City of Blaine
Anoka County, Minnesota
Minutes
EDA

Blaine City Hall
10801 Town Sq Dr 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.

Thursday, October 4, 2018 | **7:15 PM** | **Council Chambers**

1 Call to Order

The meeting was called to order at 7:20 p.m. by President Ryan followed by the Roll Call.

2 Roll Call

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Economic Development Coordinator Erik Thorvig; Public Services Manager/Assistant City Manager Bob Therres; City Engineer Dan Schluender; Senior Engineering Technician Jason Sundeen; and City Clerk Catherine Sorensen.

Present: 6 - Commissioner Hovland, Commissioner King, President Ryan, Commissioner Swanson, Commissioner Jeppson, and Commissioner Garvais

Absent: 1 - Commissioner Clark

3 Minutes

3-1 SEPTEMBER 20, 2018 EDA MINUTES

Attachments: Sept 20 EDA Minutes

Moved by Commissioner Swanson, seconded by Commissioner King, that the Minutes of September 20, 2018, be approved.

Motion adopted unanimously.

Aye 6 - Commissioner Hovland Commissioner King President Ryan Commissioner Swanson Commissioner Jeppson Commissioner Garvais

4 New Business

4-1

APPROVAL OF A DEVELOPMENT AGREEMENT AND TIF EXPENDITURE IN THE AMOUNT OF $1,450,000 FOR THE LEGENDS OF BLAINE PROJECT BY DOMINIUM

Attachments: Location Map
Development Master Plan

Economic Development Coordinator Thorvig stated the City of Blaine, Wellington Management and Dominium have been working on a development project called Lexington Meadows at the southwest corner of 109th and Lexington Avenue. Dominium will purchase their site in October and start construction of the apartment this fall. The Legends of Blaine project is a 192-unit apartment building that will be marketed to seniors. It will have an affordability component where the units will be restricted to the 60% area median income rent and income limits. The overall project will be $47,450,000 and the developer has requested TIF assistance from the Blaine EDA in the amount of $1,450,000. Whenever there is an affordability component it's typical for cities to contribute TIF as the rents collected are less than market rate. At the November 16, 2017 EDA meeting, the EDA adopted a resolution supporting the use of TIF for this project and directed staff to continue to work with Dominium to prepare a development agreement.

Moved by Commissioner Swanson, seconded by Commissioner Jeppson, that Resolution No. 18-20, "Approval of a Development Agreement and TIF Expenditure in the Amount of $1,450,000 for the Legends of Blaine Project by Dominium," be approved.

Motion adopted unanimously.

Aye 6 - Commissioner Hovland Commissioner King President Ryan Commissioner Swanson Commissioner Jeppson Commissioner Garvais

4-2

RESOLUTION APPROVING AN AMENDMENT TO THE BLAINE ECONOMIC DEVELPOMENT PROJECT PLAN, ESTABLISHING A REDEVELOPMENT TAX INCREMENT FINANCING DISTRICT AND APPROVING A TAX INCREMENT FINANCING PLAN THEREFOR (SOUTH TERRACE COVE PROJECT)

Attachments: Location Map
Building Inspection Report
TIF Plan

Economic Development Coordinator Thorvig stated at the April 13, 2017 City Council workshop, the City Council was presented three redevelopment scenarios

for the northeast corner of 102nd and University Avenue. Each proposal requested EDA assistance ranging from $550,000-$900,000. The City Council provided direction to staff to work with Shade Tree Construction on a redevelopment project. Shade Tree provided a revised concept plan to the City Council at the April 5, 2018 workshop and the same direction was given to staff to continue to work with the developer. An $850,000 TIF request was also introduced and generally supported by the City Council. The 3.09-acre site currently consists of three, 1970's era office buildings with storage garages behind. Shade Tree is proposing to redevelop the site with 43, for-sale townhome units sold in the $250,000-$300,000 price range. The Planning and Zoning approvals were approved by the City Council at the September 20, 2018 meeting. If the TIF request is approved, the developer will start demolition of the buildings this fall.

Commissioner King asked if the City had a similar TIF District in place. Mr. Thorvig stated the most recent was the Oak Park Plaza redevelopment project was a similar TIF District.

Moved by President Ryan, seconded by Commissioner Jeppson, that Resolution No. 18-21, "Approving an Amendment to the Blaine Economic Development Project Plan, Establishing a Redevelopment Tax Increment Financing District and Approving a Tax Increment Financing Plan Therefor (South Terrace Cove Project)," be approved.

Motion adopted unanimously.

Aye 6 - Commissioner Hovland Commissioner King President Ryan Commissioner Swanson Commissioner Jeppson Commissioner Garvais

4-3

APPROVING TIF DEVELOPMENT AGREEMENT WITH SHADE TREE CONSTRUCTION FOR DEVELOPMENT OF SOUTH TERRACE COVE AT 102nd AND UNIVERSITY AVE.

Attachments: DEVELOPMENT AGREEMENT (South Terrace Cove Project)

Economic Development Coordinator Thorvig stated as part of the TIF approval for the redevelopment of 102nd and University Ave, the EDA and developer will enter into a development agreement to ensure various requirements by both the developer and EDA regarding payment of TIF, demolition and clearing of the site and project completion. Staff reviewed the general terms of the development agreement and schedule.

Moved by Commissioner Hovland, seconded by Commissioner Swanson, that Resolution No. 18-22, "Approving TIF Development Agreement with Shade Tree Construction for Development of South Terrace Cove at 102nd and University Avenue," be approved.

Motion adopted unanimously.

Aye 6 - Commissioner Hovland Commissioner King President Ryan Commissioner Swanson Commissioner Jeppson Commissioner Garvais

5 Other Business

None.

None.

6 Adjournment

Moved by Commissioner Hovland, seconded by Commissioner Jeppson, to adjourn the meeting at 7:34 p.m.

Motion adopted unanimously.

Aye 6 - Commissioner Hovland Commissioner King President Ryan Commissioner Swanson Commissioner Jeppson Commissioner Garvais