ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
AGENDA
7:30 P.M.
TUESDAY, APRIL 13, 2021
VIA WebEx

- **The public may participate in this meeting by emailing MGLICK@CI.ROBBINSDALE.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 # 133-271-4695. If prompted, hit #.**
- **The public can also view and hear the meeting on CCX TV.**

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1. MEETING CALLED TO ORDER

2. MICROPHONE CHECK:

3. ROLL CALL: Webb, Selman, Blonigan, Kline, 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 March 9, 2021 and**
      - **Work Session Tour Minutes of March 10, 2021**................ **2-7**

   B. **Motion** to approve **Disbursement Requests** for period ending April 13, 2021.. **8**

5. PUBLIC HEARING:
None scheduled.

6. OLD BUSINESS:
None scheduled.

7. NEW BUSINESS:
   A. 4600 Lake Road – Apartment Development TIF Consideration........... **9-18**
   B. Redevelopment Area Expansion.. **19-26**

8. OTHER BUSINESS:
None scheduled.

9. INFORMATION ONLY:
A. Project Update.. **27**

10. REDA GENERAL COMMUNICATIONS

11. ADJOURNMENT

Marcia E. Glick
Marcia Glick, Executive Director

ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, MARCH 9, 2021
VIA WebEx

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

#4A-C CONSENT AGENDA:

4. **MOTION** by Member Selman, seconded by Member Webb to approve and place on file the Consent Agenda Items #4A-C:
   A. Motion to approve and order placed on file minutes of the following:
   - **Regular Meeting Minutes of February 9, 2021**;
   - **Work Session Meeting Minutes of February 23, 2021;**

   B. Motion to accept the **Open to Business** staff report;
   C. Motion to approve **Disbursement Requests** for period ending March 9, 2021.
   ROLL CALL:
   Yea: Kline, Webb, Selman, Blonigan, President Backen
   Nay: None
   All voted in favor and the motion carried.

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

5. Pearson reviewed the staff report including updated floor plans. The asking price for the lot is $55K and the offer is $40K. The most significant change is on the south side elevation making a sliding door rather than vestibule and bay window and interior stair change. The footprint has increased by about 40 square feet. Hennepin County appraisal is $515K. To add the lap siding facing 34th Avenue will increase the cost by approximately $4,200.

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

7. Member Blonigan noted the additions he would like to see on the plans: egress window to accommodate future bedroom, plumbing roughed out in the basement, and more windows, add a band across the middle of the huge vinyl wall that faces the street, perhaps using 2 different colors, extend the porch all the away across the front of the house. He asked what are the costs for these items?

8. **Seth Peterson, Coastland Productions** stated that adding a band across the north sidewall could be done; he thinks multiple colors is falling out of style. Egress window in the lower level adds $3-4,000. Plumbing rough out added for about $1000. Planned on a north facing window in the office immediately west of the garage. Discussed upgraded vinyl he installs as builder grade noting that how it is installed is important. He has not had any callbacks regarding the siding he uses. Mr. Peterson noted that construction costs have increased.

9. Commissioners discussed the estimated market value comparison to the area. Mr. Peterson noted that ultimately the selling price could be less.

10. Member Selman stated that residents have voiced concerns about Robbinsdale not having move up housing and this in-fill provides a solution.

11. **MOTION** by Member Selman, seconded by Member Blonigan to close the public hearing.
ROLL CALL:
Yea: Kline, Webb, Selman, Blonigan, President Backen
Nay: None
All voted in favor and the motion carried.

12. **MOTION** by Member Blonigan, seconded by Member Selman to award the lot at 3359 Halifax Ave N to Coastland Productions, Inc. and authorize the executive director to enter into a development agreement and reduce the lot price by $2,250, provide a band to the south side wall, window in the office, rough-out plumbing and egress window in the basement.
ROLL CALL:
Yea: Kline, Webb, Selman, Blonigan, President Backen
Nay: None
All voted in favor and the motion carried.

#7A: NEW BUSINESS: Meeting Options for April 13, 2021

13. Glick reported that the next EDA meeting will have a work session starting at 6:00 pm with Commissioner Lunde; there are no public hearings scheduled, and no more lots for sale. Expect to have on the agenda proposed tax increment terms for 4600 Lake Road and amending the redevelopment area of Project 13, which currently includes Parker Station Flats and Birdtown flats to include projects moving northward and the peninsula off France Avenue. Public hearings would still be held for each individual project.

14. The Board decided to start the Work Session with Commissioner Lunde at 6:00 p.m. at City Hall and the EDA meeting at 7:30 p.m. via WebEx.

#7B: NEW BUSINESS: 4165 Hubbard Ave N – Northside Oriental Market

15. Glick reviewed the request for the business. Business is struggling. Reviewed comparison to other REDA owned proprieties.

16. Member Blonigan willing to reduce the rent to $4,500 per month.

17. Member Selman agreed completely.

18. Member Webb asked for clarification on how lease rates are determined. Glick noted that the Broadway Court lease rates were negotiated as the businesses came in. The Mitchell Realty lease considered the improvements that were going to be made by the tenant and potential for being a very short lease period. Northside Oriental lease rate was a continuation of the lease for the tenant when we purchased the property.

19. **MOTION** by Member Blonigan, seconded by Member Selman to reduce the rent to $4,500 commencing March 1, 2021.
ROLL CALL:
Yea: Kline, Webb, Selman, Blonigan, President Backen
Nay: None
All voted in favor and the motion carried.

#8A OTHER BUSINESS: Insurance Renewal – Waiving The Statutory Tort Liability Limits

20. Glick provided report on annual insurance renewal as outlined in the report.

21. **MOTION** by Member Selman, seconded by Member Kline 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.
ROLL CALL:
Yea: Kline, Webb, Selman, Blonigan, President Backen
Nay: None
All voted in favor and the motion carried.

#9: Information Only: Project updates

22. No action required.
    - The Board will tour 3917 Vera Cruz at 5:00 to 5:30 p.m. on March 11, 2021.

#10: REDA General Communications

23. Member Blonigan announced the $1.9 trillion stimulus relief package includes $65.1 million in aid to cities. Robbinsdale can use the money to pay for surveys.

    He is attending the virtual Congress of Cities meeting and would be meeting with federal representatives. Send your questions to the city manager or your congressional representative.

24. Member Webb announced that Antonio Smith, who is the Youth Services Liaison in Brooklyn Park, was introduced to her by Commissioner Lunde. He works with Cities United and is a good potential resource for the Board. He could meet with the Board and Harper Steinbach about the work he has done in Brooklyn Park. She suggested looking at our mission statement and value statement to see if we

are doing the work behind those statements. Very impressed with work they are doing around public safety and uniting the community.

If you know a teacher/educator reach out to them, they are going through tough times. Let them know we appreciate them and emphasize with what they are going through. Show some love and check up on them.

29. Member Kline is on the Government Advisory Committee, provided school and summer school updates. Also met with Commissioner Lunde and talked about light rail alignments.

30. President Backen met with Commissioner Lunde and noted that Robbinsdale has many different issues than Crystal on the light rail alignment. He listened and encouraged all to talk to the Commissioner and express any concerns.

31. Glick mentioned requests for community gardens. Mentioned the Bunny Store (3606 Lake Drive) lot, Mielke Park, or vacant lots as possible sites. Discussed. One-year trial period for the 3606 Lake Drive. This topic will be on the City Council agenda next week.

#11: ADJOURNMENT:

32. **MOTION** by Member Kline seconded by Member Webb to adjourn the meeting at 8:41 p.m.
ROLL CALL:
Yea: Kline, Webb, Selman, Blonigan, President Backen
Nay: None
All voted in favor and the motion carried.

Marcia Glick, Recording Secretary	Pat Backen, REDA President

ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
Work Session Tour Minutes
WEDNESDAY March 10, 2021

CALL TO ORDER:

1. The tour began at 5:00 pm

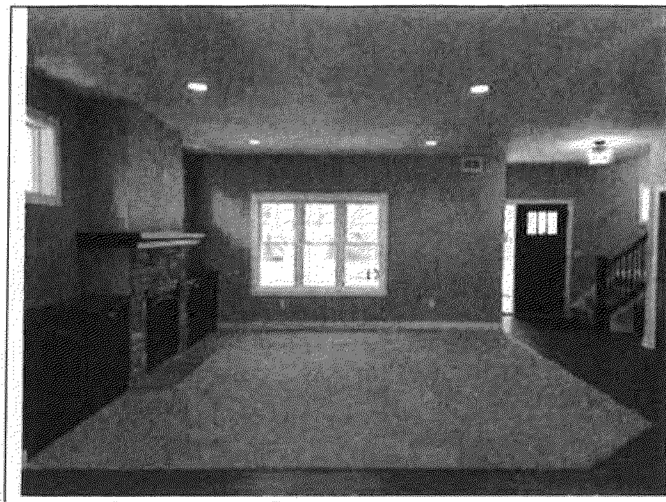
ROLL CALL:

2. Members Present: Kline, Webb, Selman, Blonigan
   Members Absent: President Backen
   Staff Present: Marcia Glick, Executive Director;
   Rick Pearson, Community Development Coordinator

3. 3917 Vera Cruz:
4. Tour was conducted in open house format.

5. Constructed by Beckmann Homes, this 2,016 sq.ft. two story home was listed at $524,900 and has been sold. There are 3 bedrooms & 2 bathrooms upstairs, a large open plan for the main floor with fireplace focal point, main floor partial bathroom, unfinished lower level. Highlights include custom woodwork, granite/marble countertops, enameled cabinetry, upgraded lighting and plumbing features and stainless steel appliances.

Kitchen and Dining Areas

Living Room Entry – Upstairs Bathroom

6. The tour/open house concluded at 5:30 pm.

Marcia Glick, Recorder

George Selman, Vice President

AGENDA ITEM #4B
April 13, 2021

CONSENT AGENDA: Disbursement Requests for period ending April 13, 2021

This information will be distributed at the meeting.

AGENDA ITEM #7A
April 13, 2021

NEW Business: 4600 Lake Road – Apartment Development TIF Consideration

BACKGROUND:
On February 23, 2021, REDA met with potential developers of the property at 4600 Lake Road regarding potential gap assistance in the form of TIF on a $30M project. Board members indicated potential support of a TIF district some noting a cap at 15 years, others noting that apartment development would provide opportunity for more people to enjoy the amenity of the lake vs. development as high end homes. The developer moved forward with the exploration by submitting a deposit to cover the cost of the REDA's financial consultant Ehlers as to preliminary exploration of tax increment financing funding.

ANALYSIS:
There are 2 components to the discussion: 1) Consideration of and outline of development terms that REDA would endorse and 2) Consideration of expanding the existing Redevelopment Project 13 vs. numerous smaller redevelopment areas as projects arise. The Redevelopment Project area consideration will be discussed in the next agenda item.

TIF Gap Financing Request – Authorization to Proceed with TIF Plan Development
The developer team includes Marleny Leiva, 4 West Capital Development LLC; Jim LaValle, TJL Development, LLC; and Paul Keenan, ReuterWalton.

The apartment development planning review was conducted by the City of Robbinsdale in 2019 concluding with November 5, 2019 approval of a conditional permit for flood plain alteration to the lake shoreline; no other conditional use permits or variances were required by the apartment project reduced to a 118 unit proposal. Maxfield Research conducted a late November 2000 initial market assessment study for the development team identifying demand under then current market conditions for a 118 unit apartment project estimated to come on line in summer/late fall 2022. Building renditions (Exhibit 1) and public amenity statement (Exhibit 2) for the development were reviewed by REDA in February 2021. Based on commissioner indication of support for consideration of an estimated $3M Tax Increment Financing (TIF) assistance with payments spanning 15 years, the developer team submitted a deposit to cover the cost of a financial analysis by REDA's financial consultant.

Exhibit 1 is a memo from Ehlers analyzing the proposal and finding that the requested level of assistance is necessary for financial feasibility of the project without unduly enriching the developer. Similarly to the recent Parker Station Flats assistance, it is recommended that a look-back provision should be part of the development agreement ensuring that the final amount of City assistance is based on the actual performance of the project. The financial analysis assumes that 10% of TIF generated would be retained by the City. Keith Dahl from Ehlers will be at the REDA to address commissioner questions.

The funds generated by tax increments would be available for reimbursing the developer as they come in ("pay-as-you-go.") The developer team proposes to provide $9.3M of equity and a first mortgage of $18.4M. A $3.28M TIF Note plus interest with a 15-year commitment. Funds for payment of the TIF mortgage would be generated by increased property tax payments.

If approval to proceed with preparation of plans is provided, a deposit is required to cover the total estimated cost of the building study (blight and other statutory building site exploration requirements), financial consultant development of the TIF Plans and REDA and City attorney preparation of Development Agreements pertaining to future TIF note and site development.

If authorization is provided tonight, it is anticipated that a letter outlining fiscal and economic implications would be provided to the School Board and County Auditor on May 14th; Planning Commission review in May, REDA adoption consideration on June 8th and a public hearing at the City Council on June 15th.

RECOMMENDATION

1. A presentation will be made by the Developer and REDA's financial consultant.

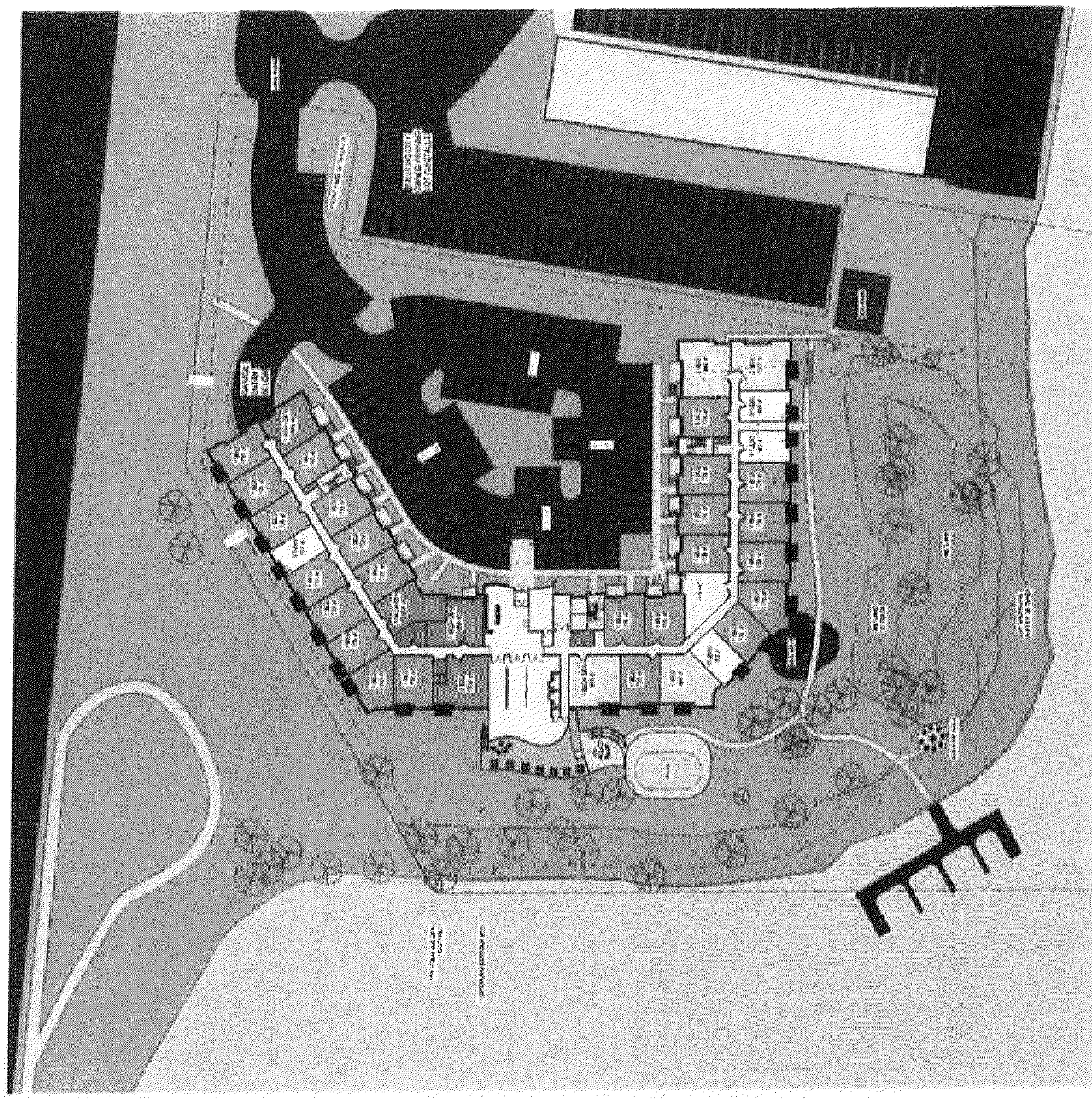
2. REDA to discuss and indicate if the Board is satisfied by the direction of the proposal and determine that the adoption of the Redevelopment Program and Plan are necessary to advance redevelopment of the office building site to avoid blighting impact on the adjacent neighborhood.

3. Consider a motion
   - authorizing staff and the consultants to undertake preparation of the Tax Increment Plan, Redevelopment Plan (following site area to be determined in the next item) report on building conditions, TIF Agreement, Development Agreement (if needed) and other related documents;
   - authorizing the Executive Director to schedule meetings to consider adoption of the Redevelopment Program and Plan and to notify the county and school district;
   - authorizing staff and consultants to take all steps necessary to bring the program plan before REDA at the scheduled meetings; and
   - urging the Robbinsdale City Council to schedule a public hearing on the Program and Plan to be held as soon after consideration of these matters by REDA as reasonably practicable.

Marcia Glick

Marcia Glick, Executive Director

Exhibit 1



Architectural Site Plan

Entry Perspective

Rear Patio & Lake Lounge Room Perspective

4600 Lake Road
Multifamily Redevelopment
Public Benefit and Project Summary Statement

The redevelopment site contemplates demolishing a multi-story office building that originally dates to late 1950s construction with several additions.

The building is antiquated and will be totally vacant in March of 2021.

Releasing the building to new office users for both the long-term and short-term future is unlikely at best. This is due to the societal changes brought on by the pandemic and the changing landscape of preferred modern-day offices.

1. Creation of new multifamily residential housing option in a fully developed first ring and first-class suburb that has seen relatively few new development projects. The proposed market rate housing will have various unit sizes and types that will cater to all segments of the population.
2. The project is consistent with both the Met Council and City of Robbinsdale long term comprehensive plan
3. Several types of dwelling units will qualify as affordable to 80% area medium income earners as defined by the Met Council 2021 rental rates.
4. The new residents will help sustain and grow the existing retailers, business's and restaurants in Robbinsdale.
5. Creation of access for many people to the natural amenity of Twin Lakes
6. The development will enhance the water quality of Twin Lakes. Stormwater management systems will be installed to control rate and storm water quality runoff.
7. The redevelopment entity will become active participants in the Lower Twin Lake Association
8. Existing bike and walking trail connections are proposed to be enhanced.
9. Creation of many new professional and union construction jobs to build the project and manage the project long term.
10. The proposed apartment building will include low flow water fixtures, energy star appliances, 95% efficient HVAC systems, and building envelope insulation systems that exceed code requirements. The development team is studying the possibility of roof installed solar systems, geothermal heating and cooling and ionization systems to enhance air quality and help mitigate the spread of infectious viruses. The development will enroll in Xcel Energy's design assistance energy program to take advantage of all possible energy saving strategies.
11. The proposed building is set back further from the shoreline than the existing building and will enhance the shoreline and wetland areas.
12. The existing office building roof is 44 feet tall. The new buildings roof is proposed to be 33 feet tall, or 11 feet shorter.

Building amenity package:

1. Underground heated parking stalls
2. Pet friendly – pet walk / exercise area and pet spa

3. Secure package room
4. Parking ratio of 1.5 parking stalls per dwelling unit
5. State of the art exercise facility
6. Exterior pool
7. Exterior lounge, grill and fire pit area
8. Docks with kayaks
9. Interior club room, relaxing and community / gathering area's
10. Interior car wash area
11. Interior and exterior bicycle parking and interior bicycle repair station
12. Designer apartment finishes including quartz countertops, stainless steel appliances, in unit full size washer and dryers and designer doors, hardware, cabinets and flooring

EHLERS
PUBLIC FINANCE ADVISORS

MEMORANDUM

TO: Marcia Glick, City Manager
FROM: Jason Aarsvold and Keith Dahl, Ehlers
DATE: 4-8-2021
SUBJECT: Reuter Walton - Tax Increment Financing Request

The City of Robbinsdale received a proposal from Reuter Walton (the "Developer") to redevelop the existing building located a 4600 Lake Avenue. The new project includes construction of a 118-unit market rate apartment building that would contain a mix of studio, 1-bedroom and 2-bedroom units with related indoor and outdoor amenities, including docks along the lake.

Citing a financial gap in the project the Developer is requesting tax increment financing (TIF) assistance to make the project financially feasible. Based on previous policy discussion, we understand the City is willing to consider TIF, provided the duration of assistance does not exceed 15 years. This memo reviews the need for TIF based on our analysis of the Developer's project budget and projections, generally known as a pro forma. We have reviewed the project based on industry standards for construction, land, and project costs, market rate rents, operating expenses, developer fees, underwriting and financing criteria, and return on investment.

The table below depicts the Developer's proposed sources and uses for the project.

SOURCES	Amount	Pct.	Per Unit
First Mortgage	18,418,096	59%	156,086
TIF Mortgage	3,280,000	11%	27,797
Equity	9,299,184	30%	78,807
TOTAL SOURCES	**30,997,280**	**100%**	**262,689**

USES	Amount	Pct.	Per Unit
Acquisition Costs	2,450,000	8%	20,763
Construction Costs	24,764,701	80%	209,870
Professional Services	1,598,846	5%	13,550
Financing Costs	1,280,900	4%	10,855
Developer Fee	902,833	3%	7,651
TOTAL USES	**30,997,280**	**100%**	**262,689**

Pro Forma Analysis

- The Developer proposes to finance the project with a mortgage in the amount of $21.69 million, which is 70% of the total development costs. Of this total amount, we have assumed $3.28 million is supported by a 15-year commitment of tax increment. Based on current underwriting conditions, the Developer is maximizing its amount of first mortgage debt. The Developer is proposing to bring $9.3 million in equity, which is 30% of total project costs. The proposed financing meets expectations for a project of this nature.

- The total development costs are $30,997,280, or $262,000 per unit. For market rate rental projects like this one, we would anticipate total development costs would range between $225,000 and $275,000 per unit. Based on our review, we conclude the projected total development cost for this project is within an acceptable range.

- The developer fee of $902,833 is 3% of total development costs. For projects requesting City assistance, we would expect to see a developer fee of no more than 3% to 5%. The proposed developer fee is acceptable.

- Proposed rents range between $1,300 per month for a studio unit, to $2,050 per month for a 2-bedroom unit. On a per square foot basis, rents range between $2.03 to $2.26, averaging $2.09. Projected rents for recent suburban market rate rental projects are ranging between $1.80 and $2.25 per square foot depending on location, unit size and amenities. The proposed rents are below the anticipated range of other suburban rental projects.

- The Developer's total projected operating expenses (before management fees, property taxes, and replacement reserves) are $495,876 per year. This equates to approximately $4,202 per housing unit per year. For a project of this nature, we would expect operating costs to range between $3,500 and $4,500 per unit per year. The proposed operating costs for the project are within industry standards.

- The proposed management fee is 3.08% of effective gross income (EGI) and reasonable for the product type. The typical range is between 3% to 5% of EGI. Replacement reserves are $250 per unit, which is within the typical range of $250 to $500 per unit per year.

Projected Return on Investment

As part of this analysis, we want to make sure that any public assistance in the project does not result in a return on investment greater than what is typical within the industry. In this case, the Developer prefers to use a cash on cost return on investment metric. This measure is simply the projected annual net operating income from the project ÷ the total development cost. For this project, the Developer is seeking to achieve a return on cost of 7%, which is consistent with industry standards.

Based on our analysis, the projected cash on cash return on investment for the project in year three (when the project is stabilized) is 3.9% without TIF assistance and 5.5% with TIF assistance. Assuming annual TIF payments continue over a 15-year period, the average annual return on cost is projected to be 6.6%. Once TIF payments stop, the project's annual self-supporting return on cost is 6.8%, slightly below the 7% threshold the Developer is seeking.

Recommendation

Based on our review of the Developer's pro forma and under current market conditions, the proposed development may not reasonably be expected to occur solely through private investment within the reasonably near future. The cost associated with developing the site as market rate rental housing makes the project feasible only through assistance, in part, from City contributions. We conclude that providing the requested level of assistance is necessary for financial feasibility and will help facilitate a successful project without unduly enriching the Developer.

Our recommendation is based on projections, our knowledge of general industry metrics, and the Developer's best estimates about the anticipated cost, income, and expenses for the project. We recommend including a provision in the City's development agreement providing for a review the project's financials once it is complete. This is commonly referred to as a "look-back" provision.

Inclusion of a look-back provision will allow the City to reconcile the actual project performance against the projections and adjust its TIF assistance as necessary. This ensures the final amount of City assistance is based on the actual performance of the project, rather than relying solely on estimates and projections.

Please contact either of us at 651-697-8500 if you have questions or comments.

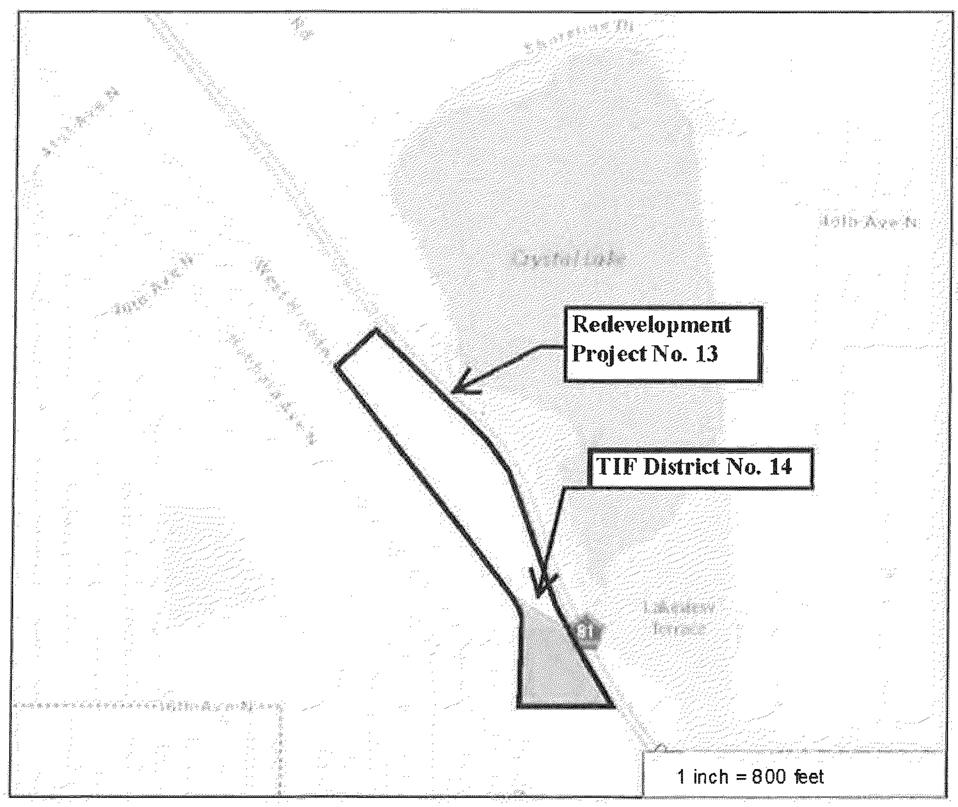
AGENDA ITEM #7B
April 13, 2021

NEW Business: Redevelopment Area Expansion

The previous agenda item discusses a request for gap financing in the form of Tax Increment Financing (TIF). All TIF districts must be located within Redevelopment Project Areas. Similarly most county and Metropolitan Council grants and assistance require properties to be within Redevelopment Projects. The original Redvelopment Projects were developed in Robbinsdale in the early 1970s including the very large Project 4 that included the central core of the city. Within this project area there were several apartment and business redevelopments. More recently the following redevelopment areas were created:

> Project 8 – the townhome development area by CR9 and TH100 including Parker Village, the homes north of Redeemer Lutheran and Robins Way.
> Project 9 – the townhome development on West Broadway
> Project 10 – the sites in downtown both eventually redeveloped by Travail
> Project 11 – Clare Terrace
> Project 12 – Hy Vee

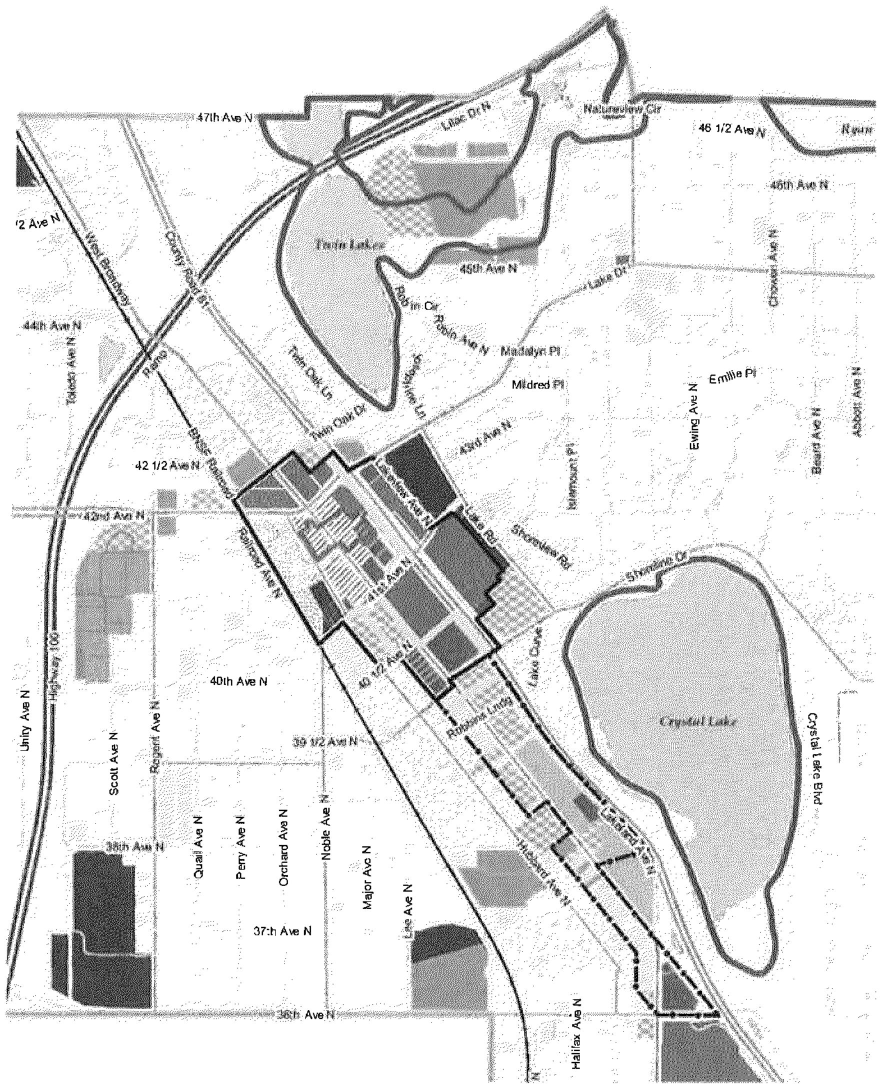
Redevelopment Project 13 was originally created for Birdtown Flats and extended north to include properties between West Broadway and CR81 including Robinwood Apartments. It was expanded south to include Parker Station Flats as part of the TIF 14 consideration.



The Redevelopment Plan is a document that identifies an area where developments are likely to take place, the objectives to be accomplished, and the foreseeable expectation that development may require public financial assistance. Exhibit 1 is the Redevelopment Plan for Project No. 13.

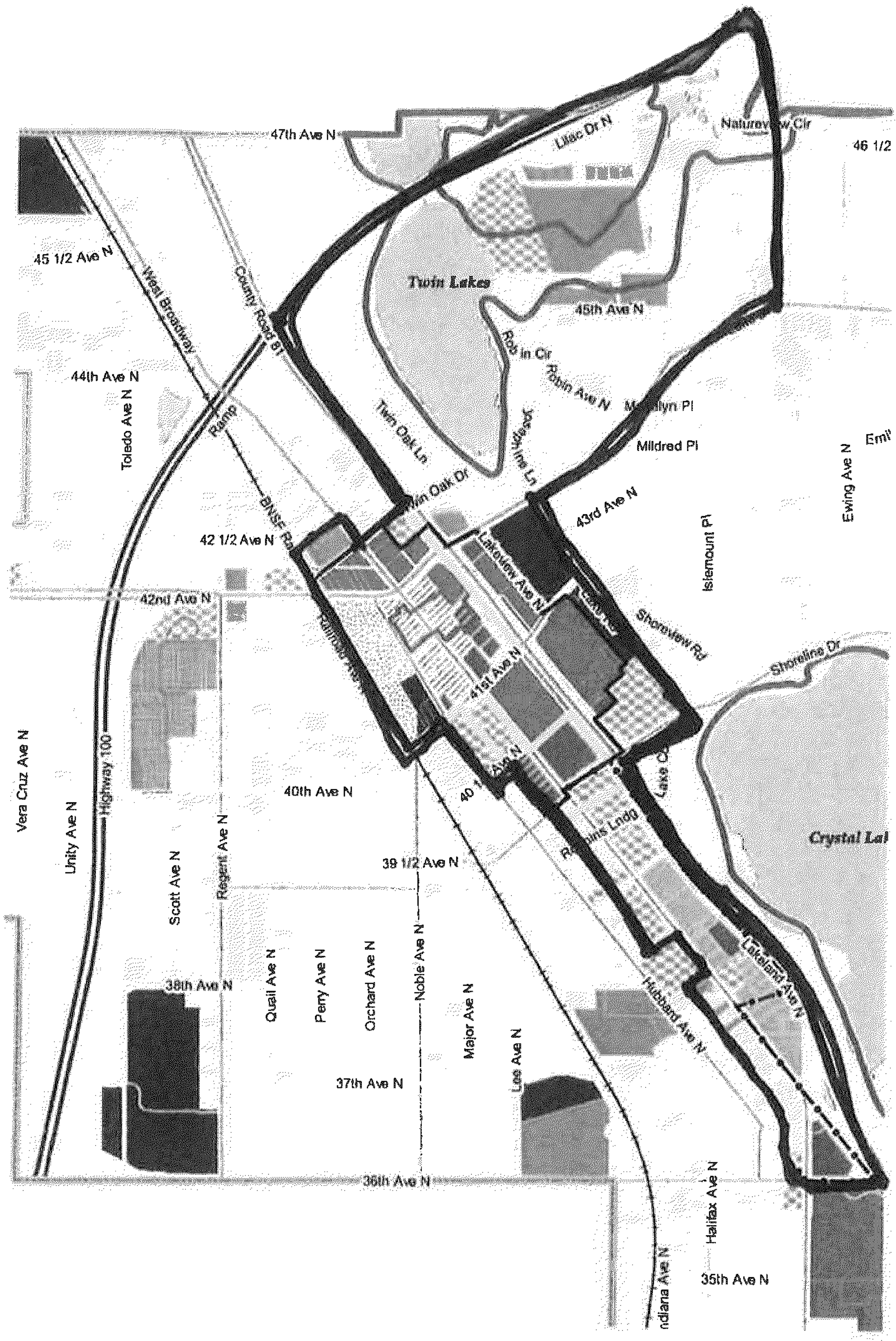
When the plan was modified to include Parker Station Flats, it was essentially a modification of the map within the plan. Some cities simplify matters by including nearly the whole city in one Redevelopment Project though its advised to target those areas likely to redevelop. The Redevelopment Project Area needs to be contiguous.

The station area planning resulted in adoption of a Transit Oriented Development Overlay District in 2019 identifying expectation of higher density development. It makes sense to expand the Redevelopment Project Area to include the TOD Overlay district shown by solid and dotted black outline inserted below as well as other adjacent areas.



A Redevelopment Project Plan is a planning document and does not grant approval to any specific project. Tax increment may be pooled (shared) to a limited extent among tax increment financing districts located within a common Redevelopment Project area. Therefore, our financial and legal advisors have suggested that we explore expanding Redevelopment Project 13 in a contiguous way 4600 Lake Road instead of creating a stand alone redevelopment area.

The map below is an example of how Redevelopment Project 13 could be expanded.



RECOMMENDATION

Provide direction to staff regarding expansion of Redevelopment Project 13.

Marcia Glick

Marcia Glick, Executive Director

SECTION I
REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT NO. 13

Subsection 1-1. Definitions

The terms defined below shall, for purposes of this Redevelopment Plan, have the meanings herein specified, unless the context otherwise specifically requires.

"REDA" means the Robbinsdale Economic Development Authority.

"City" means the City of Robbinsdale.

"City Council" means the City Council of the City of Robbinsdale.

"Comprehensive Plan" means the documents which contain the objectives, policies, standards and programs to guide public and private land use, development, redevelopment and preservation for all lands and water within the City.

"County" means the County of Hennepin County, Minnesota.

"Enabling Act" means Minnesota Statues, 469.090 to 469.1081, as amended and supplemented from time to time.

"Redevelopment Project" means the property within Redevelopment Project No. 13, as described in the Redevelopment Plan.

"Redevelopment Plan" means this Redevelopment Plan for Redevelopment Project No. 13, as initially proposed, and as it shall be modified.

"EDA Act" means Minnesota Statutes, Section 469.090 through 469.1081.

"Land Use Regulations" means all federal, state and local laws, rules, regulations, ordinances, and plans relating to or governing the use of development of land in the City, including but not limited to environmental, zoning and building code laws and regulations.

"Municipal Development District Act" means Minnesota Statutes, 469.124 to 469.133, inclusive, as amended.

"Project Area" means the real property within the City constituting the Redevelopment Project.

"Public Costs" means the costs set forth in the Tax Increment Financing Plan, and any other costs eligible to be financed by Tax Increments under the TIF Act, EDA Act, or the Municipal Development District Act.

"Public Improvements" means the public improvements described in the Redevelopment Plan and Tax Increment Financing Plan.

"State" means the State of Minnesota.

"Tax Increment Bonds" means any tax increment bonds or notes issued by the City to finance the Public Costs as stated in the Redevelopment Plan for Redevelopment Project No. 13 and in the Tax Increment Financing Plans, and any obligations issued to refund such bonds.

"TIF Act" means Minnesota Statutes, Sections 479.174 through 479.1794, inclusive, as amended.

"Tax Increment Financing District" means any tax increment financing district presently established or to be established in the future in Redevelopment Project No. 13.

"Tax Increment Financing Plan" or "Plan" means the Plans adopted by REDA or the City for any Tax Increment Financing District.

Subsection 1-2. Statutory Authority

The Enabling Act authorizes REDA, upon certain public purpose findings by REDA and the City, to establish and designate development and redevelopment projects within the City and to establish, develop and administer redevelopment plans therefore to meet the needs and accomplish the public purposes specified in Statement of and Finding pf Public Purpose. In accordance with the purposes set forth in the Enabling Act, REDA and the City have established the Redevelopment Project comprising the area described on the attached Exhibit A and has adopted this Redevelopment Plan therefore.

The Tax Increment Financing Act authorizes REDA, upon certain findings, establish and designate tax increment financing districts within the Redevelopment Project and to adopt and implement a tax increment financing plan to accomplish the Redevelopment Plan established for the Redevelopment Project.

Subsection 1-3. Statement of and Finding of Public Purpose

REDA has determined that there is a need for REDA to take certain actions designed to encourage, ensure and facilitate development and redevelopment by the private sector of under utilized and unused land located within the corporate limits of the City, in order to provide additional employment opportunities for residents of the City and the surrounding area, to improve the tax base of the City, the County and the School District thereby enabling them to better utilize existing public facilities and provide needed public services, and to improve the general economy of the City, the County, and the State. Specifically, REDA has determined that the property within the Redevelopment Project is either under utilized or unused due to a variety of factors, including inadequate public improvements to serve the property; which has resulted in a lack of private investment; that, as a result, the property is not providing adequate employment opportunities, and is not contributing to the tax base and general economy of the City, the School District, the County and the State to its full potential; and, therefore, that it is necessary for the City to exercise its authority under the Enabling Act and the Tax Increment Financing Act to develop, implement and finance a program designed to encourage, ensure and facilitate the commercial development and redevelopment of the property located in the Redevelopment Project, to further and accomplish the public purposes specified in this paragraph.

The development proposed for the Redevelopment Project would not occur solely through private investment in the foreseeable future; the Tax Increment Financing Plan proposed herein is consistent with the Redevelopment Plan; and the Tax Increment Financing Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the property located in the Redevelopment Project by private enterprise.

The welfare of the City, County and the State of Minnesota requires active promotion, attraction, encouragement and development of economically sound industry and commerce by REDA.

Subsection 1-4. Statement of Objectives

The establishment of the Redevelopment Project in the City pursuant to the Enabling Act is necessary and in the best interests of the City and its residents and is necessary to give REDA the ability to meet certain public purpose objectives that would not be obtainable in the foreseeable future without intervention by the City in the normal development process.

REDA intends, to the extent permitted by law, to accomplish the following objectives through the implementation of the Redevelopment Plan:

1. Promoting and securing the prompt development of property in the Redevelopment Project in a manner consistent with the City's planning and with a minimal adverse impact on the environment, which property is less productive because of the lack of proper utilization and lack of investment, and thereby promoting and securing the development of other land in the City;

2. Promoting and securing additional employment opportunities within the Redevelopment Project and the City for residents of the City and the surrounding area, thereby improving living standards and preventing unemployment and the loss of skilled and unskilled labor and other human resources in the City;

3. Securing the increase in value of property subject to taxation by the City, School District, County and any other taxing jurisdictions in order to better enable such entities to pay for public improvements and governmental services and programs required to be provided by them;

4. Securing the construction and providing moneys for the payment of the cost of public improvements in the Redevelopment Project, which are necessary for the orderly and beneficial development of the Redevelopment Project.

5. Promoting the concentration of new unified development consisting of desirable industrial and other appropriate development in the Redevelopment Project so as to maintain the area in a manner compatible with its accessibility and prominence in the City.

6. Encouraging the expansion and improvement of local business, economic activity and development, whenever possible.

7. Creating a desirable and unique character within the Redevelopment Project through quality land use alternatives and design quality in new buildings.

8. Providing and securing the development of increased opportunities for families to reside in quality owner-occupied housing , for senior citizens to choose from housing options which offer a wide array of services without regard to income, and for residents looking for a wide range of multi-family units.

Subsection 1-5. Statement of Public Facilities and Costs to Be Financed

REDA will perform or cause to be performed, to the extent permitted by law, all project activities pursuant to the Enabling Act, the Tax Increment Financing Act and other applicable state laws, and in doing so anticipates that the following may, but are not required, to be undertaken by REDA:

(a) The making of studies, planning, and other formal and informal activities relating to the Redevelopment Plan.

(b) The implementation and administration of the Redevelopment Plan.

(c) The re-zoning of land within the City.

(d) The acquisition of property, or interests in property, by purchase or condemnation, which acquisition is consistent with the objectives of the Redevelopment Plan.

(e) The preparation of property for use and development in accordance with applicable Land Use Regulations and any development agreements, including demolition of structures, clearance of sites, placement of fill and grading.

(f) The resale of property to private parties.

(g) The construction or reconstruction of facilities to own and lease as described in the Tax Increment Financing Plans.

(h) The issuance of Tax Increment Bonds to finance the Public Costs of the Redevelopment Plan, and the use of Tax Increments or other funds available to the City to pay or finance the Public Costs of the Redevelopment Plan incurred or to be incurred by it pursuant to the Development Agreement.

(i) The use of Tax Increments to pay debt service on the Tax Increment Bonds or otherwise pay or reimburse with interest the Public Costs of the Redevelopment Plan.

Subsection 1-6. Funding of Developments and Redevelopments

It is anticipated that the Public Costs of the Redevelopment Plan will be paid from proceeds of Tax Increment Bonds. REDA reserves the right to utilize other available sources of revenue, including but not limited to special assessments and user charges, which REDA may apply to pay a portion of the Public Costs.

Subsection 1-7. Environmental Controls

All municipal actions, public improvements and private development shall be carried out in a manner consistent with existing environmental controls and all applicable Land Use regulations.

Subsection 1-8. Proposed Reuse of Property

The Redevelopment Plan contemplates that REDA or the City may acquire property and reconvey the same to another entity. Prior to formal consideration of the acquisition of any property, REDA or the City will require the execution of a binding development agreement with respect thereto and evidence that Tax Increments or other funds will be available to repay the Public Costs associated with the proposed acquisition. It is the intent of REDA and the City to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any development agreement to which REDA is a party.

Subsection 1-9. Open Space to Be Created

Any open space within the Redevelopment Project will be created in accordance with the zoning and ordinances of the City.

Subsection 1-10. Administration and Maintenance of Redevelopment Project No. 13

Maintenance and operation of the Redevelopment Project will be the responsibility of the REDA Executive Director. Each year, the administrator of the Redevelopment Project will submit to the City Council the maintenance and operation budget for the following year.

The administrator of the Redevelopment Project will administer the Redevelopment Project pursuant to the provision of the Enabling Act; provided, however, that such powers may only be exercised at the direction of REDA. No action taken by the administrator of the Redevelopment Project pursuant to the above-mentioned powers shall be effective without authorization by REDA.

Subsection 1-11. Rehabilitation

Owners of properties within the Redevelopment Project may be encouraged to rehabilitate their properties to conform with the applicable state and local codes and ordinances, as well as any design standards. Persons who purchase property within the Redevelopment Project from REDA may be required to rehabilitate their properties as a condition of sale of land. REDA may provide such rehabilitation assistance as may be available from federal, state or local sources.

Subsection 1-12. Relocation

Any person or business that is displaced as a result of the Redevelopment Plan will be relocated in accordance with Minnesota Statutes, Section 117.50 to 117.56. REDA accepts its responsibility for providing for relocation assistance pursuant to the Enabling Act.

Subsection 1-13. Property Acquisition

REDA or the City intends to acquire such property, or appropriate interest therein, within the Project Area as the Authority may deem to be necessary or desirable to assist in the implementation of the Redevelopment Plan.

Subsection 1-14. Modification of the Redevelopment Plan and/or Redevelopment Project No. 13

REDA reserves the right to alter and amend the Redevelopment Plan and the Tax Increment Financing Plans, subject to the provisions of state law regulating such action. REDA specifically reserves the right to enlarge or reduce the size of the Project Area and the Tax Increment Financing District, the Redevelopment Plan, the Public Costs and the amount of Tax Increment Bonds to be issued to finance such cost by following the procedures specified in Minnesota Statutes, Section 469.175, subdivision 4.

Subsection 1-15. Description of Boundaries of Redevelopment Project No. 13

The boundaries of the Redevelopment Project are as outlined in the map found in Appendix A.

AGENDA ITEM #9A
April 13, 2021

INFORMATION ONLY: Project Updates

ADDRESS	COMMENTS
3359 Halifax (TIF 2000-9)	Sale to Seth Peterson approved. Anticipate closing late May
3917 Vera Cruz (TIF 2000-10)	Sold. 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	***Working on Developer Roundtable with Ehlers***
42nd/W Broadway	*Parking lot pending development.* ***Working on Developer Roundtable with Ehlers***
3600 France –Parker Station Flats	Website will be live the week of April 12 www.liveatpsflats.com Model will be open late April; 150 people have expressed interest. 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:38th & Vera Cruz
3760 Lee – sale to city	Sale to city in 2021 once ready for conversion to open space/garden.
3108-12 Grimes; 4212 Grimes	Holding.
OPEN TO BUSINESS	By appointment only. Multi-year contract with ability to cancel.
4614 41 ½ Ave N *(Mitchell Realty)*	2 year lease; month to month starting August 2022 to 12/31/2022 signed.
4165 Hubbard *NSide Oriental Mkt*	lease through 4/30/2022 – payments with rent relief on schedule. Staff was able to get an HVAC contractor to the market at 4165 Hubbard to check on both HVAC units. There was a bad draft motor which will be repaired for $1750. Repairs to other HVAC unit performed by tenant were fine.
4501 Orchard	REDA has right to review plans for through 2028. Lot owned by neighbor.
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 Building Façade loan	Project completed –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 TIF District	Pay-as-you-go TIF agreement. Projected decertification 7/1/2033.
Parker Station Flats TIF District TIF	Pay-as-you-go TIF after project completion – est. on REDA Agenda August 2021
4600 Lake Road	Request to authorize preparation of TIF District expanded Redevelopment District 13. ***See Agenda Item.***

Marcia Glick, Executive Director