>
Total	6

TA: Client Meetings, Providing Resources, Client calls, Client Deliverables, Loan Packaging

Client Demographics	# of Clients	TA Hours
Women Entrepreneurs	3	12
BIPOC Entrepreneurs	3	4.5
Low Income Entrepreneurs	2	3.5

Direct Financing & Access to Capital*

Federal CARES Act Grant Programs

MCCD was the co-administrator and funding agent for the Hennepin County federal CARES Act Funding for the first two rounds of funding in 2020: **The Hennepin County Small Business Relief Fund**; and **The Hennepin County Self-Employed Entrepreneur Fund**.

MCCD administered or disbursed over 1,250 grants to business owners in Hennepin County accounting for \$10,200,000 in aggregate grant funding for these programs.

MCCD reviewed or disbursed 6 grants to **Robbinsdale businesses** accounting for \$47,900 in total grant funding in these programs.

Access to Capital: Credit Builder Loans

MCCD provided credit builder loans to 31 metropolitan area residents in 2020. Working with our nonprofit counseling partners, we made these credit-building loans which are helping low income and BIPOC businesses establish and improve much needed credit scores. Most credit builder borrowers who pay their MCCD loans on time and continue to work on their credit see increases of 20 to 35 points and even more after one year in the program. MCCD's credit builder loans are zero interest, too, and fees are low.



AGENDA ITEM #4C
March 9, 2021

CONSENT AGENDA: Disbursement Requests for period ending
March 9, 2021

This information will be distributed at the meeting.

PAID

INVOICE GL DISTRIBUTION REPORT FOR ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

Amount Check #

Fund Totals:

Fund 2005 BUSINESS & H
Fund 2547 TIF DISTRICT

514.00
70.00

Total For All Funds:

584.00

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
PAID					
Check 205263	REPAIR & MAINTENANCE	ALLEN PROPERTY SERVICES	SNOW REMOVAL 3359 HALIFAX & 3933 BROA	70.00	205263
2005-2005-6340.00000-00005	REPAIR & MAINTENANCE	ALLEN PROPERTY SERVICES	SNOW REMOVAL 3359 HALIFAX & 3933 BROA	70.00	205263
2547-2547-6340.00000-00005					
Total For Check 205263				140.00	
Check 205264	LEGAL FEES - GENERAL COUNSEL	KENNEDY & GRAVEN, CHARTE	ADMINISTRATION	144.00	205264
2005-2005-6311.00000					
Total For Check 205264				144.00	
Check 205265	COMMISSIONER STIPEND	KLING, TYLER	REG MEETING 02/09	60.00	205265
2005-2005-6139.00000					
Total For Check 205265				60.00	
Check 205266	COMMISSIONER STIPEND	WEBB, SHEILA	REG MEETING	60.00	205266
2005-2005-6139.00000					
Total For Check 205266				60.00	
Check 82	COMMISSIONER STIPEND	BACKEN, PAT	REG MEETING 02/09	60.00	82
2005-2005-6139.00000					
Total For Check 82				60.00	
Check 83	COMMISSIONER STIPEND	BLONIGAN, WILLIAM	REG MEETING 02/09/2021	60.00	83
2005-2005-6139.00000					
Total For Check 83				60.00	
Check 84	COMMISSIONER STIPEND	SELMAN, GEORGE	REG MEETING 02/09	60.00	84
2005-2005-6139.00000					
Total For Check 84				60.00	



AGENDA ITEM #5A
March 9, 2021

PUBLIC HEARING: Disposition of lot at 3359 Halifax Ave. N. Possible Executive Session

BACKGROUND:

On February 9, 2021 the REDA continued the public hearing for 3359 Halifax Avenue North for additional information regarding the offer by Seth and Libby Peterson of Coastland Productions, Inc. The asking price for the lot is \$55,000. The offer is \$40,000. The requested additional information includes:

- Elevations, with particular interest on the street-side along 34th Ave. N.
- More details about the quality of the vinyl siding.
- Addresses of other projects that the REDA can go see in addition to 4217 Ewing.

ANALYSIS/CONCLUSION:

Refined plans (provided as **Attachment A**) were received for the proposed two-story house. The elements of the concept are very similar, except the plan shows how the basement is accessed by stairs across from the entrance to the attached garage. The house finished square feet has been increased by 193 sq. ft. for a total of **2,152 sq. ft.** There is still a front porch and an attached 2-car (tuck-under) garage which is now 22 x 22. The unfinished basement shows what appears to be an egress window. It would have LP siding on the front and vinyl siding on the sides and rear elevations plus brick.

Main floor 858 finished square feet – increased from 807 sq. ft.

- Slightly less than full width front porch.
- Entry foyer opening up to great room with gas fireplace.
- Kitchen with island, walk-in pantry.
- Dining with built-in seating with side entrance to side yard patio.
- Powder room (1/2 bath), closet and office.
- 9 ft. ceilings throughout

Second Floor 1,294 finished square feet – increased from 1,152 sq. ft.

- Common area, linen closet, second floor laundry.
- Owner's suite with vaulted ceiling, walk-in closet, full bathroom.
- 3 bedrooms with shared full bathroom.

Basement – 858 sq. ft. unfinished, but a double casement window is shown. A rough-in for a bathroom would be considered.

The requested building elevations, addresses of builder's other projects and specifics concerning the proposed vinyl siding had not been received in time for the writing of this summary. If the information becomes available it will be forwarded separately, or presented at the meeting.

The builder's estimated finished market value is \$515,000. The Hennepin County Appraiser reviewed concept and the refined plans and felt the available comparable sales would support a value equal to, or close to the builder's estimate.

The REDA may recess the meeting to go into executive session via separate WebEx to discuss the lot offer. A separate WebEx meeting invitation has been sent for this purpose.

If the additional requested information is not available, then staff recommends continuing the public hearing until April 13. Given the scheduled work session that precedes the April meeting, the REDA may choose to specify a later time in the evening for the public hearing.

RECOMMENDATION:

1. Open the public hearing.
2. If the REDA finds the offer to be acceptable, then close the public hearing and Motion to adopt the resolution shown in **Attachment B** awarding the lot at 3359 Halifax Ave. N. to Coastland Productions, Inc. and authorize the Executive Director to enter into a development agreement.

Or,

3. Discuss and provide direction and
4. Motion to continue the public hearing to 7 pm, April 13, 2021, or as soon as possible thereafter.



Marcia Glick, Executive Director

CONCURRENCE:



Rick Pearson, Community Development Coordinator

ELECTRICAL NOTES

MECHANICAL COMPONENTS
MINED BY BUILDING CODES AND
THAT SHOWN

BE PROVIDED TO CODE.
OUTLETS MAY VARY FROM
UPGRADES AND ADDITIONS
IFIED ON PLANS.

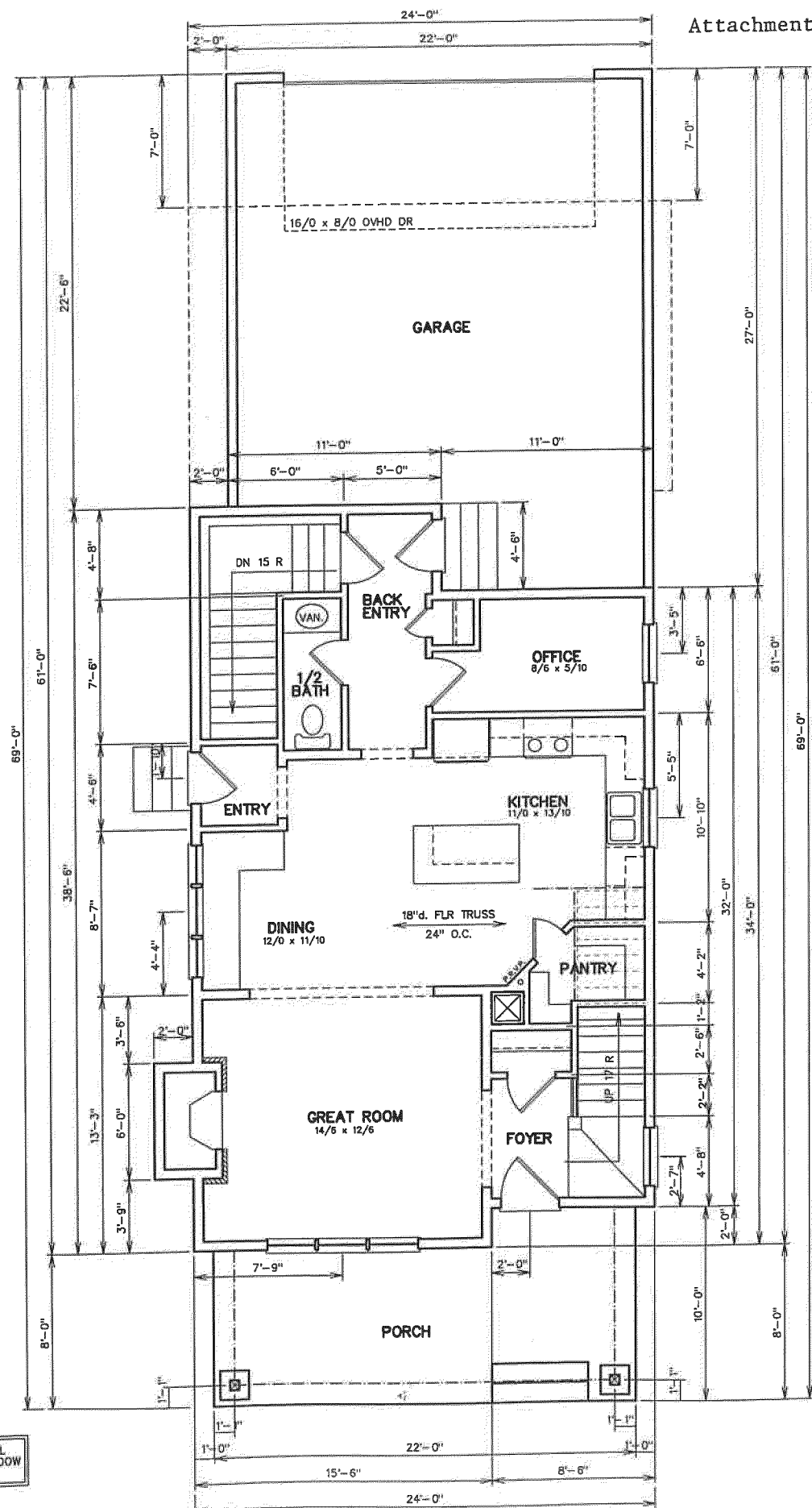
ORS TO BE INTERCONNECTED,
TH BATTERY BACK-UP. ONE
D EACH BEDROOM

IT BEARING OPENINGS LESS
HALL HAVE 2-2x10 HEADERS
EADERS TO BE 3-2x10 UNLESS
ECIFIED ON THE DRAWINGS. VERIFY
CHANGERS FROM THE LUMBER
O AND/OR BUILDING OFFICIALS.

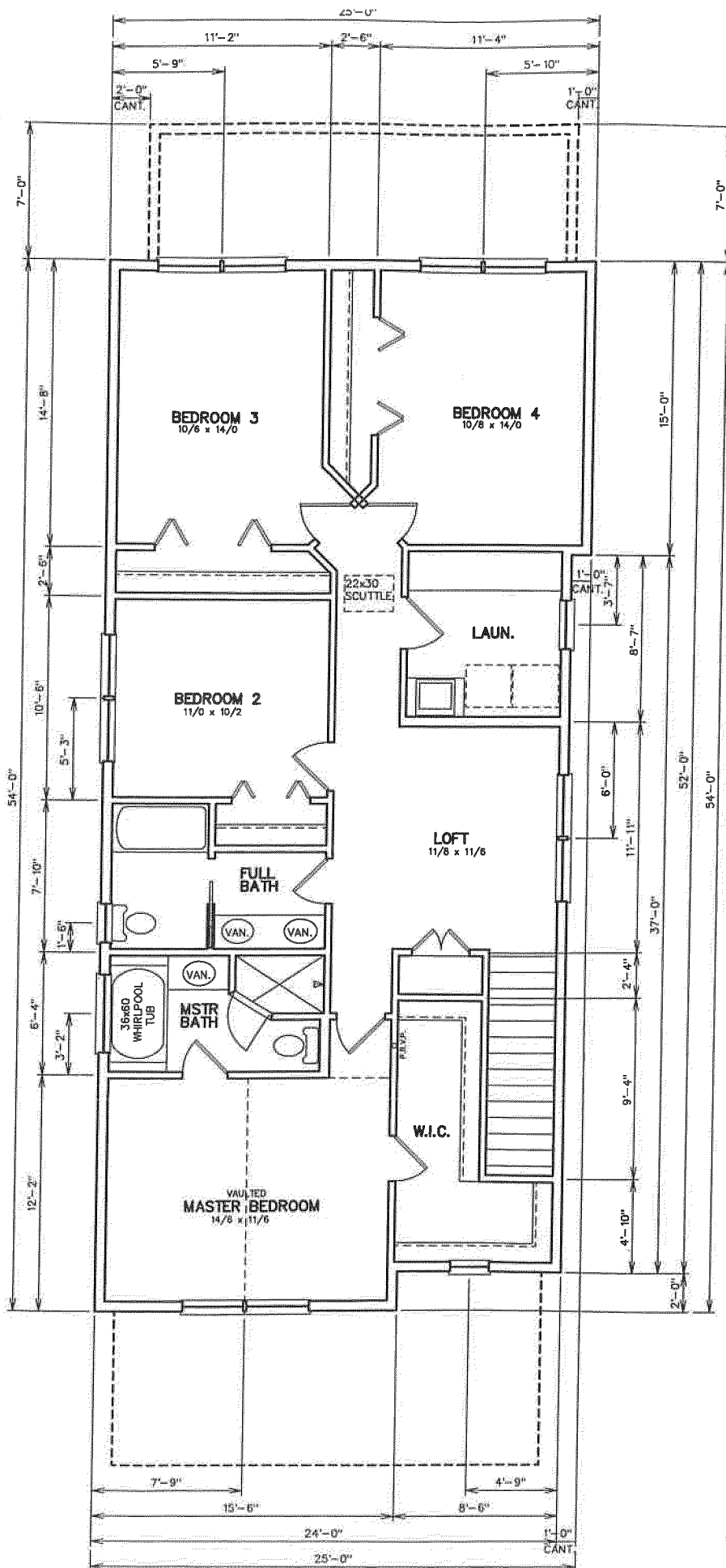
RUSS LOCATIONS ARE AT THE
T THE TRUSS CO. AND ARE TO
ALLY ENGINEERED.

BILITY OF THE BUILDER TO HAVE ALL
OR TRUSSES, GIRDER TRUSSES, WINDOW
AND BEAMS DESIGNED & VERIFIED

LOOR TO HAVE 9'-1 1/8" RGH CLG HGT
FLOOR TO HAVE 8'-1 1/8" RGH CLG HGT
S ARE SINGLE-HUNG UNITS CALLED OUT
(ADJUST AS REQ'D PER MAN'F)

**FIRST FLOOR PLAN**

SCALE: 1/4"=1'-0"



MECHANICAL

PLACEMENT OF
WILL BE DETERMINED
MAY VARY FROM

ELECTRICAL TO
LOCATIONS OF
THAT SHOWN.
MUST BE SPECIFIED

SMOKE DETECTOR
HARDWIRED, W/ALARM
PER LEVEL AND

NOTE: ALL INT. & EXTERIOR
DOORS 4'-0" WIDE
ALL OTHER DOORS
OTHERWISE SPECIFIED
ALL HEADER & TRUSS

ALL GIRDER
DISCRETION OF
BE STRUCTURAL

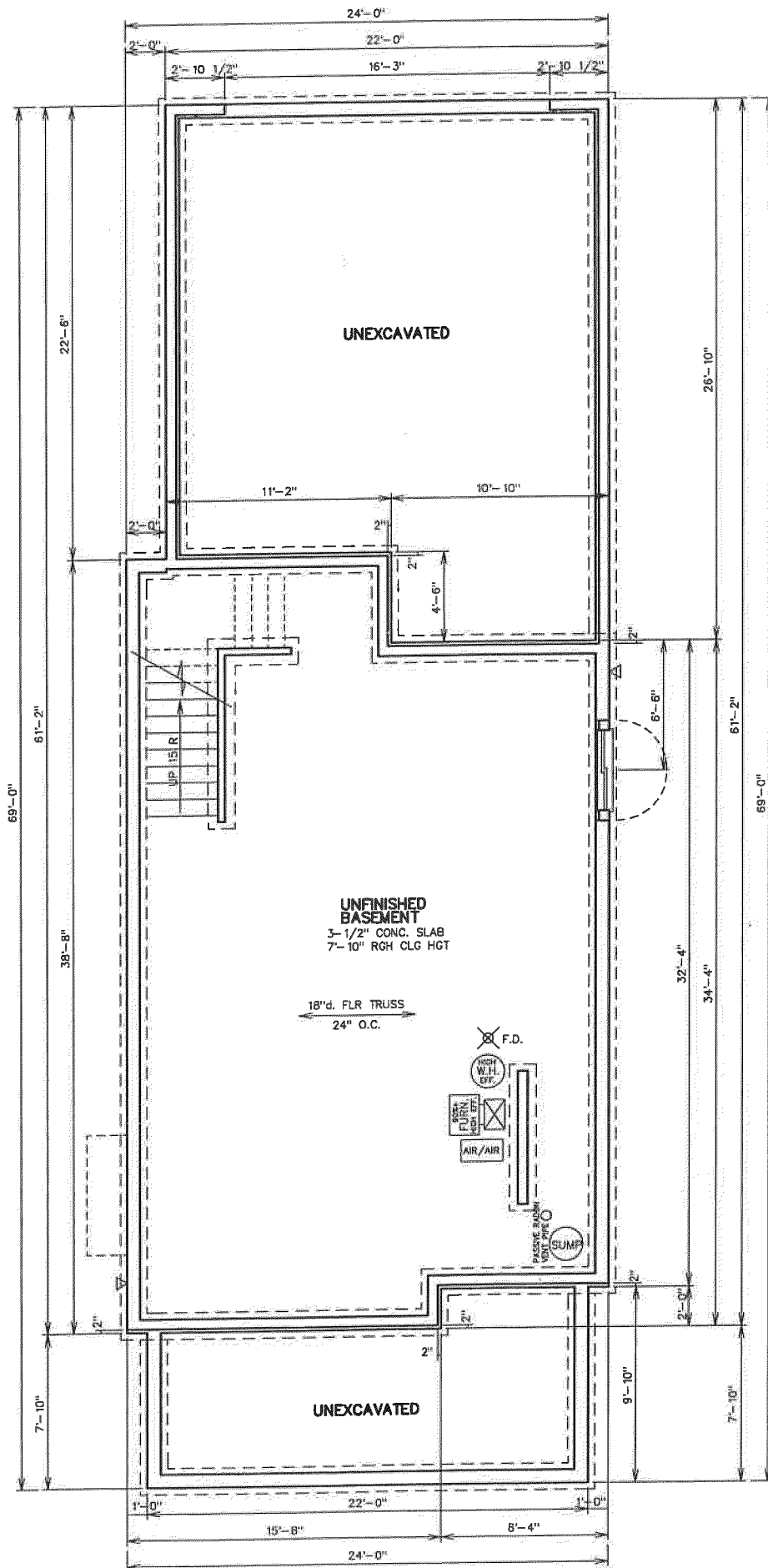
IT IS THE RESPONSIBILITY OF THE
OWNER TO PROVIDE
& DOOR HEADERS,

SECOND FLOOR PLAN

SCALE: 1/4" = 1'-0"

NOTE: FIRST FLOOR
SECOND FLOOR

NOTE: WINDOW
BY SIZE



FOUNDATION PLAN

SCALE: 1/4" = 1'-0"

DRN	TYPE	DATE
WEM	PRLM	03/02/21
	FINAL	
	REV.	
	REV.	

**COASTLAND
PRODUCTION**

SPEC

of 4
SHEET
003



Member _____ and Member _____ seconded a motion that the following resolution be read and adopted this 9th day of March, 2021

REDA RESOLUTION NO. 2021-

**A RESOLUTION APPROVING THE DISPOSITION OF PROPERTY
LOCATED AT 3359 HALIFAX AVENUE NORTH BY THE
ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY TO
COASTLAND PRODUCTIONS, INC.**

WHEREAS, the Robbinsdale Economic Development Authority (the “Authority”) has acquired the property legally described as follows:

Lot 1, Block 2, Manitoba Park
Hennepin County, Minnesota (the “Property”); and

WHEREAS, the Authority desires to convey the Property to Coastland Productions, Inc., (the “Buyer”), in accordance with the terms and conditions of a purchase agreement (the “Agreement”), a copy of which agreement has been presented to the Authority for its consideration; and

WHEREAS, the Authority has determined that conveyance of this single family lot is consistent with the purpose of Project 2000; and

WHEREAS, the Authority has determined that conveyance and of the Property is in the best interest of the public;

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Robbinsdale Economic Development Authority:

1. That the terms and conditions of the Purchase and Development Agreement by and between the Authority and the Buyer are hereby approved in substantially the form presented to the Authority and modifications made thereto;
2. That the Executive Director of the Authority is hereby authorized to execute the Agreement on behalf of the Authority;
3. That in determining the purchase price of the Property set forth in the Agreement, the Authority has taken into consideration what it feels is the fair market value of the Property and incentive upgrades to the home; and
4. That the sale of the Property to the Buyer in accordance with the terms and conditions set forth the purchase agreement is hereby approved, and the President, Executive Director, or any two Members of the Authority are hereby authorized to execute a deed conveying the Property to the Buyer at the time, and upon the terms set forth in the Agreement.

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 9th DAY OF MARCH, 2021.

Pat Backen, President

ATTEST:

Marcia Glick, Executive Director



AGENDA ITEM #7A
March 9, 2021

NEW BUSINESS: Meeting options for April 13, 2021

BACKGROUND:

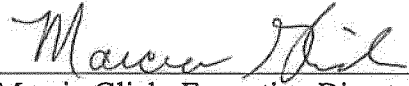
The REDA needs to determine if the meeting on April 13 will be in the Council chambers at city hall or virtually by WebEx. The City Council meetings will continue to be held virtually until (at least) June.

ANALYSIS/CONCLUSION:

The Council has decided that a special work session meeting will be held in-person with Commissioner Lunde on April 13 prior to the REDA meeting. The REDA has the option of conducting their regularly scheduled meeting at city hall, or virtually after conclusion of the work session.

RECOMMENDATION:

1. By motion, schedule the April 13 REDA meeting:
 - a. In the Council chambers at city hall, or
 - b. Virtually by WebEx.



Marcia Glick, Executive Director

CONCURRENCE:



Rick Pearson, Community Development Coordinator



AGENDA ITEM #
March 9, 2021

NEW Business: 4165 Hubbard – Northside Oriental Market

BACKGROUND:

At the November 12, 2019 meeting, REDA Board agreed to enter into a new lease extending to two years from the previous termination date; that being April 30, 2022. At the meeting Chor Xiong, the previous tenant, indicated that a family member had taken over the business and they would like to discuss a lease rate reduction. In January, 2020 REDA agreed to a 6-month lease reduction in 2020 to \$4500/month contingent upon the provision of professional profit and loss analysis.

Northside Economic Opportunity Network (NEON) reached out to our tenant multiple times and were not able to connect. The lease rate increased in August and is back at \$5500/month.

When Mr. Vang dropped off his lease payment the first week of March he inquired as to whether there could be a discussion on the lease rate. Staff confirmed that we would be assisting with the HVAC repairs and would follow up on the lease discussion.

DISCUSSION:

The following table shows the rent/tax/maintenance fees for the REDA owned properties.

	Northside Oriental	Salon HALO	GO Health	Mitchell
Space size	3,500 sq.ft.	3,544 sq.ft.	2,852 sq.ft.	1800 sq.ft.
Base Month Rent	\$5500	\$9.57/sq.ft.+2%/yr \$2,826.34/mo	\$10.09 \$2,398.06/mo	\$800/mo
Property Tax/mo	Included.	\$1,113.41/mo	\$896/mo	\$504.94
Common Area/mo	N/A	\$782.63/mo	\$629.82/mo	N/A
Total Rent/mo.	\$5500	\$4722.38	\$3923.88	\$1304.94
Total/sq.ft.	\$18.86	\$16.14	\$16.51	\$8.70

Lease for Northside Oriental was inherited from previous owner in 2017. All equipment in the building belongs to the tenant. Lease runs through April 30, 2022. A base rent of \$4800/mo. would be similar to Broadway Court tenants. Outreach from non-profit business assistance to try to help the business owner develop a business plan was unsuccessful.

Staff are working on authorized inspection/repair of HVAC units – will update at the meeting.

RECOMMENDATION

Discuss rent reduction request.

Marcia Glick, Executive Director



Other Business: Insurance Renewal - Waiving The Statutory Tort Liability Limits

Background

Entities obtaining liability coverage from the League of Minnesota Cities Insurance Trust must decide whether or not to waive the statutory tort liability limits to the extent of the coverage purchased.

Analysis/conclusion

If the entity does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$500,000 from our insurance coverage on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1.5M. If we waive, a single claimant could potentially recover up to \$2M on a single occurrence. Waiving the limit results in a premium increase of 3%, which, for REDA is approximately \$700.

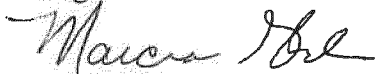
The REDA has the option to purchase excess coverage in factors of \$1M. The basic policy covers up to \$2 M and covers several areas not covered by the Statutory Tort Liability Limits. Examples provided by LMCIT include: "Police Liability, Employment related discrimination claims, Land Use, certain types of Contract claims may expose your city to liability for damages sustained over and above the Cap." The REDA exposure above the limits relate to contract claims as it does not have its own employees.

If the REDA waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased (i.e. if \$1M extra coverage is purchased, a person could recover up to \$3M.) The total which all claimants would be able to recover for a single occurrence would also be limited to the amount of coverage purchased, regardless of the number of claimants. Purchasing additional coverage and waiving the tort liability limits increases the cost of the excess coverage by 25%.

Although only approximately \$700 for the extra coverage, the Executive Director and Finance Director feel this is an unnecessary expense for the REDA given that REDA's activities are quite limited in the areas where the statutory limits apply.

Recommendation

Approve a motion to direct the Executive Director to execute the appropriate documents related to the 2021-2022 insurance renewal, which will not include a waiver of the municipal tort liability limits and not involve the purchase of extra coverage.



Marcia Glick, Executive Director

CONCURRENCE:



Jeff Zuba, Finance Director

AGENDA ITEM #9A
March 9, 2021

INFORMATION ONLY: Project Updates

ADDRESS	COMMENTS
3359 Halifax (TIF 2000-9)	Lot for sale. <i>See agenda item.</i>
3917 Vera Cruz (TIF 2000-10) (Beckmann)	Closing with home buyer scheduled March 17. REDA tour March 10. Landscaping in spring through escrow at closing.
4136 Regent – Garages (Pendergast)	TIF Project 8: Mortgage payments for acquisition started 6/2016.
3933-39 W. Broadway	<i>Working on Developer Roundtable with Ehlers</i>
3600 France –Parker Station Flats	Expect models to be open late April, 2021. Building will open in June; July move in. TIF note when completed. Third grant payment request will be final –expected after all testing and MPCA reporting finalized- - summer 2021.
Parker Village Bonds	Bond refinanced Final payment 2/1/2032 – decertify 12/31/2031.
Broadway Court	Final bond payment 2/1/2029. Opportunity to call in 2026.
MNDOT Misc. (lots to acquire)	1. Vera Cruz between 41 & 42. 2 buildable lots available. 2. 42xx Toledo-lot on new street/new alley – appraisal requested 3. Easement Only – aging title commitment – on hold:38 th & Vera Cruz
3760 Lee – sale to city	Sale to city in 2021 once ready for conversion to park.
3108-12 Grimes; 4212 Grimes	Holding.
OPEN TO BUSINESS	By appointment only. Multi-year contract with ability to cancel. <i>See agenda item with annual report.</i>
4614 41 ½ Ave N (Mitchell Realty)	2 year lease; month to month to 12/31/2022 signed.
4165 Hubbard NSide Oriental Mkt	lease through 4/30/2022 – payments on schedule. <i>Have been in contact with contractor who installed HVAC to get the units inspected/repaired. Will report at the meeting.</i>
4501 Orchard	REDA has right to review plans for through 2028. Lot owned by neighbor to north.
Salon HALO	Exercised extension through 6/30/2024. Expanded to 2 bays.
GO Health	Lease through 12/31/2021; option to give notice by 7/1/21 for 5 more years.
Lions Gym Façade loan	Projects completed –forgiven after 10 years (January 2022)
EMI Rehab Façade loan	Projects completed –forgiven after 10 years (January 2022)
Wicked Wort – Façade loan	Project completed – forgiven after 10 years (December 2025)
Golden Age Design Façade loan	Project completed – forgiven after 10 years (December 2026)
Birdhouse Eat & Drink	Project completed – loan forgiven after 10 years (March 1, 2031)
Hy-Vee TIF District	Pay-as-you-go TIF agreement. Projected decertification 12/31/2044.
Clare Housing TIF District	Pay-as-you-go TIF agreement. Projected decertification 7/1/2042.
Birdtown Flats	Pay-as-you-go TIF agreement. Projected decertification 7/1/2033.
Parker Station Flats	Pay-as-you-go TIF after project completion – est. on REDA Agenda August 2021


Marcia Glick, Executive Director