

**ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, February 23, 2021
COUNCIL CHAMBERS**

CALL TO ORDER:

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

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Blonigan, Kline, Webb, Selman, President Backen
Members Absent: None
Staff Present: Marcia Glick, Executive Director;
Rick Pearson, Community Development Coordinator
Others Present: Marleny Leiva, property owner
Jim LaValle and Paul Keenan, development partners

#3 Discussion: 4600 Lake Road – Gap Funding

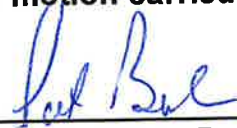
4. LaValle noted the group has done environmental studies, market feasibility, and reached out to provide equity partners. Robbinsdale is qualified as a viable area with a diverse housing mix and the site itself has a natural amenity area. Noted that building an apartment vs. high end homes opens the location to people of varied incomes. The development is expected to be \$30M with \$9M equity and a gap of \$250,000 to \$300,000 in annual tax increment.
5. Keenen, Reuter Walton VP Development, a Twin Cities multi-family apartment firm. In Maxfield Market Study, 94 of the 118 units would have units below the 80% AMI – good work force housing.
6. LaValle offered to provide a tour of developments that he and Reuter Walton had completed. The project costs include addressing soft soils, infrastructure to improve water quality runoff, a building that was energy efficient with durable finishes while not being a “platinum plated” product.
7. Keenen estimated the payback would be 12-15 years. While qualifying as affordable, there will not be restricted incomes or rents.
8. REDA members indicated there should be clarification on dock use; assuring that the parking demand is managed; addressing traffic count comparison for the use vs current building use if fully rented; also traffic impacts from deliveries.
9. Leiva confirmed that the project size had been reduced from the initial proposal and the parking provided was greater than code required. She noted the previous public hearing was for a higher building unit count.

10. Staff confirmed that the project had completed the planning review in 2020 with a conditional use permit for realigning the shoreline (excavation and fill). There are no variances required for the development.
11. Glick noted next step would be for the developer to start paying for financial consultant, blight analysis consultant, REDA legal costs for document drafting which could run \$20,000. The public hearing before the city council would determine if it makes sense from a financial prospective to use tax increment financing. REDA in supporting the exploration of the financing tool would indicate that there would be a benefit to redeveloping this site as proposed vs. the alternative of the continuation of the current use. The developer is seeking parameters of what REDA would expect from equity ratio, payback, etc. Expecting that 1st step will be running through the initial exploration and then checking in with REDA prior to proceeding with other costs.
12. Leiva shared concern that as office tenants have moved out
13. Staff will collect comparative data for Birdtown Flats, Parker Station Flats, and this current proposal as to the total value, developer equity, TIF assistance. Glick confirmed the requested TIF would be around \$3M.
14. Backen and Selman indicated that they would not support more than a 15 year TIF District.
15. Kline indicated support for an apartment development over a few large houses; providing opportunity for more people to have access to the lake. Webb agreed the apartment may be the best use for the property while noting that ideally there would be an alternative access. Therefore, there's a need to continue the conversation with the people on Lilac Drive.
16. Leiva noted that if she was not able to attract good tenants, a vacant building at the end of a road could be an escalating blighting influence. The project has evolved to be fewer units.

#4: ADJOURNMENT:

17. **MOTION** by Member Backen, seconded by Member Murphy to adjourn the meeting at 8:24 p.m. **All voted in favor and the motion carried.**

Marcia Glick, Recording Secretary



Pat Backen, REDA President