

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, APRIL 13, 2021
VIA WebEx**

CALL TO ORDER:

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

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Webb, Selman, Blonigan, Kline, President Backen
Members Absent: None
Staff Present: Marcia Glick, Executive Director
Rick Pearson, Community Development Coordinator
Jeff Zuba, Finance Director
Ron Batty, REDA Attorney
Keith Dahl, Ehlers
4. Glick acknowledged a letter received from Michelle Mahmood regarding New Business A on the agenda.
5. Blonigan requested that consent agenda item #4B Disbursement Requests be moved to Other Business due to late distribution of the materials.
6. President Backen recognized a post that Sheila Webb posted on the City Facebook page;
"It is with heavy hearts many in the City of Robbinsdale acknowledge the life loss of Daunte Wright. The community of Robbinsdale would like to extend our condolences and our thoughts are with the family of Daunte Wright and the community of Brooklyn Center."

#4A CONSENT AGENDA:

7. **MOTION** by Member Blonigan, seconded by Member Webb to approve and place on file the Consent Agenda Items #4A:
 - A. Motion to approve and order placed on file minutes of the following:
 - **Regular Meeting Minutes of March 9, 2021;**
 - **Work Session Tour Minutes of March 10, 2021;****ROLL CALL:**
Yea: Webb, Selman, Blonigan, Kline, President Backen
Nay: None
The vote was unanimous and the motion carried.

#7A: NEW BUSINESS: 4600 Lake Road – Apartment Development TIF

8. Glick reviewed the staff report noting that the EDA held a work session in February to meet with potential developers regarding potential funding gap assistance in the form of Tax Increment Financing (TIF) for a \$30M project. The Board indicated assistance could be a limited 15-year tax increment district. With this preliminary feedback, the developer has put down a deposit to connect with our financial consultant Ehlers for an analysis of several elements of financing the project. Ehlers representative Keith Dahl is here to go into the analysis.
9. Glick explained that there are two components to this discussion. The first is consideration of and outline of potential development terms and the second is part is looking at the concept of expanding the existing redevelopment area. A larger redevelopment area would set the path for the future instead of creating or expanding a redevelopment area as individual adjustments as projects arise.
10. Member Blonigan noted that the original project was for 168 units but the developer reduced it to 118 units for which the area is already zoned. No other variances or conditional use permits needed. Pay as you go TIF assistance provides opportunity for REDA to indicate developer requirements as part of the financing assistance.
11. Member Webb asked if the council voted in favor of the development. Glick clarified that the original proposal presented to the Planning Commission was downsized prior to the city council meeting. The council approved the only planning action needed, which was a conditional use permit related to adjustment of the shoreline. Member Webb asked for further explanation on the history of the project. Glick explained the timeline of the project from 2019 planning review, due diligence from the developer, to the present request for financing. Glick noted that part of REDA role is to assist in redevelopment of blighted sites.
12. Glick noted that it is important to put anticipated requirements on the table before someone spends a lot of money not knowing what the game plan is. President Backen agreed.
13. Member Blonigan stated that the look, colors of the building should be approved as part of the contract. Exterior lighting should be well defined particularly at night. Include the number of docks and what they are used for should be included in the agreement. Water quality should be defined as the quality of the water leaving the site going into the lake. The developer indicated to him that she would be willing to do something for the residents on Lilac Dr. Something to explore.
14. Attorney Batty noted that, depending on what is meant by assisting the Lilac Drive residents, all of the comments made by Mr. Blonigan were ones that could be included in a TIF agreement. The EDA has the ability to include such matters in an agreement in return for the financial assistance the EDA will offer.

15. **Keith Dahl, Ehlers Representative**
Mr. Dahl reviewed Ehlers standard recommendations presented in the financial contract. The first item is regarding the Minimum Assessment Agreement. We want to make sure a benchmark for the value of the property is established. The TIF note and the amount of assistance provided to developers is based on what the property is valued at 2 years from now. The value cannot be lowered to ensure the TIF note is paid back over 15 years. The second item to include in the development agreement is a look-back provision that insures we are not over subsidizing the project based on the current market conditions today. After construction is complete, we will look back at the public redevelopment costs against the projections and if not it would be based on a dollar per dollar basis on a TIF note. The second look back would be at the stabilization of the project.
16. Member Blonigan asked how new are these look back provisions. **Mr. Dahl** replied that a few communities started implementing it about 8 years ago. Now it is standard practice. Ehlers uses it in all their contracts.
17. Glick noted that look back provisions were used in the Parker Station Flats agreement.
18. President Backen questioned how water quality is measured. Glick replied that treatment of water runoff from the site is required in the development permit review. Good idea to put it in the front end of the agreement.
19. **Mr. Dahl** reviewed the Ehlers pro forma analysis. Goal is to minimize public assistance for the project but maximize private investment to have an equitable partnership. The pro forma analysis includes review of development budget, operating pro forma, all revenue and expenses are accounted for. We pay close attention to return on investment to make sure we are not over subsidizing the project.
20. Member Blonigan asked how many years the other two apartment developments started out with so the public can compare the subsidizes of this project with the subsidizes of the other two projects. Glick will provide this information to the Board.
21. **Paul Keenan, Vice President of Development for Reuter Walton**
Mr. Keenan introduced Ari Parritz, Nick Hennen and Jim Lavell, developers and Jeff Wrede, Architect that can answer any design questions. Things noted are items that have been addressed in other development agreements, including look back provisions. Noted that they are bringing \$9M equity to the project. They are working on revised design plans to be presented at a future meeting.
22. Glick stated that the boats and docks have been a concern. What is the 15-year plan for the docks, boats, the parking of trailers on the parking lot? **Ari**

Parritz replied that those details have not been determined yet. Open to working this out with city staff. Parking spaces will be in excess of what is required. Glick stated that one of the concerns she brought up with the development team is that there are a certain number of parking spaces assuming no boat trailers are stored on site. This needs to be worked out and included in the development agreement. **Mr. Parritz** replied that this would be addressed in the development plan.

23. Glick explained that the city control through land use is completed. The EDA can indicate requirements related to the development in exchange for the provision of financing.
24. Member Blonigan expressed his support for the project.
25. President Backen highly encouraged developers to talk to the neighborhood residents about their concerns, regarding colors used, lighting is very important in this residential area, number of docks and types of boats will follow DNR guidelines, and water quality. Does not think the homes on Lilac Drive should be part of the project. It should be outside of the redevelopment area.
26. Member Selman will help influence exterior color selection or screening considering the amount of financing we are contributing to the project.
27. Member Kline stated that he agrees with President Backen. Has mixed feeling regarding color selection. Feels the docks should adhere to lake regulations. He supports the project.
28. Member Webb stated that it would be hospitable to connect with the community members regarding the color selection of the building. This will be a newly established community and negotiation is possible.
29. **Mr. Parritz** addressed the color selection issue stating they have simplified the exterior design.
30. Glick recommended a list of items the EDA wants addressed in the development agreement. Specifically, the exterior lighting that will be a critical review piece. Limit the number of onsite boat storage allowed.
31. **MOTION** by Member Blonigan, seconded by Member Selman to:
 - authorize staff and the consultants to undertake preparation of the Tax Increment Plan, Redevelopment Plan report on building conditions, TIF Agreement, Development Agreement and other related documents;
 - authorize the Executive Director and the staff to schedule meetings to consider adoption of the Redevelopment Program and Plan and to notify the county and school district;

- authorize staff and consultants to take all steps necessary to bring the program plan before REDA at the scheduled meetings; and
- urge 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.

ROLL CALL:

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

Nay: None

The vote was unanimous and the motion carried.

32. Glick confirmed that the developer team will present building design/landscaping details at the May 11 EDA meeting which will start at 7:30 p.m.

#7B: NEW BUSINESS: REDEVELOPMENT AREA EXPANSION

33. Glick provided background on the redevelopment project site. Reviewed the history of developments the EDA has created. Project 13 was originally created for Birdtown Flats and modified to include the Legion site. The city creation of the Transit Oriented Development (TOD) Overlay District revealed areas along West Broadway for redevelopment including areas north of 42nd. Suggested extending Project 13 area to the TOD Overlay District which also includes Robin Center, Hubbard Marketplace, and area north of 42nd.
34. Glick noted that the Redevelopment Area needs to be contiguous and provided an example of how the expanded area 13 could be drawn to include "the peninsula" area off France and that it could also be expanded to include Windsor Court.
35. President Backen asked why the modification is better. Glick replied it shows intent to capture in a bubble which areas are likely to create high-density housing or commercial development areas.
36. **Keith Dahl** added that it ultimately comes down to the city and what their goals are.
37. Member Selman would like to see Windsor Court added to Project 13. President Backen and Member Blonigan agreed.
38. The Board provided direction to the Executive Director regarding expansion of the Redevelopment project 13 adding Windsor Court Apartments.
39. Attorney Batty explained how funds from one project could be used on another project as long as it was in the same Redevelopment Area.
40. This item will come back to the May 11 REDA meeting to confirm the area to be included.

#4B: OTHER BUSINESS: Disbursement Requests

41. **MOTION** by Member Selman, seconded by Member Webb to approve the Disbursement Requests for period ending April 13, 2021.

ROLL CALL:

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

Nay: None

The vote was unanimous and the motion carried.

#8: Information Only: Project Updates

42. Glick reported that updated plans from the developer of 3359 Halifax reveal that the developer wants to use plank flooring was preferred by Buyers vs hardwood flooring, will not put in the whirlpool tub, and have decided to completely finish the basement. REDA members supported these changes.

#9: REDA General Communications

43. Member Kline noted that he met with School District 281 earlier in the day. His heart is with the Brooklyn Center community. Feels for everyone affected.
44. Member Webb offered condolences to The Wright Family. Systems, laws and policies have to change. We are all interconnected. This affects us all. Continues to supports the humane treatment of Black men and boys but people in general.
45. Member Blonigan noted that the coming Olympics would make us all proud. We can work in the future to make our systems more understanding and equal to everybody and less discriminatory.
46. President Backen agreed with Member Webb's comments.
47. President Backen announced Commissioner Lunde will be hosting a Facebook Live Blue Line listening session on April 22nd at 1:00 pm. There will be a panel discussion. Seeking as much public input as possible. Encouraged Members to talk to as many people as possible to attend. People can submit their questions in advance.
48. President Backen also noted that there is a Community Outreach listening session on April 28 from 6:30 to 8:00 pm. held by Community Advisors Commission. People can submit their questions in advance.

#10: ADJOURNMENT:

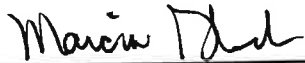
49. **MOTION** by Member Selman seconded by Member Blonigan to adjourn the meeting at 9:14 p.m.

ROLL CALL:

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

Nay: None

The vote was unanimous and the motion carried.



Marcia Glick, Recording Secretary



Pat Backen, REDA President