



City of Blaine

Economic Development Authority

August 21, 2023 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

The purpose of the Blaine Economic Development Authority is to increase the City's commercial/industrial tax base, provide employment opportunities, undertake redevelopment to enhance and maintain neighborhood economic stability, and address special needs, such as senior housing. As authorized under Minnesota State statutes, the Blaine City Council also serves as the Blaine Economic Development Authority.

AGENDA

1. Call to Order

2. Roll Call

3. Approval of Minutes

- 3.1.** 2023-376 Approval of the August 7, 2023 Economic Development Authority (EDA) Minutes

Sponsors: Erik Thorvig, Community Development Director

4. New Business

- 4.1.** RES 23-136 Resolution Finding Buildings at 10550 Nassau Street and 10601 Nassau Street to be Substandard for TIF Purposes

Sponsors: Erik Thorvig, Community Development Director

- 4.2.** RES 23-139 Resolution to Consider a Purchase Agreement for 10550 Radisson Road NE

Sponsors: Erik Thorvig, Community Development Director

5. Old Business

6. Adjournment



City of Blaine

Economic Development Authority

August 7, 2023 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

1. Call to Order

The meeting was called to order at 8:32 PM by President Sanders followed by the Roll Call.

2. Roll Call

PRESENT: President Tim Sanders, Commissioners Terra Fleming, Leslie Larson, Chris Massoglia (attending remotely from 10473 Waltz Road, Kabetogama, MN 56669), Tom Newland, Jess Robertson, and Lori Saroya.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; City Attorney Tom Loonan; Director of Engineering Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3. Approval of Minutes

3.1. 2023-318 Approval of the June 20, 2023 Economic Development Authority (EDA) Minutes

Sponsors: Erik Thorvig, Community Development Director

Moved by Commissioner Robertson, seconded by Commissioner Newland, that the Minutes of June 20, 2023, be approved.

A roll call vote was taken. Motion adopted unanimously.

4. New Business

4.1. RES 23-120 Resolution Approving a Contract with WSB for an Alternative Urban Areawide Review for the Northtown Area Redevelopment Plan

City Planner Sellman stated the city received proposals for an Alternative Urban Areawide Review (AUAR) for the Northtown area. WSB was the lowest responsible bid. An AUAR has been identified as a short-term action item in the redevelopment plan. Staff has accepted RFP's for an AUAR for the Northtown area. This process is a hybrid of the Environmental Assessment Worksheet (EAW) and environmental impact statement (EIS) review process. Responsible Government Units (RGU's) (the City) can use the AUAR as a planning tool to understand how different development scenarios will affect the environment of their community before the development occurs. The process is designed to look at cumulative impacts anticipated by development scenarios within a geographical area. The AUAR for Northtown will provide recommendations and cost analysis. After careful review, staff recommends entering into a contract with WSB. The anticipated adoption date of the AUAR is June 2024.

Allison Harwood, WSB, provided the council with an overview of the work that would be conducted for the AUAR. She explained the project area would include the Northtown Mall and the surrounding area. She reviewed the process that would be followed for the AUAR noting the purpose of this document would be to create a planning tool, to identify the potential for cumulative impacts and to identify mitigation measures for potential impacts. She reported the benefit of an AUAR was that it made a project shovel ready, while also assisting with streamlining future approval processes. She commented further on the topics that would be covered within the AUAR and asked for comments or questions.

Commissioner Newland stated this would be an extensive plan and looked forward to seeing the finished product. He asked if the city had completed this type of plan for any other project in the city. Director of Engineering Schluender stated it was his understanding an AUAR was completed for The Lakes development.

Commissioner Massoglia questioned if the Northtown visioning document would be considered within the AUAR. Ms. Sellman explained both the comp plan and visioning document would be considered within the AUAR.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adopt a Resolution Approving a Contract with WSB for an Alternative Urban Areawide Review for the Northtown Area Redevelopment Plan.

A roll call vote was taken. Motion adopted unanimously.

4.2. RES 23-121 Resolution Authorizing Sale of Wetland Credits for Park Construction
Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig stated in 2015, the Blaine Economic Development Authority (EDA) established a wetland bank for wetland restoration of the Blaine Wetland Sanctuary. Concurrently, the city of Blaine also established a separate wetland bank. Each bank is independently operated and has different purposes for use of funds and sale of credits. He explained the EDA has sold credits to assist in 22 different development projects in the City where developers needed to fill certain wetlands on their site. The overall project value for projects that the EDA has sold credits for exceeds \$100M.

The sale of credits has generated over \$2,000,000 for the EDA that can be used for general economic development activities anywhere in the city. The current market rate for wetland credit sales is \$2.50/sf of wetland fill, or \$108,900/acre.

There have been several instances where the EDA has either reduced the sale price or granted credits. The EDA granted 5.92 acres of credit for the Blaine 35 business park project. The EDA has reduced the sale price for large credit purchases (3.5 acres+) for several projects, including the Minnesota State Emergency Operations Center (\$1.50/sf), Central Transport (\$1.80/sf) and Tiller Corporation (\$1.85/sf).

The EDA currently has 8.0716 acres of credits available to sell. The current market value of said credits is \$878,997. The city wetland bank also owes the EDA wetland bank 14 acres of credits. These credits will be transferred once the City wetland bank gets another release of credits in the future. The value of those 14 acres is \$1,524,600. The total value of the remaining EDA wetland credits is \$2,403,597.

Park Construction has received development approval from the city of Blaine to relocate their headquarters to Blaine at 10101 Naples Street. Park Construction, incorporated in 1916, specializes in fields such as earthwork, road construction, utilities and demolition. The company is currently located in Spring Lake Park and the owner lives in Blaine. The project includes construction of a 15,000 sf office/shop, an 8,000 sf warehouse and yard for various activities related to the business.

Relocation of the business to Blaine will bring approximately 70 existing jobs to the community in the skilled trades and administrative staff. These positions include higher level salaries with an average income exceeding \$100,000 per year. Mr. Thorvig reported Park Construction has limited options to relocate their business given the heavy industrial nature. Park Construction was unsuccessful in obtaining approval for a different site in Blaine in 2017. The site they were looking at was zoned appropriately, but was located next to a residential neighborhood that opposed the project. The city council ultimately denied the conditional use permit request. In 2022, they were also unsuccessful in receiving approval from the city of Columbus for similar reasons. The site they have identified in Blaine is appropriate for their use, but has various wetland challenges.

The company has been working with the city of Blaine, Rice Creek Watershed District (RCWD) and the Army Corps of Engineers over the last year to understand wetland impact and necessary mitigation. The project requires 10.25 acres of wetland mitigation. The mitigation amount has been approved by the RCWD and Army Corps. As noted earlier, the EDA currently has 8.0716 acres of credits available. The developer will need to purchase any remaining credits from other wetland banks. Given the escalating project costs, the developer/business is requesting a grant of credits.

Mr. Thorvig indicated the city council discussed the potential to reduce the sale price for the credits at the July 7, 2023 workshop based on a request by the business. The council discussed two options. The first was to amortize the full \$878,997 payment over a period of time. The business owner provided the following response to this scenario: "The offer of the amortized option is very generous, and I do appreciate the council/city's willingness to offer this, however, it includes paying the full amount for the wetland credits, and I am unable to do this. The total amount of \$878,997 includes the full value of \$2.50 per square foot and is

different than the \$1.25 per square foot (if paid in full) that was offered at the time financing was secured for this project. Even with the option of a 5-year or 10-year term with no interest, it would still result in a higher cost than budgeted to complete the project. Any increase in costs would need to be passed along to Park Construction and would only further burden its ability to compete in an already unreasonably competitive market." The other option discussed was reducing the sale price to \$1.25/sf. This would result in a sale of \$439,498 to be paid in full immediately. The business is receptive to this structure.

Motion by Commissioner Fleming, seconded by President Sanders, to authorize sale of wetland credits for Park Construction at \$1.25/sf.

Commissioner Newland stated he remained opposed to the discounted price as referenced by staff. He explained the most recent discount that was approved by the EDA was \$1.50/sf for the Emergency Operations Center. He reported he could not support lowering the wetland credit sale price to \$1.25/sf. He indicated he was disappointed in the response to amortize the cost over some amount of time.

Commissioner Massoglia indicated he reviewed the past wetland credit sales as well and noted he would be in favor of selling the wetland credits at \$1.50/sf.

Commissioner Saroya asked if the EDA were to approve the wetland credits at \$1.25/sf, would the EDA be setting a precedent. Mr. Thorvig reported the EDA has full discretion on a case by case basis when it comes to the sale of wetland credits.

Commissioner Saroya indicated she would not be supporting the sale of the wetland credits at \$1.25/sf.

A roll call vote was taken. Motion failed 2-5 (President Sanders and Commissioner Fleming voted in favor).

Motion by Commissioner Massoglia, seconded by Commissioner Larson, to authorize sale of wetland credits for Park Construction at \$1.50/sf.

A roll call vote was taken. Motion passed 4-3 (Commissioners Robertson, Saroya and Newland opposed).

5. Old Business

None.

6. Adjournment

Moved by Commissioner Robertson, seconded by Commissioner Newland, to adjourn the meeting at 8:55 PM.

A roll call vote was taken. Motion adopted unanimously.



Signed by

Tim Sanders, Mayor

Signed by

Cathy Sorensen, CMC, City Clerk



City of Blaine Staff Report

File Number: RES 23-136

Agenda Date	Status
August 21, 2023	
In Control	File Type
Economic Development Authority	Resolution

New Business - Erik Thorvig, Community Development Director

Agenda Item # 4.1

Resolution Finding Buildings at 10550 Nassau Street and 10601 Nassau Street to be Substandard for TIF Purposes

Executive Summary

Background

A portion of the industrial park, generally located at 105th Avenue and Nassau Street, has been identified as a redevelopment area in the 2040 Comprehensive Plan. The area includes older industrial buildings that are obsolete, blighted and/or have extensive outside storage, which is not consistent with the vision. The City is currently in the process of planning for redevelopment of the area with the vision focusing on destination uses that will capitalize on tourism at the National Sports Center and serve Blaine residents.

The City of Blaine EDA has been active in purchasing property in the area since 2016. Property purchases have occurred when willing sellers have either offered or listed their properties for sale. Purchase of property is a useful tool by the EDA to assist in redevelopment. The EDA recently approved the sale of the building (not the land) at 10550 Nassau Street. The building will be removed from the property in the next 60 days. Demolition of other structures in the area will occur in 2023-2024.

As the City explores redevelopment options in the area, tax increment financing (TIF) could be a tool the EDA utilizes to assist in demolition, property acquisition, construction of structured parking and other public infrastructure costs that are identified in the ultimate redevelopment master plan. The EDA can capture TIF and utilize it for the aforementioned purposes.

Minnesota State Statute 469 outlines the requirements for the establishment of a TIF district. To establish a redevelopment TIF district, more than 50% of the buildings within the proposed district must be structurally substandard. Structurally substandard is defined as containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire

protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects, or deficiencies are of sufficient total significance to justify substantial renovation. A building is not structurally substandard if it is in compliance with the building code applicable to new buildings, or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site.

A municipality may not make a substandard determination without hiring an independent, expert architect that completes an analysis of the building and provides a report of written findings that determines whether the building meets applicable standards for it to be declared substandard. The City hired LHB Architects to inspect buildings and have made the determination that they meet the statutory requirements to be deemed substandard.

The building at 10550 Nassau Street will be removed in the next 60 days. Demolition of 10601 Nassau Street has not yet been determined. However, staff wanted to inspect this building knowing it would eventually be demolished. There will be additional buildings inspected in the future. For a building to qualify as substandard if a future TIF district is created, a resolution, prior to demolition, must be adopted by the EDA determining that the building meets the necessary criteria for a substandard building outlined in Minnesota Statute 469. The determination is valid for three years.

This action does not obligate the EDA to create a TIF district, however, preserves the opportunity for the building to be counted towards the 50% substandard building count if a TIF district is ultimately created.

Strategic Plan Relationship

The 105th Avenue Redevelopment Area has been identified as a priority in the Strategic Plan.

Board/Commission Review

Not applicable.

Financial Impact

The cost of inspecting the buildings was approximately \$5,000.

Public Outreach/Input

Not applicable.

Staff Recommendation

Adopt the attached resolution.

Attachment List

1. Report



City of Blaine

Signature Copy

Resolution: RES 23-136

Resolution Finding Buildings at 10550 Nassau Street and 10601 Nassau Street to be Substandard for TIF Purposes

WHEREAS it is one of the goals and purposes of the Blaine EDA to improve the community, strengthen the tax base and enhance employment opportunities; and

WHEREAS the properties at 10550 Nassau and 10601 Nassau Street has been designated in planning documents by the City as part of an area to be redeveloped within the City of Blaine; and

WHEREAS the property at 10550 Nassau Street and 10601 Nassau Street is owned by the Blaine Economic Development Authority; and

WHEREAS the structures on the properties have been inspected and evaluated by a third-party architect for the purpose of determining and certifying that the structure is substandard per Minnesota Statute 469.

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Blaine Economic Development Authority, City of Blaine, Minnesota, that the structures at 10550 Nassau Street and 10601 Nassau Street have been determined to be substandard per Minnesota Statute 469 and that this resolution, upon passage, shall serve as certification of that determination.

PASSED by the Blaine Economic Development Authority this 21st day of August, 2023.

August 4, 2023

Erik Thorvig
Community Development Director
City of Blaine
10801 Town Square Drive NE
Blaine, MN 55449

TIF ANALYSIS FINDINGS FOR 10550 AND 10601 NASSAU STREET NE

LHB was hired to inspect two buildings on two parcels in Blaine, Minnesota, to determine if they meet the definition of "Substandard" as defined by *Minnesota Statutes, Section 469.174, subdivision 10*. The building parcels may potentially be part of a future Redevelopment TIF District, so will need to be compliant with all the statutes pertaining to a Redevelopment District.

The buildings are located at 10550 and 10601 Nassau Street NE (Parcel A and B in Diagram 1).



Diagram 1

CONCLUSION

After evaluating the condition of the buildings on July 12, 2023 and applying current statutory criteria for a Redevelopment District under *Minnesota Statutes, Section 469.174, Subdivision 10*, it is our professional opinion that the buildings qualify as substandard.

The remainder of this letter and attachments describe our process and findings in detail.

MINNESOTA STATUTE 469.174, SUBDIVISION 10 REQUIREMENTS

The properties were inspected in accordance with the following requirements under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, which states:

INTERIOR INSPECTION

"The municipality may not make such determination [that the building is structurally substandard] without an interior inspection of the property..."

EXTERIOR INSPECTION AND OTHER MEANS

"An interior inspection of the property is not required, if the municipality finds that

(1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and

(2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard."

DOCUMENTATION

"Written documentation of the findings and reasons why an interior inspection was not conducted must be made and retained under section 469.175, subdivision 3, clause (1)."

QUALIFICATION REQUIREMENTS

Minnesota Statutes, Section 469.174, Subdivision 10 (a) (1) requires two tests for occupied parcels:

1. Coverage Test

"...parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or paved or gravel parking lots..."

The coverage required by the parcel to be considered occupied is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which states:

"For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar structures."

The LHB team reviewed the following parcels:

Parcel A ID Number 21-31-23-24-0012

- The parcel is approximately 128,938 sf and is 85 percent covered by buildings, parking lots or other improvements.

- The parcel is approximately 60,113 sf and is 98 percent covered by buildings, parking lots or other improvements.

The parcels are covered by buildings, parking lots or other improvements, exceeding the 15 percent parcel requirement.

“...and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;”

"For purposes of this subdivision, 'structurally substandard' shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance."

The two buildings exceed the criteria required to be determined a substandard building (see the attached Building Code, Condition Deficiency and Context Analysis Reports).

“A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence.”

“Items of evidence that support such a conclusion [that the building is not disqualified] include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence.”

- The Minnesota energy code is one of ten building code areas highlighted by the Minnesota Department of Labor and Industry website where minimum construction standards are required by law.
- Chapter 13 of the *2015 Minnesota Building Code* states, "Buildings shall be designed and constructed in accordance with the International Energy Conservation Code." Furthermore, *Minnesota Rules, Chapter 1305.0021 Subpart 9* states, "References to the International Energy Conservation Code in this code mean the Minnesota Energy Code..."

- Chapter 11 of the *2015 Minnesota Residential Code* incorporates *Minnesota Rules, Chapters, 1322 and 1323 Minnesota Energy Code*.
- The Senior Building Code Representative for the Construction Codes and Licensing Division of the Minnesota Department of Labor and Industry confirmed that the Minnesota Energy Code is being enforced throughout the State of Minnesota.
- In a January 2002 report to the Minnesota Legislature, the Management Analysis Division of the Minnesota Department of Administration confirmed that the construction cost of new buildings complying with the Minnesota Energy Code is higher than buildings built prior to the enactment of the code.

Proper TIF analysis requires a comparison between the replacement value of a new building built under current code standards with the repairs that would be necessary to bring the existing building up to current code standards. For an equal comparison to be made, all applicable code chapters should be applied to both scenarios. Since current construction estimating software automatically applies the construction cost of complying with the Minnesota Energy Code, energy code deficiencies should also be identified in the existing structures.

Findings

The buildings have code deficiencies exceeding the 15 percent building code deficiency criteria required to be determined substandard (see the attached Building Code, Condition Deficiency and Context Analysis Reports).

TEAM CREDENTIALS

MICHAEL A. FISCHER, AIA, LEED AP - PROJECT PRINCIPAL/TIF ANALYST

Michael has 34 years of experience as project principal, project manager, project designer and project architect on planning, urban design, educational, commercial, and governmental projects. He has become an expert on Tax Increment Finance District analysis assisting over 100 cities with strategic planning for TIF Districts. He is an Architectural Principal at LHB and currently leads the Minneapolis office.

Michael completed a two-year Bush Fellowship, studying at MIT and Harvard in 1999, earning master's degrees in City Planning and Real Estate Development from MIT. He has served on more than 50 committees, boards, and community task forces, including City Council President in Superior, Wisconsin, Chair of the Duluth/Superior Metropolitan Planning Organization, and Chair of the Edina, Minnesota Planning Commission. Most recently, he served as a member of the Edina city council and Secretary of the Edina HRA. Michael has also managed and designed several award-winning architectural projects and was one of four architects in the Country to receive the AIA Young Architects Citation in 1997.

PHIL FISHER – INSPECTOR

For 35 years, Phil Fisher worked in the field of Building Operations in Minnesota including White Bear Lake Area Schools. At the University of Minnesota, he earned his Bachelor of Science in Industrial Technology. He is a Certified Playground Safety Inspector, Certified Plant Engineer, and is trained in Minnesota Enterprise Real Properties (MERP) Facility Condition Assessment (FCA). His FCA training was recently applied to the Minnesota Department of Natural Resources Facilities Condition Assessment project involving over 2,000 buildings.

We have attached a Building Code, Condition Deficiency and Context Analysis Report, Replacement Cost Report, Code Deficiency Report, and thumbnail photo sheets of the building.

LHB, INC.

MAF Folder.

c: LHB Project No.230519

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APPENDIX A

Building Replacement Cost Reports

Code Deficiency Cost Reports

Photographs

Nassau Street NE Redevelopment TIF District

Building Code, Condition Deficiency and Context Analysis Report

Parcel A

Address:

Parcel ID:

Inspection Date(s) & Time(s):

Inspection Type:

Summary of Deficiencies:

Metal Building

10550 Nassau Street Northeast, Blaine, Minnesota 55449

21-31-23-24-0012

July 12, 2023, 2:30 PM

Interior and Exterior

It is our professional opinion that this building is Substandard because:

- Substantial renovation is required to correct Conditions found.
- Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:

\$1,786,182

Estimated Cost to Correct Building Code Deficiencies:

\$532,784

Percentage of Replacement Cost for Building Code Deficiencies:

29.8%

DEFECTS IN STRUCTURAL ELEMENTS

1. None observed.

COMBINATION OF DEFICIENCIES

1. Essential Utilities and Facilities
 - a. There is no code required accessible route into the building.
 - b. There is no code required accessible route to all levels of the building.
 - c. The restroom does not comply with the accessibility code.
 - d. There is no code required drinking fountain.
2. Light and Ventilation
 - a. The lighting system does not comply with code.
 - b. The electrical wiring system does not comply with code.
 - c. The HVAC system does not comply with code.
3. Fire Protection/Adequate Egress
 - a. Door hardware does not comply with code.
 - b. Thresholds do not comply with code.
 - c. The flammable liquid storage cabinets are not properly vented per code.
 - d. The elevated platform does not have a code required 4-inch toe board.
 - e. The stairs do not comply with code.
 - f. The emergency lighting system does not comply with code.

- g. The exit signs do not comply with code.
 - h. There are no code required smoke detectors.
 - i. The building does not have a code required sprinkler system.
 - j. There is no code required emergency notification system.
4. Layout and Condition of Interior Partitions/Materials
 - a. Interior walls should be repaired and repainted.
 - b. Interior ceiling insulation should be secured.
 5. Exterior Construction
 - a. The metal siding is damaged allowing for water intrusion which is contrary to code.
 - b. Overhead doors are damaged and should be repaired or replaced.
 - c. Hollow metal doors are damaged and should be repaired or replaced.

DESCRIPTION OF CODE DEFICIENCIES

1. A code required accessible route into the building should be created.
2. A code required accessible route to all levels should be created.
3. The restroom should be modified to comply with code.
4. A code required drinking fountain should be installed.
5. The lighting system should be modified to comply with code.
6. The electrical wiring system should be modified to comply with code.
7. A code compliant HVAC system should be installed.
8. Code compliant door hardware should be installed.
9. Thresholds should be modified to comply with code.
10. The flammable storage cabinets should be properly vented to comply with code.
11. The elevated platform should have a code required four inch toe board installed.
12. The stairs should be modified to comply with code.
13. The emergency lighting system does not comply with code.
14. The exit signs do not comply with code.
15. Code required smoke detectors should be installed.
16. A code required building sprinkler system should be installed.
17. A code required emergency notification system should be installed.
18. Damaged metal siding should be repaired to prevent water intrusion per code.

OVERVIEW OF DEFICIENCIES

This manufacturing facility is currently vacant. There is no code required accessible route to all levels of the building. The restroom should be modified to comply with code. Exterior metal wall panels are damaged and should be repaired to prevent water intrusion per code. The lighting system does not comply with code. The electrical wiring system does not comply with code. The HVAC system does not comply with code. Interior walls should be repaired and repainted. Code compliant door hardware should be installed. Thresholds do not comply with code for maximum height. The flammable storage cabinets are not properly vented per code. The elevated platform does not have a 4-inch toe board, as required by code. The stairs should be modified to comply with code. Ceiling insulation should be secured. The emergency lighting and exit signs do not

comply with code. There are no code required smoke detectors. There is no code required emergency notification system. There is no code required building sprinkler system.

ENERGY CODE DEFICIENCIES

In addition to the building code deficiencies listed above, the existing building does not comply with the current energy code. These deficiencies are not included in the estimated costs to correct code deficiencies and are not considered in determining whether the building is substandard.

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Nassau Street NE Redevelopment TIF District

Replacement Cost Report

RSMeans data
from BORDIAN

Square Foot Cost Estimate Report

Date:

7/18/2023

Estimate Name:	10550 Nassau	
Building Type:	Metal Panel / Rigid Steel	
Location:	BLAINE, MN	
Story Count:	1	
Story Height (L.F.):	24.00	
Floor Area (S.F.):	18400	
Labor Type:	OPN	
Basement Included:	No	
Data Release:	Year 2023 Quarter 2	
Cost Per Square Foot:	\$97.08	
Building Cost:	\$1,786,182.75	



Costs are derived from a building model with basic components.
Scope differences and market conditions can cause costs to vary significantly.

		Quantity	% of Total	Cost Per S.F.	Cost
A	Substructure		20.48%	\$17.29	\$318,063.19
A1010	Standard Foundations			\$6.36	\$116,959.66
A10101051560	Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick	712		\$3.79	\$69,672.05
A10101102900	Strip footing, concrete, reinforced, load 6.8 KLF, soil bearing capacity 3 KSF, 12" deep x 32" wide	712		\$2.38	\$43,877.71
A10102107300	Spread footings, 3000 PSI concrete, load 75K, soil bearing capacity 6 KSF, 4' - 0" square x 12" deep	9.2		\$0.19	\$3,409.90
A1030	Slab on Grade			\$10.72	\$197,258.30
A10301204520	Slab on grade, 6" thick, light industrial, reinforced	18400		\$10.72	\$197,258.30
A2010	Basement Excavation			\$0.21	\$3,845.23
A20101105740	Excavate and fill, 30,000 SF, 4' deep, sand, gravel, or common earth, on site storage	18400		\$0.21	\$3,845.23
B	Shell		39.11%	\$33.01	\$607,469.94
B1020	Roof Construction			\$14.11	\$259,559.60
B10201245800	Roof, steel joists, joist girder, 1.5" 22 ga metal deck, on columns, 50'x50' bay, 40 PSF superimposed load, 59" deep, 64 PSF total load	18400		\$12.87	\$236,804.32
B10201245850	Roof, steel joists, joist girder, 1.5" 22 ga metal deck, on columns, 50'x50' bay, 40 PSF superimposed load, 59" deep, 64 PSF total load, add for columns	18400		\$1.24	\$22,755.28
B2010	Exterior Walls			\$6.66	\$122,615.97
B20101463400	Metal siding, steel, corrugated or ribbed, 20 ga, .0359" thick, galvanized	11961.6		\$5.66	\$104,177.04
B20101544100	Metal siding support, 18' building height, 30 PSF wind load, 25' column spacing, wind columns	11961.6		\$1.00	\$18,438.93
B2030	Exterior Doors			\$1.74	\$31,968.69
B20302205200	Door, steel, overhead, rolling, electric operator, 14'-0" x 14'-0" opening	5.52		\$1.74	\$31,968.69
B3010	Roof Coverings			\$10.33	\$190,065.65
B30101301050	Roofing, corrugated, steel, colored, 26 ga, 1.43 PSF	18400		\$5.33	\$98,072.00
B30103200300	Insulation, rigid, roof deck, fiberboard, mineral, 1-1/2" thick, R4.17	18400		\$2.95	\$54,237.50
B30104201400	Roof edges, aluminum, duranodic, .050" thick, 6" face	712		\$1.57	\$28,864.27
B30104300040	Flashing, aluminum, no backing sides, .019"	712		\$0.48	\$8,891.88
B3020	Roof Openings			\$0.18	\$3,260.03
B30202100200	Roof hatch, with curb, 1" fiberglass insulation, 2'-6" x 3'-0", aluminum	1.84		\$0.18	\$3,260.03
C	Interiors		3.25%	\$2.74	\$50,431.30
C1010	Partitions			\$2.02	\$37,237.32
C10101022000	Concrete block (CMU) partition, regular weight, hollow, 8" thick, no finish	920		\$0.58	\$10,696.01
C10101201100	Tile partition, 8W series 8"x16", 4" thick wall, reinforced every 2 courses, glazed 2 sides	1.84		\$0.00	\$45.31
C10101280900	Add for the following: fiberglass insulation, 6"	18400		\$1.44	\$26,496.00
C1020	Interior Doors			\$0.22	\$4,063.33
C10201022600	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	3.68		\$0.22	\$4,063.33
C1030	Fittings			\$0.35	\$6,465.41

C10301100860	Toilet partitions, cubicleless, floor mounted, headrail braced, plastic laminate	3.68		\$0.25	\$4,660.43
C10301101100	Entrance screens, floor mounted, 54" high, painted metal	1.84		\$0.04	\$664.99
C10301101300	Urinal screens, floor mounted, 24" wide, plastic laminate	2.76		\$0.06	\$1,139.99
C3010	Wall Finishes			\$0.14	\$2,665.24
C30102300300	Painting, masonry or concrete, latex, brushwork, primer & 1 coat	1840		\$0.14	\$2,665.24
D	Services		37.16%	\$31.37	\$577,237.96
D1010	Elevators and Lifts			\$4.64	\$85,296.20
D10101102200	Hydraulic, passenger elevator, 3000 lb, 2 floors, 100 FPM	1		\$4.64	\$85,296.20
D2010	Plumbing Fixtures			\$2.47	\$45,398.88
D20101102000	Water closet, vitreous china, tank type, 2 piece close coupled	6.26		\$0.61	\$11,257.23
D20102102040	Urinal, vitreous china, stall type	1.56		\$0.27	\$5,000.81
D20103102080	Lavatory w/trim, wall hung, PE on CI, 19" x 17"	6.26		\$0.73	\$13,346.99
D20104404340	Service sink w/trim, PE on CI, wall hung w/rim guard, 24" x 20"	1.56		\$0.62	\$11,410.24
D20108201920	Water cooler, electric, wall hung, wheelchair type, 7.5 GPH	1.56		\$0.24	\$4,383.61
D2020	Domestic Water Distribution			\$0.44	\$8,154.15
D20202202260	Gas fired water heater, residential, 100< F rise, 30 gal tank, 32 GPH	1.56		\$0.44	\$8,154.15
D2040	Rain Water Drainage			\$1.75	\$32,177.98
D20402104280	Roof drain, CI, soil, single hub, 5" diam, 10' high	7.36		\$1.36	\$24,951.58
D20402104320	Roof drain, CI, soil, single hub, 5" diam, for each additional foot add	103.04		\$0.39	\$7,226.40
D3030	Cooling Generating Systems			\$0.64	\$11,745.30
D30302141200	Heating/cooling system , gas fired forced air, one zone, SEER 14, 1200 SF	1		\$0.64	\$11,745.30
D3050	Terminal & Package Units			\$0.36	\$6,549.07
D30502800270	16000 CFM, 5 HP vane axial fan	0.92		\$0.36	\$6,549.07
D4010	Sprinklers			\$4.94	\$90,896.00
D40103500640	Precision sprinkler systems, steel, black, sch 40, light hazard, 1 floor, 50,000 SF	18400		\$4.94	\$90,896.00
D4020	Standpipes			\$2.55	\$46,859.50
D40203101580	Wet standpipe risers, class III, steel, black, sch 40, 6" diam pipe, 1 floor	2		\$2.55	\$46,859.50
D5010	Electrical Service/Distribution			\$1.18	\$21,697.35
D50101200280	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 200 A	1.15		\$0.23	\$4,277.89
D50102300280	Feeder installation 600 V, including RGS conduit and XHHW wire, 200 A	92		\$0.32	\$5,858.19
D50102400200	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A	0.92		\$0.63	\$11,561.27
D5020	Lighting and Branch Wiring			\$11.01	\$202,562.65
D50201100320	Receptacles incl plate, box, conduit, wire, 4 per 1000 SF, .5 W per SF, with transformer	18400		\$3.06	\$56,358.83
D50201350200	Miscellaneous power, to .5 watts	18400		\$0.19	\$3,419.82
D50202241520	HID fixture, 16' above work plane, 100 FC, type C, 65 fixtures per 16,000 SF	18400		\$7.76	\$142,784.00
D5030	Communications and Security			\$1.41	\$25,900.88
D50309100452	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire	0.92		\$1.21	\$22,300.98
D50309100460	Fire alarm command center, addressable without voice, excl. wire & conduit	1		\$0.20	\$3,599.90
E	Equipment & Furnishings		0.00%	\$0.00	\$0.00
E1090	Other Equipment			\$0.00	\$0.00
F	Special Construction		0.00%	\$0.00	\$0.00
G	Building Sitework		0.00%	\$0.00	\$0.00
SubTotal			100%	\$84.41	\$1,553,202.39
Contractor Fees (General Conditions, Overhead, Profit)			15.0%	\$12.66	\$232,980.36
Architectural Fees			0.0%	\$0.00	\$0.00
User Fees			0.0%	\$0.00	\$0.00
Total Building Cost				\$97.08	\$1,786,182.75

Nassau Street NE Redevelopment TIF District

Code Deficiency Cost Report

Parcel A - 10550 Nassau Street Northeast, Blaine, Minnesota 55449

Parcel ID 21-31-23-24-0012

Building Name or Type

Metal Building

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
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Accessibility Items

Parking

Create accessible parking per code	\$ 100.00	EA	1	\$ 100.00
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Accessible Route

Create a code required accessible route into the building	\$ 1,000.00	Lump	1	\$ 1,000.00
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Create a code required accessible route to all levels of the building.	\$ 4.64	SF	18,400	\$ 85,376.00
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Restrooms

Modify restrooms to comply with accessibility code	\$ 1.96	SF	18,400	\$ 36,064.00
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Drinking Fountain

Install a code required drinking fountain	\$ 0.24	SF	18,400	\$ 4,416.00
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Structural Elements

No Deficiencies Observed				\$ -
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Exiting

Door Hardware

Install code compliant door hardware	\$ 250.00	EA	10	\$ 2,500.00
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Thresholds

Modify thresholds to comply with code	\$ 500.00	EA	2	\$ 1,000.00
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Elevated Platform

Install code required 4-inch toe board	\$ 100.00	Lump	1	\$ 100.00
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Stairs

Modify stairs to comply with code	\$ 2,500.00	Lump	1	\$ 2,500.00
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Emergency Lighting System

Install a code compliant emergency lighting system	\$ 0.55	SF	18,400	\$ 10,120.00
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Exit Signs

Install code compliant exit signs	\$ 0.25	SF	18,400	\$ 4,600.00
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Emergency Notification System

Install a code required emergency notification system	\$ 0.20	SF	18,400	\$ 3,680.00
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Fire Protection

Flammable Material Storage Cabinets

Install proper venting per code	\$ 500.00	Lump	2	\$ 1,000.00
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Smoke Detectors

Install code required smoke detectors	\$ 1.21	SF	18,400	\$ 22,264.00
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Building Sprinkler System

Install a code required building sprinkler system	\$ 7.49	SF	18,400	\$ 137,816.00
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Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
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Exterior Construction

Metal Siding

Repair metal siding to prevent water intrusion per code	\$	0.15	SF	18,400	\$	2,760.00
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Roof Construction

No Deficiencies Observed					\$	-
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Mechanical - Electrical

Mechanical

Install a code compliant HVAC system	\$	1.00	SF	18,400	\$	18,400.00
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Electrical

Install a code compliant lighting system	\$	7.76	SF	18,400	\$	142,784.00
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Install a code compliant electrical wiring system	\$	3.06	SF	18,400	\$	56,304.00
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Total Code Improvements \$ 532,784

Nassau Street NE Redevelopment TIF District | Parcel A10550



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Nassau Street NE Redevelopment TIF District | Parcel A 10550



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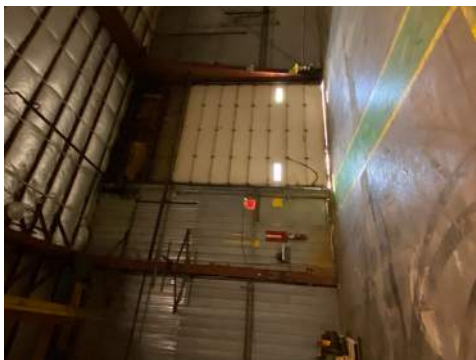


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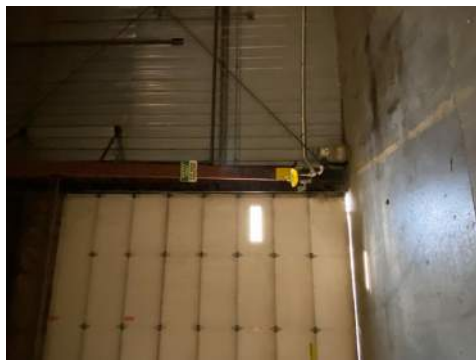
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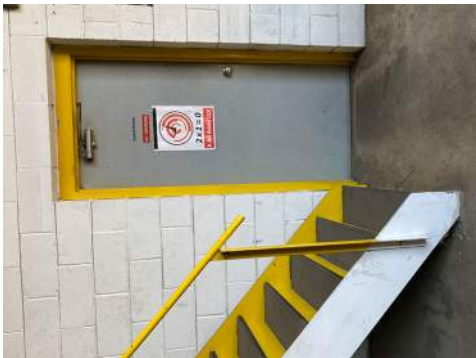
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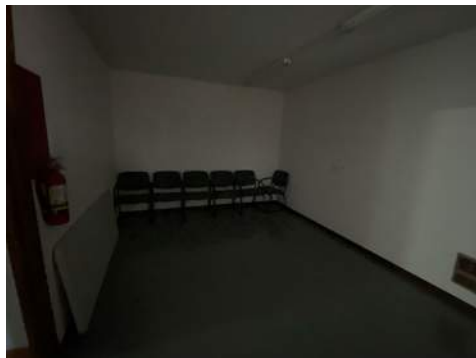
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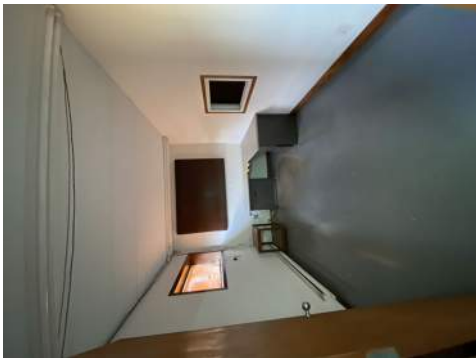


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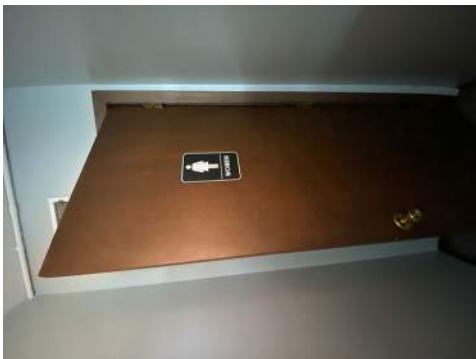
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Nassau Street NE Redevelopment TIF District | Parcel A10550



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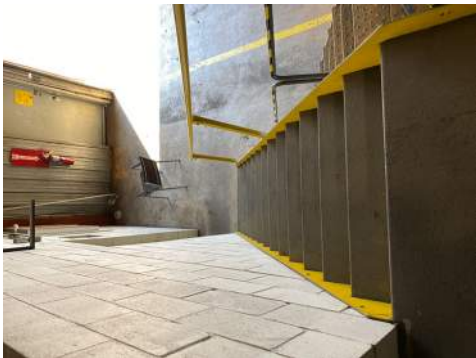
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Nassau Street NE Redevelopment TIF District

Building Code, Condition Deficiency and Context Analysis Report

Parcel B

Concrete Block Building

Address:	10601 Nassau Street Northeast, Blaine, Minnesota 55449
Parcel ID:	21-31-23-24-0030
Inspection Date(s) & Time(s):	July 12, 2023, 2:00 PM
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.
Estimated Replacement Cost:	\$1,970,890
Estimated Cost to Correct Building Code Deficiencies:	\$921,536
Percentage of Replacement Cost for Building Code Deficiencies:	46.8%

DEFECTS IN STRUCTURAL ELEMENTS

1. Exterior concrete block walls are deteriorating, causing water intrusion which is contrary to code.
2. There are no lintels over concrete block interior openings as required by code.

COMBINATION OF DEFICIENCIES

1. Essential Utilities and Facilities
 - a. There is no code required accessible parking.
 - b. There is no code required accessible route into the building.
 - c. There is no code required accessible route to all levels of the building.
 - d. Restrooms do not comply with code.
 - e. The transaction counter does not comply with the accessibility code.
 - f. There is no code required water fountain.
2. Light and Ventilation
 - a. The lighting system does not comply with code.
 - b. The electrical wiring system does not comply with code.
 - c. The HVAC system does not comply with code.
3. Fire Protection/Adequate Egress
 - a. Thresholds do not comply with code.
 - b. Glass doors do not have code required 10-inch kick plates.
 - c. Stairs do not comply with code.

- d. Door hardware does not comply with code.
 - e. There is no code required emergency lighting system.
 - f. There is no code required emergency exit sign system.
 - g. There is no code required smoke detectors.
 - h. There is no code required emergency notification system.
 - i. There is no code required building sprinkler system.
4. Layout and Condition of Interior Partitions/Materials
- a. Ceilings are damaged and should be repaired.
 - b. Walls should be repaired and repainted.
 - c. Interior block walls are failing and should be repaired or replaced.
5. Exterior Construction
- a. The exterior block walls should be repaired and repainted.
 - b. Windows are failing allowing for water intrusion which is contrary to code.
 - c. Exterior overhead doors are damaged and should be replaced.
 - d. Roofing material is failing, allowing for water intrusion which is contrary to code.

DESCRIPTION OF CODE DEFICIENCIES

1. Exterior concrete block walls that are failing should be repaired to prevent water intrusion per code.
2. Interior block walls with openings should have lintels installed per code.
3. Accessible parking should be created per code.
4. Thresholds do not comply with code for maximum height.
5. An accessible route into the building should be created per code.
6. An accessible route to all levels should be created per code.
7. The restrooms should be modified to comply with code.
8. The transaction counter should be modified to comply with code.
9. A code required drinking fountain should be installed.
10. A code-compliant lighting system should be installed.
11. A code-compliant electrical wiring system should be installed.
12. Glass doors should have code required 10-inch kick plates installed.
13. The stairs should be modified to comply with code.
14. Code compliant door hardware should be installed.
15. Code required emergency lighting should be installed.
16. Code required emergency exit signs should be installed.
17. Code required smoke detectors should be installed.
18. A code required emergency notification system should be installed.
19. A code required building sprinkler system should be installed.
20. Failed windows should be replaced to prevent water intrusion per code.
21. Failed roofing material should be replaced to prevent water intrusion per code.

OVERVIEW OF DEFICIENCIES

This building is currently vacant. There are no utilities active in the building. The exterior block walls are deteriorating and allowing water intrusion which is contrary to code. There is no code required accessible parking or an accessible route into the building. There is no code required accessible route to all levels of the building. Thresholds do not comply with code. The restrooms should be modified to comply with code. The lighting and electrical wiring systems do not comply with code. Interior walls and ceilings should be repaired and repainted. Code compliant door hardware should be installed. The windows are failing, allowing for water intrusion which is contrary to code. There are no code required life safety systems in the building. The roofing material is failing, allowing for water intrusion which is contrary to code.

ENERGY CODE DEFICIENCIES

In addition to the building code deficiencies listed above, the existing building does not comply with the current energy code. These deficiencies are not included in the estimated costs to correct code deficiencies and are not considered in determining whether the building is substandard.

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Nassau Street NE Redevelopment TIF District

Replacement Cost Report

RSMeans data
from BORDIAN

Square Foot Cost Estimate Report

Date:

7/26/2023

Estimate Name:	10601 Nassau	
Building Type:	Concrete Block / Steel Joists	
Location:	BLAINE, MN	
Story Count:	1 + Mezzanine	
Story Height (L.F.):	20.00	
Floor Area (S.F.):	15200	
Labor Type:	OPN	
Basement Included:	No	
Data Release:	Year 2023 Quarter 2	
Cost Per Square Foot:	\$129.66	
Building Cost:	\$1,970,890.80	



Costs are derived from a building model with basic components.
Scope differences and market conditions can cause costs to vary significantly.

		Quantity	% of Total	Cost Per S.F.	Cost
A	Substructure		12.13%	\$13.68	\$207,865.75
A1010	Standard Foundations			\$2.57	\$39,089.66
A10101102700	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6 KSF, 12" deep x 24" wide	726		\$2.57	\$39,089.66
A1030	Slab on Grade			\$10.72	\$162,952.51
A10301204520	Slab on grade, 6" thick, light industrial, reinforced	15200		\$10.72	\$162,952.51
A2010	Basement Excavation			\$0.38	\$5,823.58
A20101104560	Excavate and fill, 10,000 SF, 4' deep, sand, gravel, or common earth, on site storage	15200		\$0.38	\$5,823.58
B	Shell		33.08%	\$37.30	\$566,976.06
B1020	Roof Construction			\$8.25	\$125,450.92
B10201162500	Roof, steel joists, 1.5" 22 ga metal deck, on bearing walls, 40' bay, 25.5" deep, 40 PSF superimposed load, 61 PSF total load	15200		\$8.25	\$125,450.92
B2010	Exterior Walls			\$10.80	\$164,200.08
B20101116280	Concrete block (CMU) wall, regular weight, 75% solid, 8 x 8 x 16, 4500 PSI, reinforced, vertical #5@32", grouted	10560		\$10.80	\$164,200.08
B2020	Exterior Windows			\$4.51	\$68,571.58
B20201066650	Windows, aluminum, sliding, standard glass, 5' x 3'	44		\$4.51	\$68,571.58
B2030	Exterior Doors			\$4.63	\$70,331.56
B20302203450	Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening	4.56		\$1.07	\$16,312.69
B20302204450	Door, steel 24 gauge, overhead, sectional, manual operation, 12'-0" x 12'-0" opening	13.75		\$3.55	\$54,018.87
B3010	Roof Coverings			\$9.11	\$138,421.92
B30101051400	Roofing, asphalt flood coat, gravel, base sheet, 3 plies 15# asphalt felt, mopped	15200		\$4.08	\$61,957.78
B30103203090	Insulation, rigid, roof deck, composite with 2" EPS, 1" perlite	15200		\$2.76	\$41,959.90
B30104201400	Roof edges, aluminum, duranodic, .050" thick, 6" face	660		\$1.76	\$26,756.20
B30106305100	Gravel stop, aluminum, extruded, 4", mill finish, .050" thick	660		\$0.51	\$7,748.04
C	Interiors		10.85%	\$12.24	\$186,034.90
C1010	Partitions			\$5.12	\$77,843.14
C10101022300	Lightweight block 4" thick	3192		\$1.80	\$27,366.77
C10101046000	Concrete block (CMU) partition, light weight, hollow, 8" thick, no finish	4256		\$3.32	\$50,476.37
C1020	Interior Doors			\$0.37	\$5,594.44
C10201022600	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	5.07		\$0.37	\$5,594.44
C1030	Fittings			\$0.17	\$2,514.50
C10301100460	Toilet partitions, cubicles, ceiling hung, stainless steel	1		\$0.17	\$2,514.50
C2010	Stair Construction			\$0.25	\$3,800.83
C20101101120	Stairs, wood, prefab box type, oak treads, wood rails 3'-6" wide, 14 risers	1		\$0.25	\$3,800.83
C3010	Wall Finishes			\$4.06	\$61,726.08
C30102202000	2 coats paint on masonry with block filler	10560		\$2.58	\$39,172.32
C30102300320	Painting, masonry or concrete, latex, brushwork, primer & 2 coats	6080		\$0.82	\$12,432.99
C30102300340	Painting, masonry or concrete, latex, brushwork, addition for block filler	6080		\$0.67	\$10,120.77

C3020	Floor Finishes			\$1.62	\$24,680.55
C30204100940	Concrete topping, hardeners, metallic additive, minimum	13680		\$1.41	\$21,465.29
C30204101580	Vinyl, composition tile, minimum	1520		\$0.21	\$3,215.26
C3030	Ceiling Finishes			\$0.65	\$9,875.36
C30302105800	Acoustic ceilings, 5/8" fiberglass board, 24" x 48" tile, tee grid, suspended support	1520		\$0.65	\$9,875.36
D	Services		43.93%	\$49.54	\$752,941.38
D1010	Elevators and Lifts			\$5.61	\$85,296.20
D10101102200	Hydraulic, passenger elevator, 3000 lb, 2 floors, 100 FPM	1		\$5.61	\$85,296.20
D2010	Plumbing Fixtures			\$4.15	\$63,019.67
D20101102080	Water closet, vitreous china, bowl only with flush valve, wall hung	5.17		\$1.41	\$21,394.38
D20102102000	Urinal, vitreous china, wall hung	2.58		\$0.30	\$4,505.33
D20103102080	Lavatory w/trim, wall hung, PE on CI, 19" x 17"	5.17		\$0.73	\$11,025.77
D2010404340	Service sink w/trim, PE on CI, wall hung w/rim guard, 24" x 20"	2.58		\$1.24	\$18,851.70
D20108201920	Water cooler, electric, wall hung, wheelchair type, 7.5 GPH	2.58		\$0.48	\$7,242.49
D2020	Domestic Water Distribution			\$0.89	\$13,472.07
D20202202260	Gas fired water heater, residential, 100< F rise, 30 gal tank, 32 GPH	2.58		\$0.89	\$13,472.07
D2040	Rain Water Drainage			\$3.57	\$54,337.42
D20402106200	Roof drain, steel galv sch 40 threaded, 4" diam piping, 10' high	7.75		\$2.75	\$41,727.47
D20402106240	Roof drain, steel galv sch 40 threaded, 4" diam piping, for each additional foot add	102		\$0.83	\$12,609.95
D3050	Terminal & Package Units			\$11.30	\$171,758.78
D30501503120	Rooftop, single zone, air conditioner, factories, 10,000 SF, 33.33 ton	15200		\$11.30	\$171,758.78
D4010	Sprinklers			\$6.35	\$96,516.05
D40104101080	Wet pipe sprinkler systems, steel, ordinary hazard, 1 floor, 10,000 SF	15200		\$6.35	\$96,516.05
D4020	Standpipes			\$1.59	\$24,206.95
D40203101540	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, 1 floor	1.52		\$1.46	\$22,123.83
D40203101560	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, additional floors	0.61		\$0.14	\$2,083.12
D5010	Electrical Service/Distribution			\$0.40	\$6,007.18
D50101200280	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 200 A	1		\$0.24	\$3,719.90
D50102300280	Feeder installation 600 V, including RGS conduit and XHHW wire, 200 A	30		\$0.13	\$1,910.28
D50102400200	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A	0.03		\$0.02	\$377.00
D5020	Lighting and Branch Wiring			\$11.59	\$176,155.23
D50201100280	Receptacles incl plate, box, conduit, wire, 4 per 1000 SF, .5 watts per SF	15200		\$2.67	\$40,559.07
D50201350280	Miscellaneous power, 1 watt	15200		\$0.36	\$5,507.57
D50201400240	Central air conditioning power, 3 watts	15200		\$0.79	\$11,976.69
D50202100520	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF	15200		\$7.77	\$118,111.90
D5030	Communications and Security			\$4.09	\$62,171.83
D50309100452	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire	1.52		\$2.42	\$36,845.10
D50309100462	Fire alarm command center, addressable with voice, excl. wire & conduit	1.52		\$1.38	\$20,955.48
D50309200104	Internet wiring, 4 data/voice outlets per 1000 S.F.	3.04		\$0.29	\$4,371.25
E	Equipment & Furnishings		0.00%	\$0.00	\$0.00
E1090	Other Equipment			\$0.00	\$0.00
F	Special Construction		0.00%	\$0.00	\$0.00
G	Building Sitework		0.00%	\$0.00	\$0.00
SubTotal			100%	\$112.75	\$1,713,818.09
Contractor Fees (General Conditions,Overhead,Profit)			15.0%	\$16.91	\$257,072.71
Architectural Fees			0.0%	\$0.00	\$0.00
User Fees			0.0%	\$0.00	\$0.00
Total Building Cost				\$129.66	\$1,970,890.80

Nassau Street NE Redevelopment TIF District

Code Deficiency Cost Report

Parcel B - 10601 Nassau Street Northeast, Blaine, Minnesota 55449

Parcel ID 21-31-23-24-0030

Building Name or Type

Concrete Block Building

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
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Accessibility Items

Parking

Create code required accessible parking	\$	100.00	Ea	1	\$	100.00
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Accessible Route

Create a code required accessible route into the building	\$	500.00	Lump	1	\$	500.00
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Create a code required accessible route to all levels of the building	\$	5.61	SF	15,200	\$	85,272.00
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Restrooms

Modify restrooms to comply with code	\$	2.44	SF	15,200	\$	37,088.00
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Drinking Fountain

Install a code required drinking fountain	\$	0.48	SF	15,200	\$	7,296.00
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Transaction Counter

Modify transaction counter to comply with code	\$	500.00	Lump	1	\$	500.00
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Structural Elements

Concrete Block Walls

Repair exterior concrete block walls to prevent water intrusion per code	\$	10.80	SF	5,000	\$	54,000.00
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Install lintels over openings on concrete block walls per code	\$	1,500.00	Lump	1	\$	1,500.00
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Exiting

Glass Doors

Install code required 10-inch kick plates on glass doors	\$	400.00	Lump	1	\$	400.00
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Stairs

Modify stairs to comply with code	\$	0.25	SF	15,200	\$	3,800.00
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Door Hardware

Install code compliant door hardware	\$	250.00	EA	10	\$	2,500.00
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Thresholds

Modify thresholds to comply with code	\$	500.00	EA	1	\$	500.00
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Emergency Lighting

Install code required emergency lighting	\$	0.55	SF	15,200	\$	8,360.00
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Emergency Exit Signs

Install code required emergency exit signs	\$	0.25	SF	15,200	\$	3,800.00
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Emergency Notification System

Install a code required emergency notification system	\$	1.38	SF	15,200	\$	20,976.00
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Fire Protection

Smoke Detectors

Install code required smoke detectors	\$	2.42	SF	15,200	\$	36,784.00
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Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
	Building Sprinkler System				
	Install a code required building sprinkler system	\$ 7.94	SF	15,200	\$ 120,688.00
Exterior Construction					
	Windows				
	Replace failed windows to prevent water intrusion per code	\$ 4.51	SF	15,200	\$ 68,552.00
Roof Construction					
	Roofing Material				
	Replace failed roofing material to prevent water intrusion per code	\$ 9.11	SF	15,200	\$ 138,472.00
Mechanical - Electrical					
	Mechanical				
	Install a code compliant HVAC system	\$ 11.30	SF	15,200	\$ 171,760.00
	Electrical				
	Install a code compliant lighting system	\$ 7.77	SF	15,200	\$ 118,104.00
	Install a code compliant electrical wiring system	\$ 2.67	SF	15,200	\$ 40,584.00
Total Code Improvements					\$ 921,536

Nassau Street NE Redevelopment TIF District | Parcel B 10601



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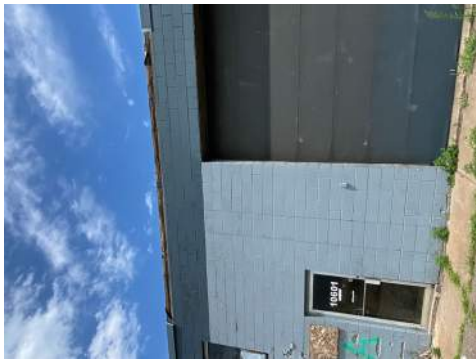
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Nassau Street NE Redevelopment TIF District | Parcel B 10601



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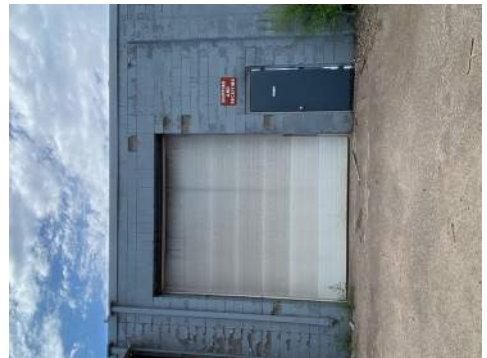
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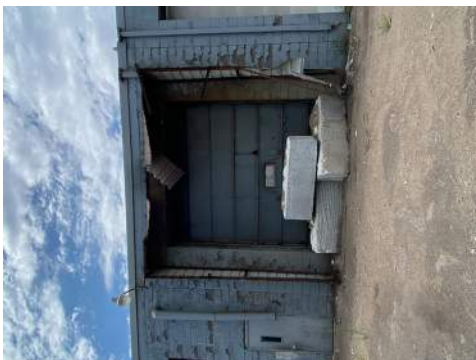


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Nassau Street NE Redevelopment TIF District | Parcel B 10601



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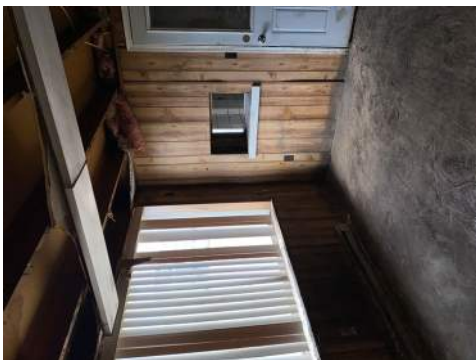


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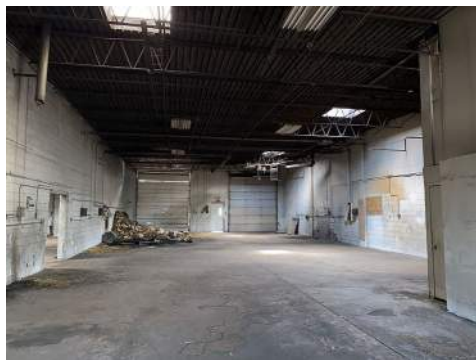
Nassau Street NE Redevelopment TIF District | Parcel B 10601



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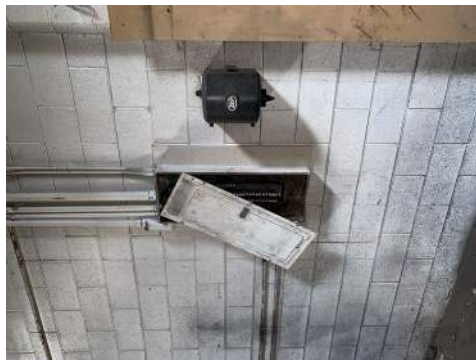
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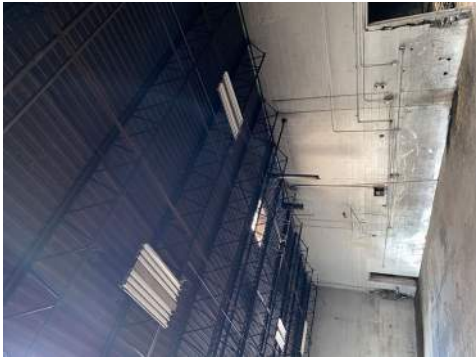
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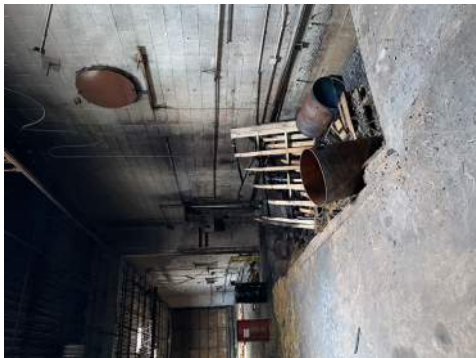


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Nassau Street NE Redevelopment TIF District | Parcel B 10601



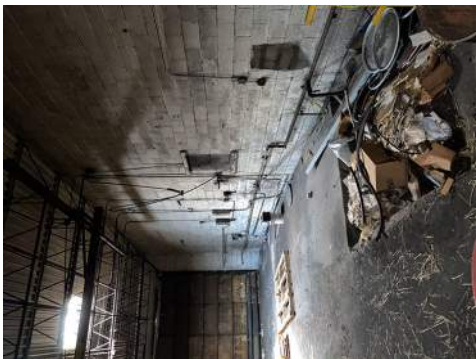
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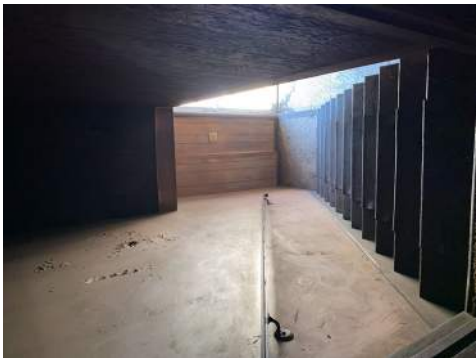
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City of Blaine Staff Report

File Number: RES 23-139

Agenda Date	Status
August 21, 2023	
In Control	File Type
Economic Development Authority	Resolution

New Business - Erik Thorvig, Community Development Director

Agenda Item # 4.2

Resolution to Consider a Purchase Agreement for 10550 Radisson Road NE

Executive Summary

Background

City staff, on behalf of the Blaine Economic Development Authority, have been negotiating with property owners of 10550 Radisson Road about a potential purchase. This site is within the 105th Avenue Redevelopment Area where the EDA has been active in acquiring property since 2016.

At a closed session, the EDA provided direction to staff regarding negotiation of a sale price. The seller has agreed to a sale price of \$165/sf based on the building size for a sale price of \$1,683,000. Initially, the company wanted a relocation/business disruption fee of \$300,000. Staff advised that the maximum allowed relocation amount per Minnesota Statute was \$50,000. They accepted this amount.

The business desires to remain in the location through the winter. The EDA would close on the property by September 30, 2023 and lease the property back to the business through March 31, 2024. Depending on the progress of the 105th Avenue redevelopment and business status, this could be extended. A lease agreement will be prepared and brought to a future EDA meeting for action. This is a similar process that was done for purchases of the Surecast building at 10601 Nassau Street NE and Blake Drilling property at 10600 Radisson Road NE.

A draft purchase agreement is being prepared by the city attorney and will be attached to this item prior to the meeting.

Strategic Plan Relationship

The 105th Avenue Redevelopment Area has been identified as a priority in both the 2040 Comprehensive Plan and Strategic Plan.

Board/Commission Review

Not applicable.

Financial Impact

The sale price is \$1,683,000 with \$50,000 in relocation expenses. The EDA has sufficient funds in reserves to afford the purchase.

Public Outreach/Input

Not applicable.

Staff Recommendation

By motion, adopt the Resolution.

Attachment List

None



City of Blaine

Signature Copy

Resolution: RES 23-139

Resolution to Consider a Purchase Agreement for 10550 Radisson Road NE

WHEREAS, the 105th Avenue Redevelopment Area has been identified in the 2040 Comprehensive Plan and Strategic Plan as a priority area; and

WHEREAS, acquiring property within the redevelopment area furthers redevelopment efforts; and

WHEREAS, the EDA and property owner of 10550 Radisson Road NE have agreed in principle to a sale in the amount of \$1,683,000 with \$50,000 in relocation expenses.

NOW THEREFORE, BE IT RESOLVED, that the Blaine Economic Development Authority hereby approves the purchase of 10550 Radisson Road NE and authorizes the executive director, president and community development director to execute documents necessary to complete the purchase.

PASSED by the Blaine Economic Development Authority this 21st day of August, 2023.