

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
AGENDA
7:00 P.M.
TUESDAY, JUNE 11, 2019
COUNCIL CHAMBERS**

1. MEETING CALLED TO ORDER
2. MICROPHONE CHECK:
3. ROLL CALL: Murphy, Backen, Blonigan, Selman, President Rogan
4. CONSENT AGENDA:
Pursuant to REDA policy, one motion, non-debatable, will approve the recommendation noted. Any member of the REDA Board may ask for an item to be taken from the Consent Agenda for discussion and separate action. Such items removed from the Consent Agenda shall be considered immediately following approval of the balance of the Consent Agenda:
 - A. **Motion** to approve and order placed on file minutes of the following:
 - **Regular Meeting Minutes** of May 14, 2019..... **1-2**
 - B. **Motion** to approve **Disbursement Requests** for period ending June 11, 2019..... **3**
 - C. Motion to waive the reading and order the adoption of Resolution No. 19-XX “Resolution authorizing an interfund loan for advance of certain costs in connection with tax increment financing district NO. 2000-9.” **4-6**
RES. 5
5. PUBLIC HEARINGS:
 - A. 3760 Lee Ave. N. Disposition of lot..... **7-10**
 - B. 3359 Halifax Ave. N. Disposition of lot..... **11**
6. OLD BUSINESS:
There is no old business
7. NEW BUSINESS:
 - A. 4614 41 ½ Ave N – Lease term/Next Step..... **12**
8. OTHER BUSINESS:
 - A. None scheduled.
9. INFORMATION ONLY:
 - A. Project Update..... **13**
10. REDA GENERAL COMMUNICATIONS
11. ADJOURNMENT


Marcia Gluck, Executive Director

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, May 14, 2019
COUNCIL CHAMBERS**

CALL TO ORDER:

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

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Selman, Murphy, Backen, Blonigan, President Rogan
Members Absent: None
Staff Present: Marcia Glick, Executive Director

#4A-B CONSENT AGENDA:

4. **MOTION** by Member Blonigan, seconded by Member Backen to approve and place on file the Consent Agenda Items #4A-B:
 - A. Motion to approve and order place on file minutes of the following:
 - Regular Meeting Minutes of April 9 2019;
 - B. Motion to approve **Disbursement Requests** for period ending May 14, 2019;
All voted in favor and the motion carried.

#5A: PUBLIC HEARING:

5. None scheduled.

#6A: OLD BUSINESS: Modification of Project 2000-9 TIF District

5. Glick reviewed the staff report. Clarified that the district had 2 houses in it and action will modify the district by adding one more house. Also added items the state auditor required
7. **MOTION** by Member Backen, seconded by Member Selman to approve A RESOLUTION ADOPTIG A MODIFIED TAX INCREMENT FINANCING DISTRICT PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 2000-9.
All were in favor and the motion carried.

#9: Information Only: Project updates

8. No action required.
9. Glick noted that the certificate of completion has been issued for 3807 Major will be taken off the list for next month as the work has been completed.
10. Member Blonigan noted that the Twin Oaks development hopes to have 3 of 4 homes completed by the end of summer.

#10: REDA General Communications

11. Member Murphy reminded everyone of the Birdtown Half Marathon on Saturday. Sponsors include North Memorial, HyVee and numerous other businesses. Thanked all businesses, volunteers and participants for their support.
12. Member Backen noted that just prior to the meeting, the City Council had a walking tour with the Metropolitan Council Chair and our district representative. The walk focused on our downtown to see our efforts and future light rail station location.
13. Member Selman added that both Chair Slawik and Representative Lilligren are new to their positions and are now able to know our City Council and understand what Robbinsdale is all about.

#11: ADJOURNMENT:

14. **MOTION** by Member Selman, seconded by Member Murphy to adjourn the meeting at 7:08 p.m.
All voted in favor and the motion carried.

Marcia Glick, Recording Secretary

Dan Rogan, REDA President



AGENDA ITEM #4B
June 11, 2019

CONSENT AGENDA: Disbursement Requests for period ending
June 11, 2019

This information will be distributed at the meeting.



AGENDA ITEM # _____
June 11, 2019

Consent: Authorization of Interfund Loan Related to TIF District 2000-9

Background

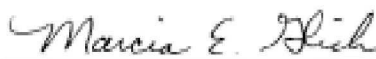
A modification to TIF District No. 2000-9 was approved by the REDA on May 14th and by the Robbinsdale City Council on May 21st. An Interfund Loan allows for REDA to be reimbursed for expenses advanced from general funding prior to the availability of TIF Funding from the project area.

ANALYSIS/CONCLUSION:

The resolution includes a wide range of possible costs as a contingency. REDA requires the developers requesting tax increment funding assistance to pay all costs related to the creation of the district including development of TIF documents, financial analysis provided by consultants, and legal fees related to development of agreements. The loan authorization of \$330,000 in the resolution is deemed to be sufficient to cover incidental costs which REDA may incur during the process.

RECOMMENDATION:

By motion, waive the reading and order the adoption of Resolution No. 19- XX
**“RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF
 CERTAIN COSTS IN CONNECTION WITH TAX INCREMENT FINANCING
 DISTRICT NO. 2000-9**



 Marcia Glick, Executive Director

Member _____ moved and Member _____ seconded a motion that the following resolution be adopted this 11th day of June, 2019.

ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF
CERTAIN COSTS IN CONNECTION WITH TAX INCREMENT FINANCING
DISTRICT NO. 2000-9**

Section 1. Recitals.

1.01. In March, 2017, the Robbinsdale Economic Development Authority (“REDA”) approved the establishment of Tax Increment Financing District No. 2000-9 (the “TIF District”) within Redevelopment Project 2000 (the “Project”), and adopted a Tax Increment Financing Plan (the “TIF Plan”) for the purpose of financing certain improvements within the Project.

1.02. In May, 2019, REDA approved a modification to the TIF Plan to add one more property to the TIF District.

1.03. REDA is authorized to use tax increment to pay for certain costs identified in the TIF Plan, including site improvements/preparation, public utilities, other qualifying improvements, interest and administrative costs (collectively, the “Qualified Costs”), which costs may be financed on a temporary basis from REDA funds available for such purposes.

1.04. Under Minnesota Statutes, Section 469.178, Subd. 7, REDA is authorized to advance or loan money from any fund from which such advances may be legally authorized in order to finance the Qualified Costs on a temporary basis.

1.05. On January 9, 2018, REDA approved an interfund loan in the amount of \$1,000,000 to pay for Qualifying Costs in the TIF District and other TIF districts under its authority.

1.06. REDA now intends to approve a supplemental interfund loan in the amount of \$330,000 to pay a portion of the costs of the Qualified Costs (the “Interfund Loan”). Such funds are proposed to be deposited to REDA’S TIF Fund and disbursed to pay a portion of the Qualified Costs. As REDA receives tax increment revenues from the TIF District or other revenues derived from the Project, it will repay the Interfund Loan.

Section 2. Terms of Interfund Loan.

2.01. REDA shall advance \$330,000 from its development account to be used in accordance with the terms herein. REDA shall reimburse itself for such advances together with interest at the rate stated below. Interest accrues on the principal amount from the date of each advance. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 are from time to time adjusted. The interest rate shall be 5 percent and will not fluctuate.

2.02. Principal and interest (“Payments”) on the Interfund Loan shall be paid semi-annually on each February 1 and August 1 (each a “Payment Date”), commencing on the first Payment Date on which REDA has Available Tax Increment (defined below), or on any other dates determined by the Executive Director of REDA, through the date of last receipt of tax increment from the TIF District.

2.03. Payments on this Interfund Loan are payable solely from “Available Tax Increment,” which shall mean, on each Payment Date, tax increment available after other obligations have been paid, or as determined by the Executive Director of REDA, generated in the preceding six months with respect to the property within the TIF District and remitted to REDA by Hennepin County, all in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, all inclusive, as amended. Payments on the Interfund Loan may be subordinated to any outstanding or future bonds, notes or contracts secured in whole or in part with Available Tax Increment and are on parity with any other outstanding or future interfund loans secured in whole or in part with Available Tax Increment.

2.04. The principal sum and all accrued interest payable under this Interfund Loan are pre-payable in whole or in part at any time by REDA without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Interfund Loan.

2.05. This Interfund Loan is evidence of an internal borrowing by REDA in accordance with Minnesota Statutes, Section 469.178, Subd. 7, and is a limited obligation payable solely from Available Tax Increment pledged to the payment hereof under this resolution. This Interfund Loan and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, REDA. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Interfund Loan or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Interfund Loan or other costs incident hereto. REDA shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the final Payment Date.

2.06. REDA may at any time make a determination to forgive the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

2.07. REDA may from time to time amend the terms of this resolution to the extent permitted by law, including without limitation amendment to the payment schedule and the interest rate; provided, however, that the interest rate may not be increased above the maximum specified in Section 469.178, subdivision 7 of the TIF Act.

Section 3. Interfund Loan Approved.

3.01. The Interfund Loan with the terms set forth in Section 2 hereof is hereby approved.

3.02. REDA officials and consultants are hereby authorized and directed to execute any collateral documents and take any other actions necessary to carry out the intent of this resolution.

Section 4. Effective Date. This resolution is effective upon the date of its approval.

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

And the following voted against the same:

WHEREUPON SAID RESOLUTION WAS DECLARED DULY PASSED AND ADOPTED
THIS 11th DAY OF JUNE, 2019.

Dan Rogan, President

ATTEST:

Marcia Glick, Executive Director



AGENDA ITEM #
June 11, 2019

Public Hearing: Sale of 3760 Lee Ave N

Background

REDA acquired this property from the Robbinsdale School District. It was formerly the location of a maintenance building for the district. REDA determined that the sale price should be \$229,500 (the Hennepin County Assessor's market value) with the note that REDA is typically open to sale price negotiation based on facts brought out in the process. For example REDA may reduce a sale price in exchange for brick exterior. The public hearing notice was published in the local paper and also a letter was mailed to an extensive area (Attachment 1)

Analysis/Conclusion

The proposed use of the property is the centralized drinking water treatment facility for the City, replacing the existing three facilities currently in operation. The proposed facility would be sized to produce 2MGD which is adequate to accommodate projected growth in the City into the future (projected max daily demand in 2050 is projected to be 1.86MGD).

The facility would contain infrastructure to receive raw water from wells throughout the City, filter that water through gravity filters, allow for chemical addition and for lime softening. There would also be a clear water tank to store the treated water and electric pumps to deliver the water out into the distribution network, as well as provision for a backwash tank, chemical storage (permanganate, chlorine, fluoride and lime), areas for chemical deliveries, and general operations / administrative areas (office, laboratory, electrical, controls, storage and a small garage).

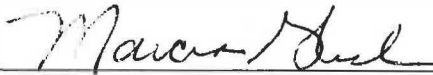
Operations at the site will require deliveries of chemicals and removal of the softening byproducts which will be accommodated by way of trucking to and from the site. In addition, City utility department vehicles would be visiting the site on a daily basis. There is not anticipated to be any vibrations, dust generation, smells or noise beyond what would be usually encountered in a residential neighborhood as the treatment processes are generally contained within the building.

At this stage, there has been no formal layout or design work performed as this work would be an integral part of the next phase of the project development. An interim artist impression based on some interim site sketches has been included as Attachment 1 as a broad guide, noting that this may change significantly once detailed layout of the various components and process areas are put together. A significant element is the lime storage silos that may be as high as 40'.

It is noted that the ultimate desire is to have a final product that is as much in keeping with the scale of the surrounding residential neighborhood as possible given the limited site size.

RECOMMENDATION:

1. Open the public hearing and receive testimony.
2. Determine whether to proceed with negotiations to sell the building to the City of Robbinsdale.
3. If the decision is made to sell the building to the City of Robbinsdale, provide direction to staff regarding requirements for the building. Additional sales terms and performance requirements for the building would be brought back to the July 9 REDA meeting as a list of requirements for the purchase agreement. The July 9 meeting would include determination of the sale price.



Marcia Glick, Executive Director



PUBLIC HEARING NOTICE

NOTICE IS HEREBY GIVEN that there will be a Public Hearing of the Robbinsdale Economic Development Authority of the City of Robbinsdale in the Council Chambers of the Robbinsdale City Hall, 4100 Lakeview Ave N, on **Tuesday, June 11, 2019 at 7:00 p.m.** for the purpose of considering the sale of the property at 3760 Lee Avenue North to the City of Robbinsdale for development of a city water treatment plant.

Any and all persons desiring to be heard shall be given an opportunity at the above stated time and place. If you are unable to attend the meeting, you may submit your comments via the city website to the City Engineer, rmccoy@ci.robbinsdale.mn.us or 763-531-1260. There is also a link dedicated to this project at www.robbinsdalemn.com/watertreatmentplant

**Dan Rogan, President
Robbinsdale Economic Development Authority**



Street view of proposed lot



Examples of water treatment plants from other cities.





AGENDA ITEM #
June 11, 2019

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

BACKGROUND:

The lot at 3359 Halifax Ave. N. will soon be available. The house was severely damaged in a fire and a contract has been awarded for its demolition.

ANALYSIS/CONCLUSION:

The corner lot is a forty foot-wide lot of record that allows side yard setbacks of 5 feet along the street side as well as the "interior" side. It has access to an alley.

Jim Peterson has expressed interest in the lot. He has not yet presented a plan. However, he did not think a two-story house would be appropriate for the neighborhood.

RECOMMENDATION:

1. Open the public hearing.
2. Continue the public hearing until July 9, 2019 at 7 pm.

Marcia Glick, Executive Director

CONCURRENCE:

Rick Pearson, Community Development Coordinator



AGENDA ITEM #
June 11, 2019

New Business: 4614 41-1/2 Ave N – Lease

BACKGROUND:

REDA entered into a 2 year lease for this property through September 30, 2019 at which time it converts to month-to-month until terminated by either party. Notice to terminate is 60 days. It is used as office/meeting space for the Travail/Pig Ate My Pizza businesses. The business pays property taxes and utilities plus \$505/month.

ANALYSIS/CONCLUSION:

The building was acquired for \$282,000. Hennepin County had provided grant funding for other purchases in the station area, but was not involved with this purchase.

Station area plans envision that the building would be demolished to provide for wider sidewalks on both sides of 41 ½, and potentially outdoor seating for an adjacent restaurant.

Canton Gardens has been for sale for some time and a potential buyer has inquired about the possibility of outdoor seating.

RECOMMENDATION:

Provide direction to the Executive Director regarding lease extension negotiation or termination as well as direction on potential sale of the property related to restaurant development.



Marcia Glick, Executive Director

June 11, 2019

INFORMATION ONLY: Project Updates

ADDRESS	COMMENTS
Twin Oak cul-de-sac (<i>Beckmann</i>)	4316 Twin Oak Lane and 4312 Twin Oak Lane under construction. 4315 Twin Oak Lane – last lot. REDA retains a mortgage on this lot until work starts.
4629 France (<i>Carlyle</i>)	Certificate of Completion being held pending completion of landscaping in summer.
4524 Regent (<i>Peterson</i>)	Property has sold. Builder adding a deck and getting ready for final inspections. Landscaping to be completed in summer.
3912 Quail (<i>Beckmann</i>)	TIF 2000-9. 1 year extension w/payment of lost TIF. Permit issued – not started yet. Completion 12/31/2019
3905 Quail (<i>Beckmann</i>)	TIF 2000-9. Home <u>has been sold</u> . Title company holding escrow for: final grade, sod, driveway, sidewalk spring/summer.
3359 Halifax	Demo bid awarded. Delayed by weather. <i>See Agenda Item</i>
3606 Lake Drive	Considering Park option - 2020.
4136 Regent – Garages (<i>Pendergast</i>)	TIF Project 8: Mortgage payments for acquisition started 6/2016.
39xx W. Broadway	Property is tax exempt pending redevelopment.
37xx W Broadway- Birdtown Flats (<i>Bill Beard</i>)	Weather delays and scheduling may impact ability to complete entire building by fall - TIF note when completed.
3650 France (<i>Inland</i>)	Authorized sale to Inland Development Partners. Sale expected end of June/July after completion of other requirements.
3600 France (<i>Inland</i>)	Property closed April 30. May 21: City Council 1 st readings of old West Broadway right-of-way vacation, title transfer of remnant parcels, demo authorization after tenants have vacated. Expect October construction start. February 2021 occupancy.
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. <u>Easement Only</u> – aging title commitment – on hold: 38 th & Vera Cruz
3760 Lee	Possible sale to City for water treatment plant. <i>See Agenda Item</i>
3108-12 Grimes; 4212 Grimes	Holding.
4364 Grimes	Neighbors maintaining
OPEN TO BUSINESS	Office Hours even numbered months. 1 st Wednesday 9:30-11:30 a.m. Multi-year contract with ability to cancel.
4205 W Broadway BP Station	Parking lot complete
4614 41 ½ Ave N (<i>Soul Brothers</i>)	Building leased through 9/30/19. <i>See Agenda Item</i>
Terrace Redevelopment TIF Agt.	First TIF partial payment available 8/1/19. TIF Note action not yet taken.
4165 Hubbard N Side Oriental Mkt	Lease payments on schedule.
4501 Orchard	REDA has right to review plans for through 2028.
4131-35 W Broadway (<i>Travail</i>)	Working on exterior. Deadline September 30, 2019
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)
Clare Housing TIF District	Pay-as-you-go TIF agreement.
Downtown/Plaza Project	2 nd Mural for Ace Hardware- tracking down agreement for mural wall. July start.



 Marcia Glick, Executive Director

Council Check Register by GL
Council Check Register and Summary

6/11/2019 -- 6/11/2019

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
198577	6/11/2019		100347 US BANK TRUST NATIONAL ASSN						Continued...	
		450.00	BROADWAY COURT PAYING AGENT		143007	5370652	6815.7040		Fiscal Agent Fees	Broadway Court - Ref Bonds
		450.00								
		16,032.37	Grand Total							
							<u>Payment Instrument Totals</u>			
							Checks		16,032.37	
							Total Payments		16,032.37	

City of Robbinsdale
Council Check Register by GL
Council Check Register and Summary

6/11/2019 13:57:33

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6/11/2019 -- 6/11/2019

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
198568	6/11/2019		113134 BACKEN, PAT							
		60.00	REG MEETING 05/14/19		142999	20190611	2005.6139		Commissioner Stipend	Business & Housing Development
		60.00								
198569	6/11/2019		100505 BLONIGAN, WILLIAM							
		60.00	REG MEETING 05/14/19		142997	20190611	2005.6139		Commissioner Stipend	Business & Housing Development
		60.00								
198570	6/11/2019		114195 ECM PUBLISHERS INC							
		32.73	PH NOTICE 3359 HALIFAX		142995	20190611	2005.6712	00005393	Legal Notices	Business & Housing Development
		32.72	PH NOTICE 3760 LEE		142996	20190611	2005.6712	00005341	Legal Notices	Business & Housing Development
		65.45								
198571	6/11/2019		108097 EHLERS & ASSOCIATES							
		2,082.50	TIF AGREEMENT AMENDMENTS		143002	80132	2005.2640	00005134	Other Deposits	Business & Housing Development
		2,082.50								
19E572	6/11/2019		111357 GIERTSEN COMPANY INC							
		473.91	5/4/9 GARBAGE EMERGENCY BOARD		142994	M00838STR	2547.6336	00005393	Other Contracts	TIF District 2000-9
		473.91								
19E573	6/11/2019		100530 KENNEDY & GRAVEN, CHARTERED - REDA							
		408.00	ADMINISTRATION		143003	148387	2005.6311		Legal Fees - General Counsel	Business & Housing Development
		12.76	ADMINISTRATION- DISBURSEMNT		143004	148387	2005.6214		Operating Supplies	Business & Housing Development
		1,071.00	TIF 2000-9		143005	148387	2547.6311		Legal Fees - General Counsel	TIF District 2000-9
		11,168.75	TIF DISTRICT 14-LEGION SITE		143006	148387	2005.2640	00005134	Other Deposits	Business & Housing Development
		12,660.51								
198574	6/11/2019		113921 MURPHY, REGAN							
		60.00	REG MEETING 05/14/19		142998	20190611	2005.6139		Commissioner Stipend	Business & Housing Development
		60.00								
198575	6/11/2019		108789 ROGAN,DANIEL P							
		60.00	REG MEETING 05/14/19		143001	20190611	2005.6139		Commissioner Stipend	Business & Housing Development
		60.00								
198576	6/11/2019		110208 SELMAN, GEORGE							
		60.00	REG MEETING 05/14/19		143000	20190611	2005.6139		Commissioner Stipend	Business & Housing Development
		60.00								
198577	6/11/2019		100347 US BANK TRUST NATIONAL ASSN							

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

Council Check Summary

6/11/2019 - 6/11/2019

Company	Amount
02005 Housing Development	14,037.46
02547 TIF District 2000-9	1,544.91
05815 Broadway Court - Ref Bonds	450.00
Report Totals	16,032.37