

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL WORK SESSION MINUTES
TUESDAY, JANUARY 2, 2018
COUNCIL CHAMBERS**

CALL TO ORDER:

1. The Robbinsdale Economic Development Authority (REDA) meeting was called to order by President Backen at 7:25 p.m.

ROLL CALL:

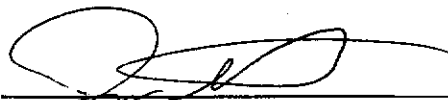
2. Members Present: Selman, Murphy Blonigan, Rogan, President Backen
Staff Present: Marcia Glick, Executive Director

DISCUSSION: Robbinsdale Apartments – Tax Increment Financing Request

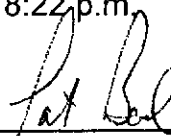
3. Glick the staff report memo on general public financing objectives. She noted that the development is the type of project where cities would consider public assistance.
4. Jason Aarsvold, Ehlers, distributed his analysis of the TIF Request. He noted that higher amenity, higher rent projects do typically need assistance in redevelopment areas and his report supported \$2.5M in assistance. He noted that the proposed developer fee is higher than industry standards and the owner's equity is lower than expected for a market rate project. Aarsvold indicated that Ehlers reviews projects in the metro area and has a database of about 30 projects. He noted that every developer has different cost factors and contractors which impacts comparisons.
5. Board Members obtained a better understanding of the report as Aarsvold answered questions.
6. Bill Beard, The Beard Group, agreed that Mr. Aarsvold had done a good job of putting the information together. His firm's request was consistent with their last three projects – 2 in Osseo and one in Victoria. He noted that the development in Robbinsdale would be the first of its kind and therefore carries a higher risk. He indicated that he would review REDA feedback and determine whether the project could move forward or whether it would need to be put on hold and let others blaze the trail.
7. REDA members indicated that they supported the project and need for assistance, would support \$2.5M as outlined in the Ehlers report, additional financing would need to be based on further financial analysis supporting an increase.
8. Members agreed that this is the type of development that REDA would like to see.

ADJOURNMENT:

9. President Backen adjourned the work session at 8:22 p.m.



John Tingley, Recording Secretary



Pat Backen, President