

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 March 11, 2025 EDA Meeting Minute Draft
5. PUBLIC HEARINGS
 - A. None
6. OLD BUSINESS
 - A. Consider Approval of Second Amendment to Preliminary Development Agreement with 4orty 2wo Development, LLC
7. NEW BUSINESS
8. OTHER BUSINESS
 - A. Voucher Requests Pending Approval for Disbursement
9. INFORMATION ONLY
10. REDA GENERAL COMMUNICATIONS
11. ADJOURNMENT



TO: Mayor and City Council
PREPARED BY: Heather Rand, Community Development Director
APPROVED BY: Tim Sandvik, City Manager
DATE: April 8, 2025
RE: Approval of March 11, 2025 EDA Meeting Minute Draft

Background:

Attached for review and consideration of approval are draft March 11, 2025, EDA Meeting Minutes.

Analysis:

Recommendation:

Attachments:

1. EDA Min 03112025

MINUTES

MEETING CALL TO ORDER

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

MICROPHONE CHECK

Complete

ROLL CALL

Present: Blackedge, Sutton, Parisian, Wagner, Greenberg.

Absent: None

Staff: Tim Sandvik, Executive Director, Heather Rand, Community Development Director

CONSENT AGENDA

- A. Approval of Feb 11, 2025 EDA Meeting Minutes

Member Parisian MOVED, seconded by Blackedge to approve regular meeting minutes of Feb 11, 2025 EDA Meeting Minutes. The vote was 5-0 and the motion carried.

PUBLIC HEARINGS

- A. None

OLD BUSINESS

- A. None

NEW BUSINESS

OTHER BUSINESS

- A. Voucher Requests Pending Approval for Disbursement

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

INFORMATION ONLY

- A. Staff Updates

Community Director Heather Rand gave EDA a briefing on Elevate Hennepin, a small business technical assistance program supported by the community and Hennepin County, which has assisted 12 businesses this year. The amount of counseling needed varies, with some businesses requiring just a few hours and others needing more. While the service isn't being fully utilized yet, efforts will continue to promote it, with plans for a more detailed update and success stories from Elevate staff by early summer.

Commissioner Wagner asked if the twelve businesses are Robbinsdale businesses or are they Hennepin businesses?

Mrs. Rand highlighted that many Robbinsdale businesses are small, often with residential addresses. Through the Elevate Hennepin website, they can access free, confidential counseling and resources for business planning, marketing, financing, and more. She's glad people are using the service.

Mrs Rand stated there are two major real estate projects that are progressing slowly. The Elim Lutheran Church development team is still planning a market-rate apartment building but paused in January due to unstable financial markets. Similarly, the mixed-use project at 4200 West Broadway is moving forward with property acquisitions, and the development team plans to provide an update at the April EDA meeting. Both projects are ongoing but facing some uncertainty.

Mrs. Rand stated she attended a local real estate conference and attendees acknowledged uncertainties but emphasized strong demand. They suggested it's a good year to focus on planning so that when conditions improve, projects can move forward quickly.

Mrs. Rands stated US Bank has not provided an update in the past couple of months. The Blue Line transit team has provided an update on the development of their project. In the meantime, staff are working on identifying commercially zoned properties with that appear to be underutilized or "dark", i.e., no indication of business activity. Staff are inventorying these sites and reaching out to property owners to inquire about their plans and explore marketing opportunities to activate. Heather has also received inquiries from real estate agents, but currently lacks available sites to provide, so having inventory information is helpful.

ADJOURNMENT

Member Wagner MOVED, seconded by Wagner to adjourn the meeting at 7:09 PM. The vote was 5-0 and the motion carried.

Tim Sandvik, Executive Director

Jason Greenberg, President



TO: Mayor and City Council
PREPARED BY: Heather Rand, Community Development Director
APPROVED BY: Tim Sandvik, City Manager
DATE: April 8, 2025
RE: Consider Approval of Second Amendment to Preliminary Development Agreement with 4orty 2wo Development, LLC

Background:

For the purpose of advancing proposed redevelopment on and around a REDA owned parcel of land located at 4205 W Broadway that is currently serving as public parking lot, REDA entered into a Preliminary Development Agreement, approved on Oct 8th and executed on October 15, 2024, with 4orty 2wo Development, LLC (the "Developer"). As the Developer continues to work to acquire parcels of land surrounding REDA's lot for a larger redevelopment project, they requested and received a 90-day extension to the agreement that expires April 15, 2025. They are now requesting one more 90-day extension by way of an amendment to the agreement (2nd amendment).

Analysis:

The parking lot continues to be utilized by the public as a parking lot so a short-term delay in a redevelopment project for this site is not critical. The development team reports that they have made progress over the last 6 months with the acquisition of the Washburn McReavy parcels, hoping to have an option agreement signed off on soon, so that due diligence work may begin in earnest on the project which will lead to acquisition. They have also been encouraged by city/REDA staff, to acquire other parcels on the block. They had paid a \$5,000 escrow fee as required by the Pre-development Agreement. While the city has incurred modest legal fees to draft the original agreement and amendments, these fees do not exceed the escrowed amount.

Recommendation:

Staff recommend approval of a resolution approving the 2nd Amendment to the Pre-development Agreement with 4orty 2wo Development, LLC and authorizes REDA President and Executive Director to execute on behalf of REDA. The amendment extends the agreement 90 more days.

Attachments:

1. 4orty 2wo Development LLC Prelim Dev Agreement 2024
2. Second Amendment to Preliminary Development Agreement with 4orty 2wo Dev, LLC & REDA
3. Resolution - Second Amendment with 4orty 2wo Development

PRELIMINARY DEVELOPMENT AGREEMENT

THIS PRELIMINARY DEVELOPMENT AGREEMENT (the “Agreement”), is made and entered into this 8th day of October, 2024 (the “Effective Date”) by and between the Robbinsdale Economic Development Authority, a public body corporate and politic under the laws of Minnesota (“REDA”) and 4orty 2wo Development, a limited liability corporation under the laws of Minnesota (the “Developer”). The Effective Date is the date the Agreement is executed by the second party to sign.

RECITALS

WHEREAS, REDA desires to promote redevelopment of certain property near the intersection of West Broadway and 42nd Avenue (the “Property”), one parcel of which (4205 West Broadway) is owned by REDA (the “REDA Parcel”); and

WHEREAS, the Developer has requested REDA to explore the use of certain public financial and other assistance to facilitate the construction of a mixed-use project on the Property (the “Redevelopment”); and

WHEREAS, REDA has determined that it is in the best interest of REDA and the city of Robbinsdale (the “City”) that the Developer be designated sole developer of the Property during the term of this Agreement; and

WHEREAS, REDA and the Developer are willing and desirous to undertake the Redevelopment if (i) a satisfactory agreement can be reached regarding REDA’s commitment for public assistance necessary for the Redevelopment; (ii) satisfactory mortgage and equity financing, or adequate cash resources for the Redevelopment can be secured by the Developer; (iii) the economic feasibility and soundness of the Redevelopment can be demonstrated; (iv) satisfactory terms of conveyance of the REDA Parcel to the Developer can be negotiated; (v) satisfactory resolution of zoning, land use, site design, and engineering issues and other necessary preconditions can be reached to the satisfaction of the parties and the City; and (vi) the Developer is able to acquire the other parcels within the Property; and

WHEREAS, REDA is willing to evaluate the Redevelopment and work toward all necessary agreements with the Developer if the Developer agrees to reimburse REDA for its costs relating to the Redevelopment even if the Redevelopment is abandoned or necessary agreements are not reached under the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and obligations set forth herein, the parties agree as follows:

Section 1. Intention of Parties. It is the intention of the parties that this Agreement: (i) documents the present understanding and commitments of the parties; and (ii) will lead to negotiation

and execution of a mutually satisfactory Contract for Private Redevelopment (the "Contract") prior to the termination date of this Agreement. If and when executed, the Contract, together with any other agreements entered into between REDA and the Developer contemporaneously therewith, will supersede all obligations of the parties under this Agreement.

Section 2. Outline of Negotiations. Negotiations between the parties shall proceed in an attempt to formulate a definitive Contract based on the following:

- (a) the Developer's proposal for the Redevelopment (when submitted), together with any changes or modifications required by REDA;
- (b) such documentation regarding the economic feasibility of the Redevelopment as REDA may require during the term of this Agreement; and
- (c) other terms and conditions of this Agreement.

The parties agree and understand that negotiations regarding the Contract will proceed as soon as reasonably practicable after the Effective Date as sufficient details of the Redevelopment become available.

Section 3. Developer's Obligations. During the term of this Agreement, the Developer agrees to:

- (a) Within 90 days of the Effective Date, submit a development proposal to REDA (the "Proposal"), which Proposal must show the location, size, and nature of the proposed Redevelopment, including the building height and footprint and building renderings, elevations, and other graphic or written explanations of the Redevelopment. The Proposal shall also include the number of residential units and square footage of retail or other commercial space to be included in the Redevelopment. The Proposal shall be accompanied by a preliminary schedule for the starting and completion of the Redevelopment.
- (b) Submit a cost estimate for the design and construction of the Redevelopment.
- (c) Submit to REDA a financial pro forma showing income and expense projections, rates of return, and any other information requested by REDA that is reasonably necessary to demonstrate the need for public financial assistance and the amount of assistance required to make the Redevelopment financially feasible.
- (d) Furnish satisfactory financial data to REDA evidencing the Developer's ability to undertake the Redevelopment.
- (e) Submit zoning, platting, subdivision and any other applications required by the City for the Redevelopment.

- (f) Use its best efforts to secure purchase agreements or options for all parcels constituting the Property.

Section 4. REDA's Obligations. During the term of this Agreement, REDA agrees to:

- (a) Commence the process necessary to evaluate and undertake such public assistance as is necessary to facilitate the Redevelopment.
- (b) Proceed to seek all necessary information with regard to the anticipated public costs associated with the Redevelopment.
- (c) Request the City to begin a preliminary review of the zoning, planning, subdivision and other land use implications of the Redevelopment, as appropriate.
- (d) Analyze the Redeveloper's pro forma and estimate the amount of public financial assistance, if any, that is needed to make the Redevelopment feasible.

Section 5. Contingencies. It is expressly understood that execution and implementation of the Contract shall be subject to:

- (a) A determination by REDA that the Redevelopment, based on the Proposal, is in the best interests of REDA and the City.
- (b) A determination by REDA that any public financial assistance for the Redevelopment is feasible based on projected tax increment revenues or other public development revenues designated by REDA, and that financial assistance is warranted based on the Redeveloper's pro forma and any other information provided to REDA.
- (c) A determination by the Developer that the Redevelopment is feasible and in the best interests of the Developer, including but not limited to, the Developer's ability to acquire other parcels not owned by REDA but necessary for the Redevelopment.
- (d) The ability of REDA and Developer to agree upon terms for the conveyance of REDA Parcel to the Developer.

Section 6. Reimbursement of Costs. The Developer shall be solely responsible for all costs incurred by the Developer. In addition, the Developer shall reimburse REDA for the following costs:

- (a) Upon execution of this Agreement, the Developer shall deposit with REDA funds in the amount of \$5,000. REDA may apply such deposit to pay any of its administrative costs, which means reasonable and necessary out-of-pocket-costs incurred by REDA leading up to and in preparation of this Agreement until submission of the Proposal.

- (b) If at any time during the term of this Agreement REDA determines that the amount deposited by Developer is insufficient to pay the administrative costs, REDA may notify the Developer in writing as to any additional amount required to be deposited. The Developer must deposit such additional funds within 10 days after receipt of REDA's notice.
- (c) Upon termination of this Agreement in accordance with its terms, REDA will return to the Developer the balance of any funds deposited under this section that are on hand as of the date of receipt of the notice of termination, and less any administrative costs incurred through the date of receipt of the notice of termination. For the purposes of this paragraph, administrative costs are considered to be incurred if they have been paid, relate to services performed, or are payable under a contract entered into, on or before the date of receipt of the notice of termination.
- (d) At the time of submission of the Proposal, the Developer will make an additional deposit with REDA. The Deposit submitted with the Proposal shall be used for (i) REDA's financial advisor in connection with evaluating REDA's financial participation in the Redevelopment, (ii) the City's and REDA's legal counsel in connection with negotiation and drafting of the Contract and any related agreements or documents, and any legal services related to REDA's or City's participation in redevelopment of the Property; (iii) any appraiser retained by REDA in connection with conveyance of any portion of the REDA Property to the Developer; and (iv) consultants retained by the City or REDA for planning, environmental review, traffic engineering and evaluation of the physical condition of buildings on the Property in connection with establishment of a tax increment financing district in support of the Redevelopment. At Developer's request, but no more often than monthly, REDA will provide Developer with a written report on current and anticipated expenditures for the administrative costs, including invoices or other comparable evidence.

This Section 6 shall survive termination of this Agreement and shall be binding on the Developer regardless of the enforceability of any other provision of this Agreement.

Section 7. Designation As Sole Developer of Property. REDA hereby agrees that for the term of this Agreement it will not:

- (i) provide or enter into any agreement for the provision of financial assistance to any third party in connection with any proposed development of the Property; and
- (ii) condemn or agree to proceed with the condemnation of the Property to assist or facilitate development within such area by a third party.

During such period the Developer shall have the exclusive right to work with REDA in negotiating a definitive Contract for the Property.

The Developer may not assign its rights or obligations under this Agreement to any person or entity without prior written approval by REDA.

Section 8. Term of Agreement. This Agreement is effective for 90 days from the Effective Date. After such date, neither party shall have any obligation hereunder except as expressly set forth to the contrary herein.

This Agreement may also be terminated upon 10 days written notice by REDA to the Developer if:

- (a) an essential precondition to the execution of the Contract cannot be met; or
- (b) if, in the sole discretion of REDA, an impasse has been reached in the negotiation or implementation of any material term or condition of this Agreement or the Contract; or
- (c) REDA determines that REDA's administrative costs will exceed the amount on deposit for such purpose under Section 6 and the Developer does not deliver additional funds to REDA.

If REDA terminates the Agreement under this Section 8, the Developer shall remain liable to REDA under Section 6 of this Agreement for administrative costs incurred by REDA through the effective date of termination.

Section 9. Remedies. In the event that the Developer, or its heirs, successors or assigns, fails to comply with any of the provisions of this Agreement, REDA may proceed to enforce this Agreement by appropriate legal or equitable proceedings, or other similar proceedings, and the Developer, its heirs, successors or assigns, agree to pay all costs of such enforcement, including reasonable attorneys' fees.

Section 10. Severability. If any portion of this Agreement is held invalid by a court of competent jurisdiction, such decision shall not affect the validity of any remaining portion of the Agreement.

Section 11. Amendment and Waiver. In the event any covenant contained in this Agreement should be breached by one party and subsequently waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach. This Agreement may not be amended nor any of its terms modified except by a writing authorized and executed by REDA and the Developer.

Section 12. Notice. Notice or demand or other communication between or among the parties shall be sufficiently given if sent by mail, postage prepaid, return receipt requested or delivered personally:

- (a) As to REDA: Robbinsdale Economic Development Authority
4100 Lakeview Avenue North
Robbinsdale, MN 55422
Attn: Tim Sandvik, Executive Director

- (b) As to the Developer 4orty 2wo Development, LLC
4529 York Avenue North
Robbinsdale, MN 55422

Section 13. Counterparts. This Agreement may be executed simultaneously in any number of counterparts, all of which shall constitute one and the same instrument.

Section 14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

* * * * *

IN WITNESS WHEREOF, REDA and the Developer have each caused this Agreement to be duly executed in its name and behalf as of the day and year so indicated.

4ORTY 2WO DEVELOPMENT, LLC

By 
Brian Ranallo

Its: Principal

Date: 11/7/2024

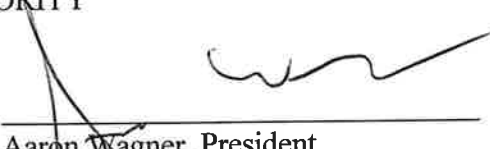
By 
Mike Opat

Its: Principal

Date: 10/17/24

ROBBINSDALE ECONOMIC DEVELOPMENT
AUTHORITY

By



Aaron Wagner, President

Date: 10.8.2024

By



Tim Sandvik, Executive Director

Date: 10/17/24

This Instrument Drafted By:

KENNEDY & GRAVEN, CHARTERED (RHB)
150 South Fifth Street
Suite 700
Minneapolis, MN 55402
(612) 337-9300

SECOND AMENDMENT TO PRELIMINARY DEVELOPMENT AGREEMENT

THIS SECOND AMENDMENT TO PRELIMINARY DEVELOPMENT AGREEMENT (the “Second Amendment”), is made this ___ day of April, 2025, by and between the Robbinsdale Economic Development Authority, a public body corporate and politic under the laws of Minnesota (“REDA”) and Forty Two Development, LLC, a limited liability company under the laws of Minnesota (the “Developer”).

RECITALS

WHEREAS, REDA and the Developer entered into a Preliminary Development Agreement (the “Preliminary Agreement”) regarding the redevelopment of property owned by REDA located at 4205 West Broadway (the “Property”); and

WHEREAS, the Preliminary Agreement required certain performance by the Developer by January 15, 2025; and

WHEREAS, on January 14, 2025, REDA approved the First Amendment to Preliminary Development Agreement, which extended the term of the Preliminary Agreement to April 15, 2025; and

WHEREAS, REDA and the Developer again wish to extend the term of the Preliminary Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual obligations in this Second Amendment, REDA and the Developer agree as follows:

1. The first sentence of Section 3(a) of the Preliminary Agreement is amended to read as follows:

By no later than July 15, 2025, submit a development proposal to REDA (the “Proposal”), which Proposal must show the location, size, and nature of the proposed Redevelopment, including the building height and footprint and building renderings, elevations, and other graphic or written explanations of the Redevelopment.

2. The first sentence of Section 8 of the Preliminary Agreement is amended to read as follows:

This Agreement is effective until the date indicated in Section 3(a) hereof.

3. Except as amended in this Second Amendment, all terms and conditions of the Preliminary Agreement remain unaltered and in full force and effect.

IN WITNESS WHEREOF, REDA and the Developer have each caused this Second Amendment to Preliminary Development Agreement to be duly executed in its name and behalf as of the day and year so indicated.

4ORTY 2WO DEVELOPMENT, LLC

By _____
Brian Ranallo

Its: Principal

Date: _____

By _____
Mike Opat

Its: Principal

Date: _____

ROBBINSDALE ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Jaason Greenberg, President

Date: _____

By _____
Tim Sandvik, Executive Director

Date: _____

This Instrument Drafted By:

KENNEDY & GRAVEN, CHARTERED (RHB)
150 South Fifth Street
Suite 700
Minneapolis, MN 55402
(612) 337-9300

Member _____ moved and Member _____ seconded a motion that the following resolution be read and adopted this 8th day of April, 2025

REDA RESOLUTION NO. 2025-__

A RESOLUTION APPROVING SECOND AMENDMENT TO PRELIMINARY DEVELOPMENT AGREEMENT WITH 4ORTY 2WO DEVELOPMENT, LLC.

WHEREAS, the Robbinsdale Economic Development Authority (REDA) has entered into a Preliminary Development Agreement regarding the redevelopment of property owned by REDA located at 4205 W Broadway; and

WHEREAS, REDA approved a first amendment to such agreement in January 2025, that provided an extension of agreement terms until April 15, 2025; and

WHEREAS, REDA has reviewed a proposed Second Amendment to a Preliminary Development Agreement with 4orty 2wo Development, LLC., and find that the Second Amendment to the agreement advances REDA goals.

NOW THEREFORE, BE IT RESOLVED by the Robbinsdale Economic Development Authority that a Second Amendment to the Preliminary Development Agreement with 4orty 2wo Development, LLC., is hereby approved and adopted, and be it further resolved that the REDA President and Executive Director, are hereby authorized and directed to execute the Second Amendment agreement on the behalf of REDA.

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 8TH DAY OF APRIL 2025.

ATTEST:

Tim Sandvik
Executive Director

Jason Geenberg, REDA President



TO: Mayor and City Council
PREPARED BY: Chase Peterson-Etem, City Clerk/Assistant to City Manager
APPROVED BY: Tim Sandvik, City Manager
DATE: April 8, 2025
RE: Voucher Requests Pending Approval for Disbursement

Background:

None.

Analysis:

None.

Recommendation:

Motion to approve Disbursement Requests for the period ending April 8, 2025.

Attachments:

None