

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
AGENDA
6:00 P.M.
TUESDAY, JULY 10, 2018
COUNCIL CHAMBERS**

1. MEETING CALLED TO ORDER
2. MICROPHONE CHECK:
3. ROLL CALL: Murphy, Backen, Rogan, Blonigan, President Selman
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 June 12, 2018..... **1-4**
 - **Work Session Minutes** of June 12, 2018..... **5**
 - **Special Meeting Minutes** of June 19, 2018 – 6pm..... **6-7**
 - **Special Meeting Minutes** of June 19, 2018 – 8:43 pm... **8-9**
 - B. **Motion** to approve **Disbursement Requests** for period ending July 10, 2018..... **10**
5. CONTINUED PUBLIC HEARINGS:
 - A. 4524 Regent - Disposition of Land..... **11-18**
6. OLD BUSINESS:
 - A. None Scheduled.
7. NEW BUSINESS:
 - A. None scheduled
8. OTHER BUSINESS:
 - A. None scheduled
9. INFORMATION ONLY:
 - A. Project Updates..... **19-20**
10. REDA GENERAL COMMUNICATIONS
11. ADJOURNMENT

Marcia E. Glick

Marcia Glick, Executive Director

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, JUNE 12, 2018
COUNCIL CHAMBERS**

CALL TO ORDER:

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

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

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

#4A-B CONSENT AGENDA:

4. **MOTION** by Member Murphy, 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 May 8, 2018 and;
 - Work Session Meeting Minutes of May 15, 2018
 - B. Motion to approve **Disbursement Requests** for period ending June 12, 2018;

All voted in favor and the motion carried.

#5: CONTINUED PUBLIC HEARING

Disposition of Land - 4524 Regent Ave N:

5. Pearson reviewed the staff report. Lot reservation fee received from Jim Peterson. No plans have been received.
6. President Selman opened the public hearing. No one spoke to this item.
7. **MOTION** by Member Rogan, seconded by Member Murphy to continue the public hearing until 6 pm, July 10, 2018.
All were in favor and the motion carried.

#7A: OLD BUSINESS:

Consideration of Redevelopment of Pro Meals Including Business Subsidy:

8. Glick reviewed the staff report.
9. **James Winberg, 4124 West Broadway, Robbinsdale**
Documents seem to follow previous agreements. His attorney is reviewing it and will provide information by the end of the week.
10. Glick noted that it would be good to hear feedback from REDA if they have any tonight.
11. Attorney Batty advised a special meeting to allow review of the business subsidy criteria and resolution.
12. Member Blonigan asked about job creation.
13. Glick explained the Hennepin County requirements regarding jobs.
14. **MOTION** by Member Blonigan, seconded by Member Murphy to table action until June 19, 2018 at 6:00 pm. **All were in favor and the motion carried.**
15. Member Rogan will not be at the June 19th meeting. Stated he is excited about changing a building in need of reconstruction to something that is really special. The numbers bear out the need for the subsidy. The grant from Hennepin County is great assistance to site clearance. He is supportive of the agreement.
16. **All were in favor and the motion carried.**

#7B: OLD BUSINESS:

Redevelopment Plan Area 13 & TIF District No. 13 – Birdtown Flats

17. Glick reviewed the staff report.
18. Member Blonigan noted that the developer has met with the financial consultant to meet threshold established by REDA.
19. Member Blonigan expressed concern for the large number of one-bedroom apartments giving an example of an apartment complex in Brooklyn Park.
20. **Bill Beard, The Beard Group of Hopkins**
This project has high end amenities. Hired a professional management team that will assure property is well maintained. Building is designed for renters of choice who are looking for low maintenance and moving flexibility. Market study indicates there is a 1200 unit demand within the trade area. Balance of units is right for the time.

21. President Selman noted the units in Brooklyn Park had no unit choices, no interior parking and no amenities.
22. Member Rogan stated it has been more than 40 years since the city has had a market value, multi-family building built. This is an example of why TIF is important. Supports the project.
23. Member Murphy thanked Mr. Beard. Appreciated design changes. He also noted that numerous empty nesters in Robbinsdale have inquired about the property.
24. Member Backen also thanked Mr. Beard for agreeing to changes both in design and financing for the project.
25. **MOTION** by Member Murphy, seconded by Member Blonigan to approve "A RESOLUTION ESTABLISHING REDEVELOPMENT PROJECT NO. 13 AND ADOPTING A REDEVELOPMENT PLAN THEREFOR AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 13 – BIRDTOWN FLATS THEREIN AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR" **All were in favor and the motion carried.**
26. **MOTION** by Member Rogan, seconded by Member Backen to set a special REDA meeting immediately following the conclusion of the City Council on June 19, 2018 for the purpose of considering the Contract for Private Redevelopment by and between the REDA and the Beard Group including terms of a TIF note. **All were in favor and the motion carried.**

7C: OLD BUSINESS:

Redevelopment Plan Area/TIF District – 3600-3636 France Ave N

27. Glick reviewed the staff report.
28. **Jason Aarsvold of Ehlers** noted the recommendation is an agreement which has been negotiated and agreed to by the developer. He reviewed factors which drive the cost and noted that review and expectations are the same as was done for Birdtown Flats. The study shows that the proposal follows industry standards but does require assistance.

Repayment is sped up by allocating 95% of TIF Proceeds to the note. Developer is also comfortable assuming 1.5% inflation on the project while making the TIF projection. Anticipate 20-21 years to pay back period.
29. Member Rogan confirmed that though a greater TIF note, this is similar ratio to the other project.
30. Member Rogan confirmed that increase in TIF note is because of the increased cost of the project overall. The ratios are similar to the previous developer's project.

31. Mr. Aarsvold confirmed that this is because the project is bigger and more expensive, more equity so return is greater.
32. Member Blonigan noted in the analysis of the rents proposed are at or above the market. Does this mean at the top or a little above?
33. Mr. Aarsvold explained that the market study was done in 2017. Projected rents are really a little above the projections for two years from now when the project goes online.
34. **MOTION** by Member Rogan seconded by Member Backen to approve "RESOLUTION AUTHORIZING PREPARATION OF A PROGRAM AND A TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT 14 WITHIN REDEVELOPMENT AREA NO. 13 (Lakeland Development Area) **All were in favor and the motion carried.**

#10: Information Only: Project updates

35. No action required.
36. Glick provided update on Beckmann project.

#11: REDA General Communications

37. Member Murphy thanks residents and Member Backen for fundraising for flower baskets. Member Backen thanked all the residents and businesses that contributed to the flower baskets.
38. Attorney Batty advised that the board adopt a motion to schedule a special meeting to match the earlier action where the ProMeals item was tabled until June 19th.
39. **MOTION** by Member Rogan, seconded by Member Backen for a special REDA meeting regarding Pro Meals on June 19, 2018 at 6:00 pm. **All were in favor and the motion carried.**

#12: ADJOURNMENT:

40. **MOTION** by Member Backen, seconded by Member Murphy to adjourn the meeting at 8:02 p.m.
All voted in favor and the motion carried.

Marcia Glick, Recording Secretary

George B. Selman, REDA President

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
WORK SESSION MEETING MINUTES
TUESDAY, June 12, 2018
COUNCIL CHAMBERS**

CALL TO ORDER:

1. The Robbinsdale Economic Development Authority (REDA) Work Session meeting was called to order by Vice President Blonigan at 6:00 p.m.

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

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

#3 Discussion of Mural Concepts

4. Board members indicated that they would like to see a mural, ideas they liked in past sketches and noted that the mural doesn't need to be literal or have words though the artwork that depicts the personality of Robbinsdale seemed to be preferred.
5. Lili Payne, Robbinsdale resident and full-time muralist (gildedlili.com) indicated that she would prepare another set of concepts. One will be tweaking current samples to reflect community and the other one will be abstract.

ADJOURNMENT:

6. Member Blonigan adjourned the work session at 6:47 p.m.
All voted in favor and the motion carried. (Murphy absent)

Marcia Glick, Recording Secretary

William A. Blonigan, Vice President

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING MINUTES
TUESDAY, JUNE 19 2018
COUNCIL CHAMBERS**

CALL TO ORDER:

1. The Robbinsdale Economic Development Authority (REDA) meeting was called to order by President Selman at 6:00 p.m.

ROLL CALL:

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

OLD BUSINESS:

Redevelopment of 4131-35 W Broadway – Business Subsidy and Acceptance of EDIF Grant from Hennepin County

3. Glick reviewed the staff report noting addition of a missing exhibit on the final resolution which had been distributed.
4. **MOTION** by Member Murphy, seconded by Member Backen to approve "A RESOLUTION APPROVING CONTRACT FOR PRIVATE REDEVELOPMENT WITH PROMEALS, INC.
The vote was 4-0 and the motion carried. (Rogan absent)
5. Blonigan spoke in favor of the motion. He noted that the Assessment Agreement will guarantee a minimum market valuation for taxes of \$1.5M, compared to the current \$400,000.
6. Murphy also spoke in favor of the motion noting that in addition to the improvement in tax base and jobs, 7 restaurants at the current site failed in the last 10 years.
7. **MOTION BY** Member Murphy, seconded by Member Backen to approve "A RESOLUTION ACCEPTING THE HENNEPIN COUNTY ECONOMIC DEVELOPMENT INFRASTRUCTURE FUND GRANT ASSISTING THE REDEVELOPMENT PROJECT AT 4131-35 WEST BROADWAY".
The vote was 4-0 and the motion carried. (Rogan absent)
8. Glick noted that in addition to the business assistance discussed in the agreement, the county grant provides assistance in the cost of relocating a power pole which impacts multiple businesses and REDA has indicated it will pay for the relocation of a CenturyLink connection which also impacts multiple businesses.

9. **MOTION** by Member Backen, seconded by Member Blonigan in support of \$10,050 grant for CenturyLink transformer connections to adjacent businesses. **The vote was 4-0 and the motion carried (Rogan absent).**

ADJOURNMENT:

10. **MOTION** by Member Murphy, seconded by Member Backen to adjourn the special meeting at 6:10 p.m.

Marcia Glick, Recording Secretary

George B. Selman, President

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING MINUTES
TUESDAY, JUNE 19, 2018
COUNCIL CHAMBERS**

CALL TO ORDER:

1. The Robbinsdale Economic Development Authority (REDA) meeting was called to order by President Selman at 8:43p.m.

ROLL CALL:

2. Members Present: Murphy, Backen, Blonigan, President Selman
Member Absent: Rogan
Staff Present: Marcia Glick, Executive Director
Andrew Biggerstaff, REDA Attorney

OLD BUSINESS:

Birdtown Flats Redevelopment Agreement and related documents

3. Glick reviewed the staff report. The assistance is in the form of a privately financed note to be paid back from the higher taxes paid by the development. The development contract provides the details of the financing. The second document outline the relationship with the bank financing the note. The \$2.5 Million TIF note will be repaid by the \$30 Million project. The assistance helps cover the gap between acquiring a site with buildings and getting it back to bare land for new development.
4. Blonigan asked why this agreement didn't include an Assessment Agreement.
5. Staff explained that in agreements with pay-as-you go development with 100% private financing the developer takes the risk. If the REDA has invested money up front being repaid from tax increments, an assessment agreement guaranteeing minimum value. Assessment Agreements prevent the developer from trying to lower the value below the agreed upon amount during annual property tax value review processes.
6. **MOTION** by Member Backen, seconded by Member Murphy to approve and authorize the Executive Director to execute the Contract for Private Redevelopment, Collateral Assignment of Contract for Private Redevelopment and Tax Increment Note, and any other related documents related to the project. **The vote was 4-0 and the motion carried. (Rogan absent)**
7. **MOTION** by Member Backen, seconded by Member Murphy to approve "RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH TAX INCREMENT FINANCING DISTRICT NO.13 – BIRDTOWN FLATS. **The vote was 4-0 and the motion carried (Rogan absent)**

8. **ADJOURNMENT:**

MOTION by Member Backen, seconded by Member Murphy to adjourn the special meeting at 8:51 p.m. **The vote was 4-0 and the motion carried (Rogan absent)**

Marcia Glick, Recording Secretary

George B. Selman, President



AGENDA ITEM # 4B
July 10, 2018

CONSENT AGENDA: Disbursement Requests for period ending July 10, 2018

This information will be distributed at the meeting.



PUBLIC HEARING: Disposition of land at 4524 Regent Ave. N.

Jim Peterson paid a lot reservation on May 3, 2018 and is now presenting his proposal for the lot. His offer for the lot is \$27,000. The lot price has been \$40,000 for lot clearing and development expenses. Notices have been sent to the neighborhood.

ANALYSIS/CONCLUSION:

The site plan, floor plan and elevations are included as **Attachment A**. Similar to the house currently under construction at 4530 Regent, the two-story house has cultured stone at the porch column bases, LP smart siding, shakes, architectural shingles and a slightly off-set two-car attached garage oriented towards the alley.

First Floor – 1,100 finished sq. ft.

- Covered Front porch/stoop, den, entry closet.
- Open floor plan with kitchen island, fireplace with bump-out, wood floor.
- ½ bath powder room, mud room with tile floors.

Second Floor – 1,093 finished sq. ft.

- Owner's suite with ¾ bathroom, walk-in closet.
- 2 bedrooms sharing a full bathroom.
- Second floor laundry

Basement unfinished

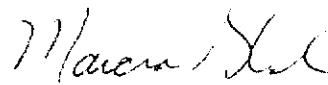
- Rough-in for ¾ bathroom.
- Egress window for future 4th bedroom.

The Hennepin County Appraiser estimated the market value in a range of \$350-\$370,000. Mr. Peterson expects to market the property at \$399,900 and hopes to have the project completed by January 30, 2019.

The REDA may consider going into executive session to discuss the lot offer.

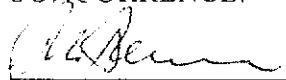
RECOMMENDATION:

1. Open the public hearing.
2. If the REDA accepts the plans for 4524 Regent, then motion to adopt the resolution shown in **Attachment B** awarding the lot to James C. Peterson & Associates, Inc and authorizing that Executive Director to enter into a development agreement.

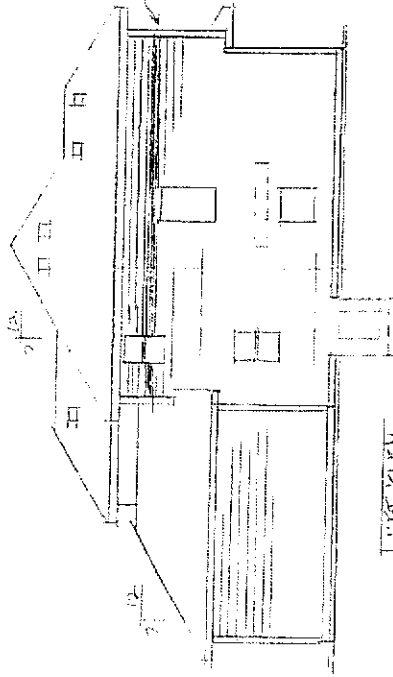


Marcia Glick, Executive Director

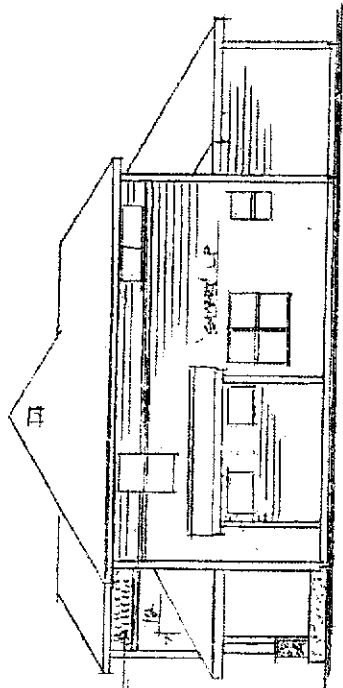
CONCURRENCE:



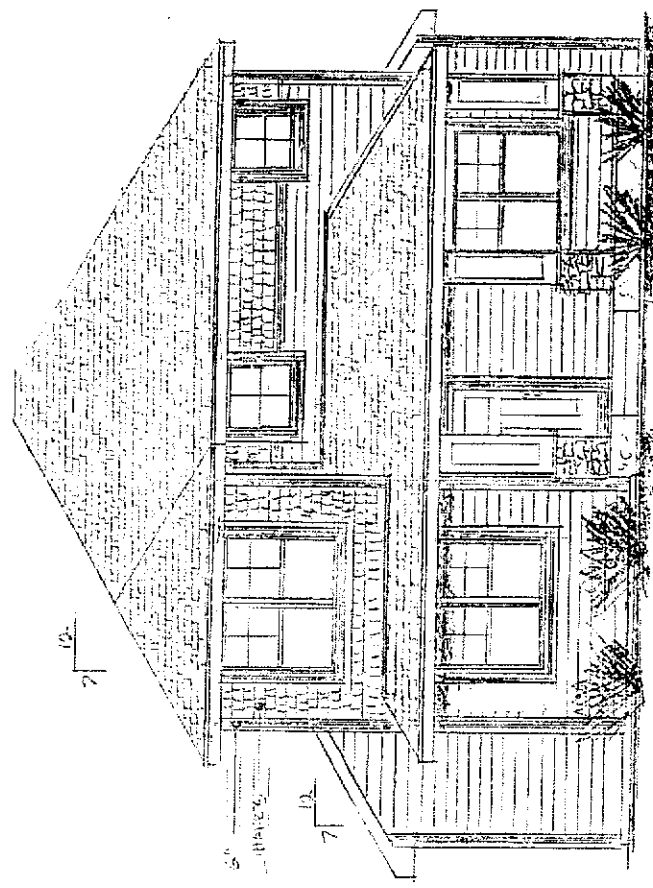
Rick Pearson, Community Development Coordinator



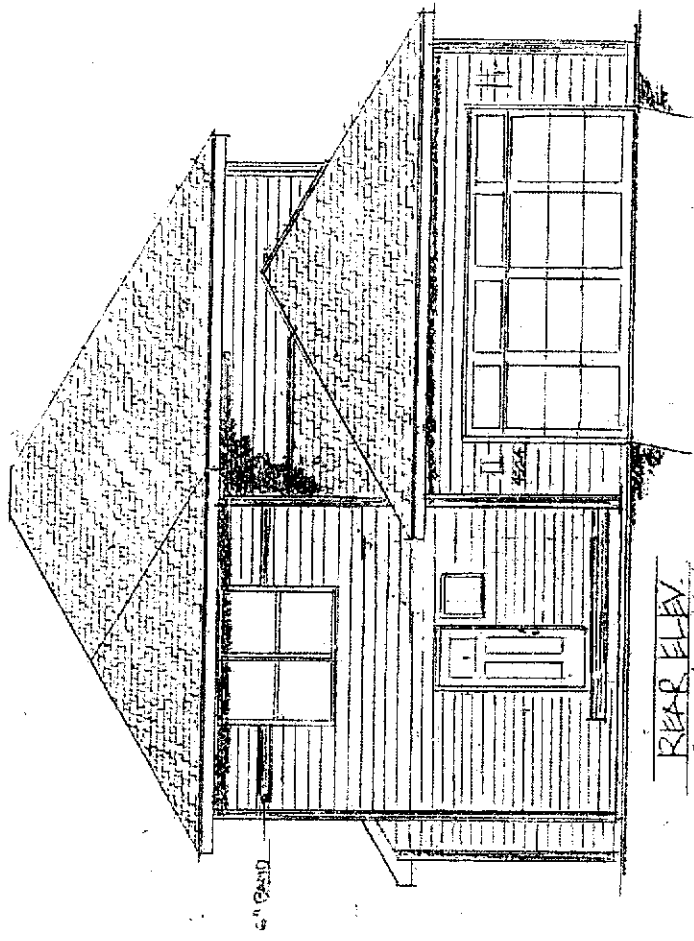
LEFT ELEV
SCALE 1/8" = 1'-0"



RIGHT ELEV
SCALE 1/8" = 1'-0"

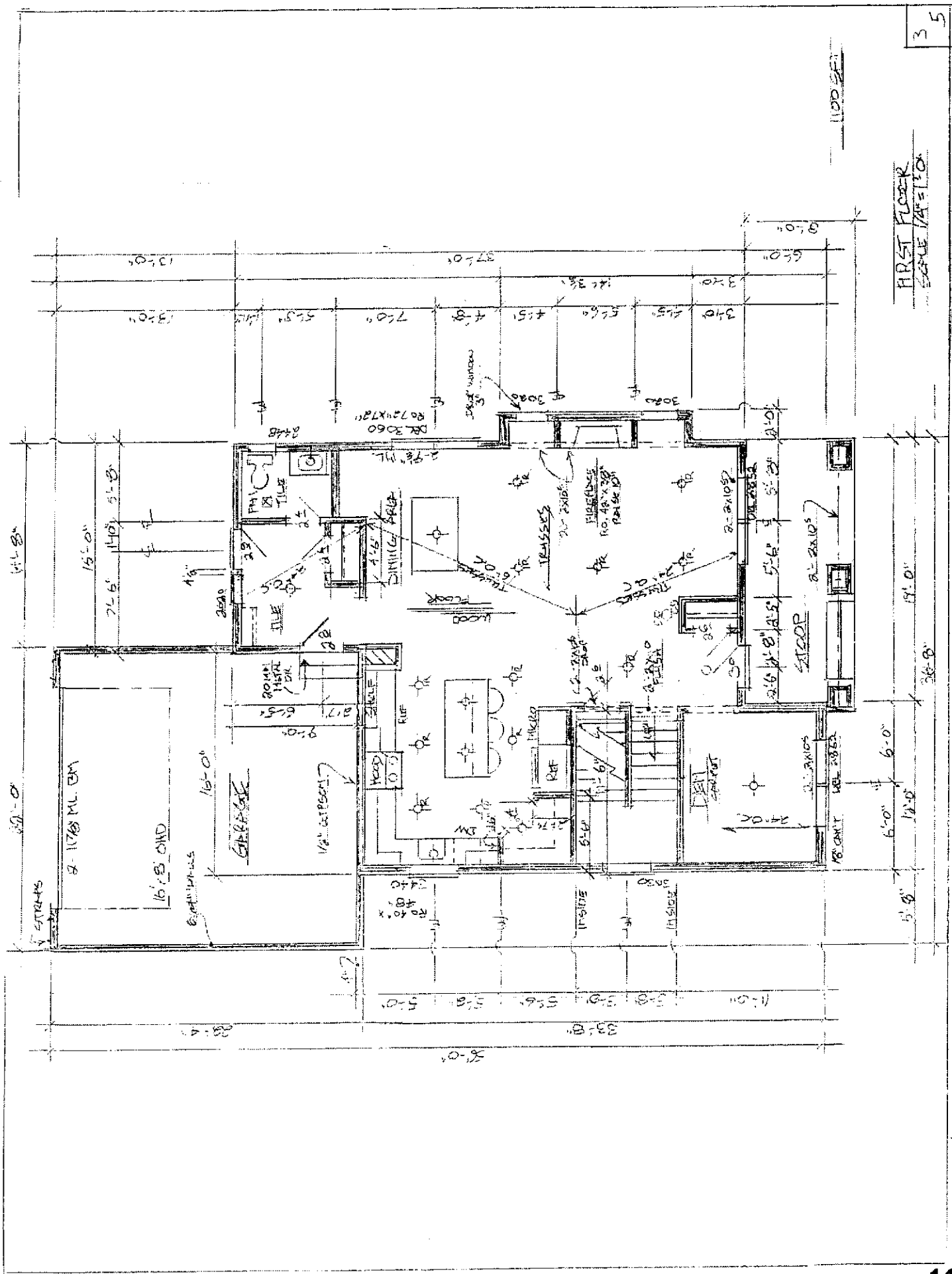


FRONT ELEV
SCALE 1/4" = 1'-0"



REAR ELEV
SCALE 1/4" = 1'-0"

J.C. HATHAWAY ARCHITECT, INC. 10101 WILLOW LN TOTTENHAM, MN 55413 763-570-3579 763-570-3581		PROJECT: 2525 REGENT AVE PROJECT DESCRIPTION: J.C. PETERSON HOMES TO OWNERS	SHEET NO. 13 REVISIONS: NO. 1: CC 003579 NO. 2: CC 003581	PERMIT NO. 10037 SECOND FL. 1073 TOTAL 2193	2525 REGENT AVE
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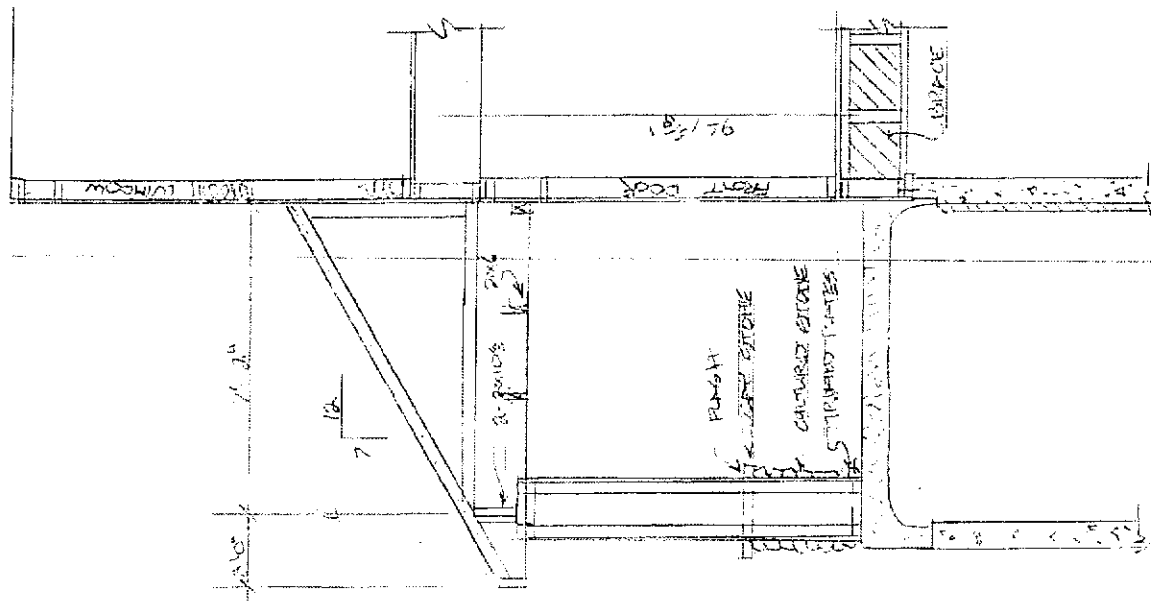
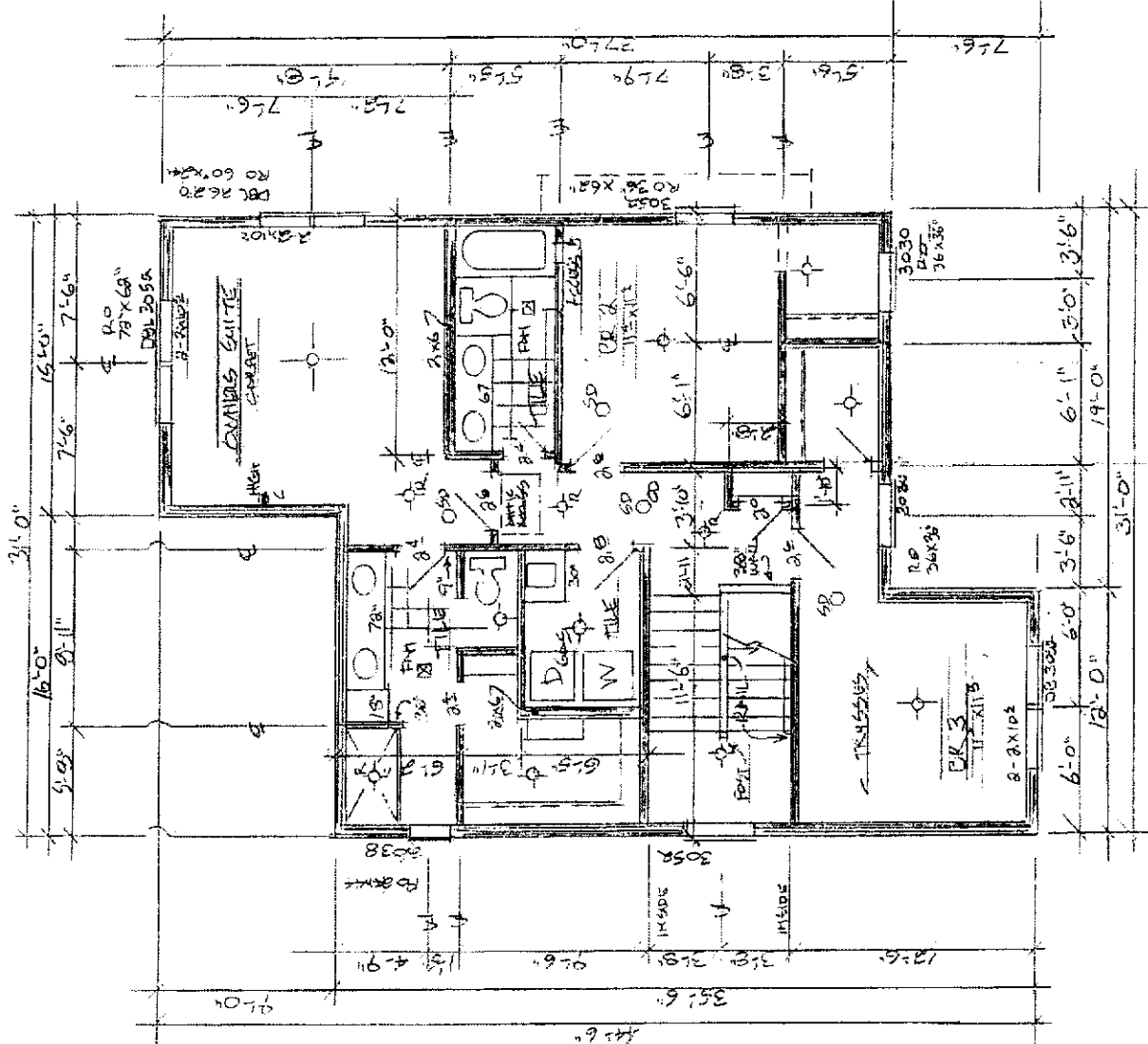
3
5
FIRST FLOOR
SCALE 1/4" = 1'-0"

4584 REGENT AVE.

4/5

SECOND FLOOR
SCALE 1/8" = 1'-0"

AS SHOWN PER PLAN



SCALE 1/8" = 1'-0"

Member _____ and Member _____ seconded a motion that the following resolution be read and adopted this 10th of July, 2018

REDA RESOLUTION NO. 2018-

**A RESOLUTION APPROVING THE DISPOSITION OF PROPERTY
LOCATED AT 4524 REGENT AVENUE NORTH BY THE
ROBBINSDALE ECONOMIC DEVELOPMENT AUTHORITY TO
J. C. PETERSON & ASSOCIATES, INC.**

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

Lot 2, Block 1, O'Neill Estates 3rd Addition,
Hennepin County Minnesota (the "Property"); and

WHEREAS, the Authority desires to convey the Property to J. C. Peterson & Associates, 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 the Quail Ridge Development area; 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 10th DAY OF JULY, 2018.**

George Selman, President

ATTEST:

Marcia Glick, Executive Director



Agenda Item #
July 10, 2018

INFORMATION ONLY: Project Updates

ADDRESS	COMMENTS
Twin Oak cul-de-sac (<i>Beckmann</i>)	Foundation installed on 1 st home, starting to work on framing.
3807 Major (<i>Hyland</i>)	TIF 2000-8. Homeowners moved in 12.16.17. Exterior painting has been completed. Landscaping, sidewalk to be completed by contractor – not yet complete. Certificate of Completion being held pending completion of exterior work.
4629 France (<i>Carlyle</i>)	Home framed in. Working on interior.
4524 Regent	Lot reservation from Jim Peterson. <i>See agenda item.</i>
4530 Regent (<i>Peterson</i>)	Home framed in. Working on interior.
3912 Quail (<i>Beckmann</i>)	TIF 2000-9. Property sold. Completion Deadline 12/31/2018.
3905 Quail (<i>Beckmann</i>)	TIF 2000-9. Property sold. Building permit ready expect to dig after the basement is completed at 4317 Twin Oak Lane. Completion Deadline 12/31/2018.
3606 Lake Drive	Considering Park option.
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>)	TIF Project 13 and Redevelopment Area 13 approved. Plat is on July 10 th city council agenda.
3636 France	Property REDA owns this parcel north of St Petersburg – public hearing on sale 8/15/18
3600 France	REDA authorized proceeding with TIF analysis. Planning application received. Public Hearing scheduled for July 19, but expected to be tabled.
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.
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	Utility disconnects underway. Award of demolition expected early August.
4614 41 ½ Ave N	Building leased to Soul Brothers for office, meeting space, and catering office.
Terrace Redevelopment TIF Agt.	Hy-Vee construction underway. Future action on TIF Note, etc.
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	REDA approved development agreement – waiting on construction financing and building construction plans.
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 option for Ace Hardware. REDA met with muralist June 19. <i>See agenda item.</i>
Business District Initiative	See Detail on next page. Completion required by October 2018.

Marcia E. Glick

Marcia Glick, Executive Director

Business District Initiative - \$35,000 Project deadline October 2018		
Ace Hardware	Total Budget	Grant
- Awning	\$3,433.20	\$1,144.40 complete
- Tuckpointing and parapet cap	\$27,000 bid	\$ 9,000 complete
Straight Stuff		
- awning & paint	\$3,029.62	\$1,010 complete
Performance Meals		
- awning	\$2,900	\$ 966.77 complete
- window and other façade update	\$22,101	\$7,367
4180 W Broadway		
- awnings & paint	\$6,200	\$1,111.29 complete
Lions Gym		
- Hubbard window/door also doing window on N side	\$5,842 grant elig. \$ 7,368 total	\$1,947.70 complete
Wickedly Charming		
- Windows, stucco repairs, signs	\$4,746.68	\$1,582.22 complete
Golden Age Design		
- Hubbard side sign, lights, paint	\$5812 total project	\$ 1,937.33 complete
- Loan on WB side	- \$3,874.67 loan	
- Decided not to do lighting addition		
P & D Mechanical (early 2018)	<i>Nothing submitted</i>	
- Confirmed interest in N side stucco		
Nonna Rosa's		
- Awnings	\$2,670 est. plus permits included rear entrance not eligible for grant.	\$ 769.33 awnings
- Considering window updates	<i>Nothing submitted</i>	
Broadway Court		
- Commercial Space awning and lighting updates	\$5034	\$1,678 complete
Wicked Wort		
- Time/Temp Sign Update	\$29,661.07	\$9,887.02 complete
Marnas		
- Awning and Lights replacement		
	Total Investment \$97,854.57 Pending \$11,000.00 Total project \$108,854.57 Incentive Budget \$35,000	Total Complete \$31,333.66 Pending \$ 3,666.34 Total \$35,000

REDA can consider applying again for grant assistance if sufficient projects for 2019