City of Robbinsdale

Economic Development Authority Meeting
Tuesday, November 14, 2023
4100 Lakeview Avenue North
Robbinsdale, MN
7:00 PM

AGENDA

1. MEETING CALL TO ORDER
2. MICROPHONE CHECK
3. ROLL CALL: Murphy, Wagner, Blonigan, Webb, President Parisian
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 Disbursement Requests for period ending November 14, 2023
   B. Approval of October 10, 2023 REDA Minutes
5. PUBLIC HEARINGS
   A. None
6. OLD BUSINESS
   A. None
7. NEW BUSINESS
8. OTHER BUSINESS
9. INFORMATION ONLY
   A. Update on Modifications of Tax Increment Financing Districts
10. REDA GENERAL COMMUNICATIONS
11. ADJOURNMENT

ROBBINSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
TUESDAY, OCTOBER 10, 2023
COUNCIL CHAMBERS

CALL TO ORDER:

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

MICROPHONE CHECK:

2. Complete.

ROLL CALL:

3. Members Present: Murphy, Webb, Wagner, Blonigan, President Parisian
   Members Absent: None
   Staff Present: Rick Pearson, City Planner
   Ron Batty, EDA Attorney

#4A-B CONSENT AGENDA:

4. **MOTION** by Member Blonigan to remove Item A: Item #A, paragraph 7, should read, "*supports between $180 to $200 per month*" seconded by Member Wagner.
   MOTION by Member Blonigan, seconded by Member Murphy to approve and place on file the Consent Agenda Items #4A-B:
   A. **Motion** to approve and order placed on file minutes of the following:
      - **Regular Meeting Minutes of September 12, 2023**
   B. **Motion** to approve Disbursement Requests for **period ending October 10, 2023**.
   The vote was 5-0 and the motion carried.

#6A: PRESENTATION: BROADWAY COURT 2024 BUDGET:

5. Executive Director Sandvik introduced Andrew Melton and Camille Ritter to give their annual presentation for Broadway Court Apartments 2024 Budget. They will present materials from their packet and take any questions you have.

   Andrew Melton, Regional Director of Property Management for Great Lakes Management
   He oversees the daily operations of Broadway Court Apartments. Camille Ritter is the Portfolio Director for Broadway Courts and oversees the day-to-day operations with our on-site manager.

6. **Camille Ritter, Portfolio Director of Broadway Court Apartments**
   Presented results of resident survey conducted this year, resident meetings, projects, and activities around the building. She reported they had an overall satisfaction score of 91%, which is considered outstanding an increase of points from last year; property satisfaction score of 88, which is considered outstanding

with a decrease of 28 points from the previous score; a service satisfaction of 92.4 which is outstanding with an increase of 1.6 points of previous score.

7. Downward dip in the appearance of the exterior of the building. Will discuss exterior improvements include striping parking lots, painted long white border on the exterior of the parking lot, painted peeling and flaking paint. Painted retail doors. Big project of sod replacement on Hubbard Avenue. Nice to have a green space. Have asked Xcel to paint their meter boxes.

   Continue to have resident meetings. The last meeting was on September 28. Talked about the window-cleaning project that was well received. Window screen replacement is underway. Discussed Hubbard Avenue exit; trees repaired. Plans for this year are to replace water fountains that are outdated, add a love seat to seating area in lobby; annual unit inspections.

   Planning events for residents for the holidays. Market is very active.

8. Member Blonigan asked if they were asking for a 4% rent increase. **Mr. Melton** stated that they are asking for a 6% rent increase. Believes with increases they are still in the market. Determined this by looking at the market, expenses.

9. Member Blonigan asked about the water expense. **Ms. Ritter** explained that the bottled water is used in the fitness room by residents/guests. The water softener is the majority of the $6,000 of the budget. She can do a water softener test.

10. **Mr. Melton** explained that during the annual unit-by-unit inspection they look at smoke detectors, AC, HVAC, safety issues, windows, condition of the apartment. LED bulbs have been a major part of Great Lakes recent history of switching out the old ones. **Ms. Ritter** added that they have been switching the hallway lights to LED bulbs.

11. Member Blonigan inquired if there is any incentive to the residents to not use the old light bulbs and convert to LED. **Mr. Melton** stated no they do not have any incentive.

12. President Parisian asked about the resident survey results that were not included in the packet. Mr. Melton replied he can provide those survey results to staff.

13. Member Murphy inquired about the operating income that is lower but the net income is higher. **Mr. Melton** explained that two items contributed to the lower amount due to elevator modernization. The second is the first year we have added in the budget information about the bond payments. **Mr. Melton** explained that he is not sure of the balance in the capital reserve fund. Can review with the City to see what the balance is.

14. Member Blonigan inquired about the damage deposits from residents that seems exceedingly low, is that a statutory provision. **Mr. Melton** explained that the interest rate is very low. Member Blonigan stated that he would like to see these funds in an interest bearing account even if we have to go to the legislature to change the law.

15. President Parisian thanked Mr. Melton and Ms. Ritter for their presentation.

#8: 8A NEW BUSINESS: Wicked Wort Façade Improvement Loan:

16. Executive Director Sandvik reported that in 2015 the Wicked Wort at 4165 West Broadway received a loan for exterior improvements to the property from the EDA. This loan expires in 2025. City has been notified of a pending sale of the business. Asking for a motion to authorize the transfer of responsibility of the façade loan from 4165 West Broadway to Alexander Doering subject to the recommendations of the EDA Attorney.

17. Attorney Batty explained the when the EDA purchased and sold the building, certain improvements were required. This was a 15K façade improvement loan. We are allowing the assignment of the loan agreement and the execution of either the signed or the new documents to include personal guarantee, mortgage and promissory note.

18. Member Blonigan asked who would pay attorney fees, the EDA or new owner. **Mr. Batty** stated the buyer and seller lawyers should prepare the documents. Perfectly appropriate to say legal fees are to be borne by the parties that are requesting it.

19. Executive Director Sandvik noted that the seller is in attendance to answer any questions as a sale date is pending. We are seeking approval of the transfer of responsibility of the façade loan at 4165 West Broadway to Alexander Doering.

20. **MOTION** by Member Blonigan, seconded by Member Webb to authorize the transfer of responsibility for the façade improvement loan for 4165 West Broadway to Alexander Doering subject to the recommendations of the REDA Attorney. **The vote was 5-0 and the motion carried.**

#9: INFORMATION ONLY: Project Update

21. Mr. Pearson reported that The Reeve is considered “stabilized” by the owner’s meaning the occupancy and leasing rate is parallel through 94%.

#10: REDA GENERAL COMMUNICATIONS:

22. Member Murphy asked if an update was available on Vera Cruz. Executive Director Sandvik replied there is no update on Vera Cruz.

23. Member Webb stated that this is her last EDA meeting and it has been an honor to represent those in her Ward. As a little girl, politics was not on her mind but she has been serving communities for over two decades, love being a champion, moving agendas that highlight human beings and the value of humanity. That was my platform including equity, diversity and inclusion a lot. Not a trend for me. I will continue to do this work until the day I die in some capacity. Very interesting work, very fulfilling by listening to people, to be able to push their voice. You give a lot of power to five people to make decisions. I would tell you this you have to be more present, make your voice heard, push back when you don't agree with something. It is important for people to be heard. Hopes that more community members will get more involved and have a presence in these meetings.

    Thank you for giving me the opportunity to represent the City of Robbinsdale. I will miss this place and Robbinsdale. I really appreciate it.

24. Member Wagner thanked Member Webb for the great privilege to work with you, so welcoming when I came here. You have been a great mentor and leader. I look up to you. Good luck with whatever you have going on next.

25. Member Blonigan thanked Member Webb.
    Thanked Great Lakes Management for a great report, great occupancy.

    He thanked Member Webb for representing not only her ward but also all of the people of Robbinsdale. Noted that we do not get sick of hearing about equity and diversity. You said humanity because you are concerned about all people regardless of their social status. Looks forward to seeing her again.

26. President Parisian said that she extends all of the wonderful sentiments that folks have shared about you. A privilege to see your work before you joined the Council. Great conversations around equity and social justice. Has learned so much from you. It means the world to me that you have held the door open for people like me to feel welcome, heard and included sitting in these meetings. One of the things I have learned from you is the way you ask questions. It helps folks to get the information they did not know they needed. Thank You for all that you have done.

27. Member Murphy congratulated Member Webb on winning the election! You have great empathy for humanity. Good luck in what you decide to do. Thank You for serving.

#11: ADJOURNMENT:

28. **MOTION** by Member Blonigan, seconded Member Wagner to adjourn the meeting at 7:41p.m.

ROLL CALL:
YEA: Murphy, Webb, Wagner, Blonigan, President Parisian
NAY: None
The vote was 5-0 and the motion carried.

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Mia Parisian, REDA President Rick Pearson, City Planner

City of Robbinsdale

TO:	Mayor and City Council
PREPARED BY:	Tim Sandvik, City Manager
APPROVED BY:	Tim Sandvik, City Manager
DATE:	November 14, 2023
RE:	Update on Modifications of Tax Increment Financing Districts

Background:

In the spring of 2023, REDA heard a two-part presentation on Tax Increment Financing (TIF). In part, with two newly seated Commissioners, it was a good opportunity to familiarize some with the process of TIF, and remind those who may have already experienced the process.

Analysis:

At the time of presenting, staff from Ehlers shared the opportunity to combine existing districts, as this would incur cost savings. Through the process, REDA will be able to repay its own general fund about $800,000 that otherwise could not.

REDA advanced (non-TIF) funds for the scattered site housing program with interfund loans with the strategy to repay those loans with TIF when new housing was built in those districts. As currently projected, we may be $800,000 short of being repay in that manner. When this happens, we look to see if other districts have revenue for "pooling" to help make up these shortfalls. In Robbinsdale, existing Redevelopment Project Areas within TIF districts are not set up to allow sharing of increment between them.

The action that will be taken in December is putting all districts into the same project area and will allow sharing of increment between all TIF districts. Taking this action, projects that the sharing of increment from other districts will help repay those interfund loans.

Recommendation:

There is no recomended action at this time.

Attachments:

None