ROBBINSDALE

Economic Development Authority Meeting
Tuesday, March 11, 2025
4100 Lakeview Avenue North
Robbinsdale, MN
7:00 PM

# AGENDA

1. MEETING CALL TO ORDER
2. MICROPHONE CHECK
3. ROLL CALL: Blackledge, Sutton, Parisian, Wagner, President Greenberg
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. Approval of Feb 11, 2025 EDA Meeting Minutes
5. PUBLIC HEARINGS
   A. None
6. OLD BUSINESS
   A. None
7. NEW BUSINESS
8. OTHER BUSINESS
   A. Voucher Requests Pending Approval for Disbursement
9. INFORMATION ONLY
   A. Staff Updates
10. REDA GENERAL COMMUNICATIONS
11. ADJOURNMENT

# *draft* MINUTES

## MEETING CALL TO ORDER

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

## MICROPHONE CHECK

Complete

## ROLL CALL

Present: Blackedge, Sutton, Parisian, Wagner, Greenberg
Absent: None
Staff: Tim Sandvik, Executive Director, Ron Batty, EDA Attorney, Heather Rand, Community Development Director

## CONSENT AGENDA

A. Approve Regular Meeting Minutes of January 14, 2025

Member Parisian MOVED, seconded by Wagner to approve regular meeting minutes of January 14, 2025. The vote was 5-0 and the motion carried.

## PUBLIC HEARINGS

A. None

## OLD BUSINESS

A. None

## NEW BUSINESS

A. Presentation on EDA Authority and Public Purpose by Ron Batty, REDA Legal Counsel, Kennedy & Graven Law Firm

Attorney Ron Batty provided an overview of the Robbinsdale Economic Development Authority (EDA) explaining that the Robbinsdale Economic Development Authority (EDA) is a separate legal entity established by the City Council to focus on economic development initiatives. Unlike committees or commissions, the EDA operates independently, with its powers and responsibilities granted by the Council. This structure allows Council members to approach city issues from an economic development perspective, distinct from their roles in the City Council. As the EDA commissioners are also the city elected officials.

Historically, Robbinsdale transitioned from a Housing and Redevelopment Authority (HRA) to an EDA in 1991. This change was driven by the desire to access broader statutory powers, enabling the EDA to operate under multiple statutes, including the EDA statute, the HRA statute, and the City Development District statute. The EDA has been involved in several key areas
1. Tax Increment Financing (TIF): Robbinsdale established the state's first TIF district in the downtown area,

generating significant funds for city projects.
2. Scattered Site Redevelopment: The EDA acquired and redeveloped individual single-family properties in poor condition, often through demolition and infill development, to improve neighborhood conditions.
Multifamily Housing Projects: The EDA has supported various multifamily housing developments, including Lee Square, Copperfield Hill, Broadway Court, Common Bond, Claire Terrace, Bird Town, and Parker Station Flats.
3. Commercial Redevelopment: The EDA has assisted businesses like New Garden Restaurant, Broadway Pizza, Robbinsdale Farm and Garden, Wuollets, Travail, and most recently, Hy-Vee, through loans and tax increment financing.

Regarding business subsidies, state law requires that any assistance to a business be accompanied by a business subsidy agreement, which includes public hearings and adherence to established criteria. Notably, housing projects are exempt from these business subsidy requirements.

In summary, the Robbinsdale EDA has played a pivotal role in the city's economic development by facilitating housing and commercial projects, utilizing tax increment financing, and operating under multiple statutes to address various community needs.

B. Presentation on Public Finance Tools for Redevelopment and Robbinsdale TIF Districts by Jason Arsvold, Senior Municipal Advisor, Ehlers Public Finance Advisors, Inc.

Jason Aarsvold, Senior Municipal Advisor at Ehlers Public Finance, gave an overview of Ehlers with the city and REDA, focusing on economic development efforts, particularly through Tax Increment Financing (TIF).

He explained that before entering Tax Increment Financing (TIF) deals, cities should define clear goals and establish policies to guide TIF efforts, ensuring alignment with community needs. A structured application process and pro forma analysis help evaluate TIF requests consistently and transparently. Once approved, a formal TIF agreement outlines support, duration, and developer obligations, including a "lookback" provision to reassess after project completion. Clear communication with constituents is essential when large public funds are involved. Careful planning, clear policies, structured processes, and ongoing monitoring are key to ensuring that TIF deals are aligned with community goals and protect public resources.

Commissioner Parsian questioned, “When is the EDA involved in TIF agreements and decision-making? When does the City Council play a role in TIF projects? "How do the roles of the EDA and the City Council differ in the context of TIF projects?” Attorney Ron Batty explained that the EDA handles tax increment agreements and drafts the TIF plan, but the City Council must approve the district after a public hearing. The agreement was made with the EDA, which manages TIF projects.

Mr. Aarsvold added that before formally adopting a TIF plan, there may be preliminary discussions, such as a term sheet or work session on a specific project. These meetings can occur before the TIF plan is presented for approval, depending on how the process is structured. Attorney Ron Batty also added that as City Council members, they will review projects that require land use approvals, such as comprehensive plan amendments, rezonings, or plans, as part of their role in the approval process.

President Greenberg questioned if there could be a scenario where, wearing the EDA hat, the project seems appropriate, but as City Council members, they might feel it’s not appropriate or disagree with the project. Essentially, it's about the possibility of conflicting decisions between the two roles. Attorney Ron Batty stated that while it's unlikely for a project approved by the EDA to be rejected by the City Council, the Council may make adjustments, particularly on land use issues. Developers typically get some of what they want, but not everything.

President Greenberg states that it seems more likely that instead of completely rejecting a project, there would

be some pushback and discussions about certain aspects. The City Council might not agree with everything and would likely make adjustments or have conversations to address concerns.

Mr. Aarsvold stated it's rare for a project to be fully rejected, but there's more flexibility when it comes to financial assistance. While the City Council may be required to approve land use applications based on ordinances, they have the discretion to reject funding for a project if they don't agree with it, even if the land use approval is granted.

Executive Tim Sandvik added that projects are presented to both the City Council and EDA simultaneously, allowing for efficient use of time and ensuring that nothing moves forward without approval from both bodies. This process avoids conflicts by aligning the timelines for review.

Mr. Aarsvold's presentation also covered TIF financing, where increased property tax revenue from new developments funds city projects. He explained different TIF district types, the approval process, and how the Bird Town redevelopment project used developer engagement and financial analysis to reduce the city's TIF contribution, ensuring success.

Commissioner Aaron Wagner asked about the status of the allocated funds for the citywide development project area, or if there's an update on the progress and current status of the funds.

Mr. Aarsvold stated the plan is to update the TIF analysis towards the end of 2025, once the final 2024 numbers and 2025 tax rates are in. It will take time to pay back the funds gradually over time. The updated analysis will provide clearer projections and timelines.

Attorney Ron Batty said the goal was to replace blighted properties with larger homes to diversify the housing stock and retain residents who needed more space, helping them stay in the community.
Mr. Sandvik briefed on the information given about roles, goals, and available resources, emphasizing the importance of identifying clear priorities for upcoming projects. Past initiatives, like multi-unit housing, contributed to goals like increasing density. He stated that Commissioners are to be reassured that expert staff, including Jason from Ehlers and Attorney Ron Batty, as well as city staff, are available for support and guidance as new projects come up.

Commissioner Wagner inquired if the business subsidy policy and the escrow policy mentioned in the presentation are available on the website. He requested to see copies of these policies.
Mr. Sandvik confirmed that a copy of the slide show can be provided. Regarding the escrow policy, it exists but varies by project size. For larger projects, estimates for costs like attorney fees or financing are considered, and some historical context can be shared to give perspective.

President Greenberg questions whether there is an updated list of potential development sites, as there was a previous mention of ten sites. Mr. Sandvik stated the list could certainly be compiled. Some of that information might need to be revisited, but they are open to compiling an updated list.

President Greenberg commented that the public often have a negative perception of TIF in the community, where residents feel they're losing funds. He has suggested that better communication about how TIF works and its benefits could help shift this view, emphasizing its positive impact on development. Mr. Sandvik agreed that staff should communicate the group's priorities and goals clearly. The approach may involve temporary sacrifices in some areas to promote development. It was noted that TIF can be crucial in achieving goals, such as increasing housing and business development.

Attorney Ron Batty stated that TIF is necessary for projects to happen, as without it, they wouldn't exist. He said TIF is an investment in the future, leading to higher property tax values and other benefits for everyone.

Commissioner Sutton emphasized the importance of clear illustrations, like charts and financial details, to help residents understand TIF's future impact and shape public opinion. Commissioner Blackedge thanked everyone for the presentations and the information provided.

**OTHER BUSINESS**

A. Voucher Requests Pending Approval for Disbursement

Member Wagner MOVED, seconded by Parsian to approve Voucher Requests Pending Approval for Disbursement. The vote was 5-0 and the motion carried.

**INFORMATION ONLY**

**REDA GENERAL COMMUNICATIONS**

Commissioners expressed gratitude for the presentations and information provided. Commissioner Blackledge emphasized the importance of understanding the "why" behind decisions to make people feel comfortable and informed.
Commissioner Parisian echoed thanks to Ron and Jason and highlighted the value of being informed to make the best decisions for the community.
Commissioners also discussed how past projects, like apartment buildings, could inform future decisions, particularly regarding affordability requirements for new multifamily housing. The meeting concluded with appreciation for staff and presenters.

**ADJOURNMENT**

Member Blackedge MOVED, seconded by Sutton to adjourn the meeting at 8:15 PM. The vote was 5-0 and the motion carried.

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Tim Sandvik, Executive Director Aaron Wagner, President

ROBBINSDALE

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| TO: | Mayor and City Council |
| PREPARED BY: | Chase Peterson-Etem, City Clerk/Assistant to City Manager |
| APPROVED BY: | Tim Sandvik, City Manager |
| DATE: | March 11, 2025 |
| RE: | Voucher Requests Pending Approval for Disbursement |

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**Background:**

**Analysis:**

**Recommendation:**
Motion to approve Disbursement Requests for period ending March 11, 2025.

**Attachments:**
None