



City of Blaine Anoka County, Minnesota Minutes

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

EDA

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.

The council chambers will have limited seating, with audience chairs being set up at least six feet apart. There will be an overflow area where the meeting can be watched in the Cloverleaf Farms Room, also with chairs set up at least six feet apart.

Monday, June 6, 2022

Council Chambers

Meeting will take place immediately following the regular Council meeting

1 Call to Order

The meeting was called to order at 8:53PM by President Sanders followed by the Roll Call.

2 Roll Call

PRESENT: President Tim Sanders, Commissioners Wes Hovland, Julie Jeppson, Chris Massoglia, Tom Newland, Richard Paul, and Jess Robertson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: Finance Director Joe Huss; Community Development Director Erik Thorvig; Community Development Specialist Elizabeth Showalter; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; City Engineer Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

Present: 6 - Commissioner Jeppson, Commissioner Robertson, Commissioner Paul, Commissioner Hovland, Commissioner Massoglia, and President Sanders

3 Minutes

3-1

Approval of the April 18, 2022 EDA Minutes

Attachments: [Unapproved Minutes](#)

Moved by Commissioner Robertson, seconded by Commissioner Jeppson, that the Minutes of April 18, 2022, be approved.

Motion adopted unanimously.

Aye 6 - Commissioner Jeppson Commissioner Robertson Commissioner Paul
Commissioner Hovland Commissioner Massoglia President Sanders

4 New Business

4-1 Indicating Support for the Use of \$780,000 in Pooled Housing Tax Increment Financing (TIF) for the Restwood Road Apartments

Attachments: [Attachments](#)

Community Development Specialist Showalter stated the developer is requesting an allocation of \$780,000 in pooled housing Tax Increment Financing (TIF), structured as a deferred cash-flow loan, to support the construction of a 60-unit low- and moderate-income apartment building. The proposed project provides units better suited to larger families than those currently available in the Blaine rental market. It provides units specifically for households that qualify as high priority homeless or people with disabilities and associated supports designed for those special populations. Additionally, since rents and tenant incomes are monitored by the federal government, the proposed project provides protection for tenants against increased rents. It also ensures the units will be occupied by people at the target income levels, rather than households at higher income levels who could afford to live elsewhere. Staff commented further on the projects the developer had completed within the metro area and recommended approval of the TIF request as a deferred cash flow loan.

Commissioner Massoglia explained he would not be supporting this request. He did not support the EDA using 78% of its pooled TIF on this project given the major redevelopment that would occur at 105th Avenue and the Northtown Mall. He indicated these funds can be used on other projects than just low-income housing projects.

Commissioner Robertson stated she believed this was one of the most fair TIF requests the EDA has received. She reported this was an \$18+ million project and the request was only \$780,000. She commented this was a more hybrid use of TIF and noted she was inclined to support the request.

Commissioner Jeppson requested further comment on the use of these TIF funds. Community Development Director Thorvig explained these TIF funds could be used for owner-occupied units along with developments that have up to 20% commercial with an affordability component.

Commissioner Jeppson stated for the size of the project, the developer was requesting a very small amount of assistance. She indicated these types of projects require a large number of different buckets of money and she commended the developer for working so diligently to work this out. She stated Northtown Mall would be a great redevelopment area, but right now the EDA was being asked to consider this project and she did not know how long it would be before that area was being redeveloped. She explained she fully

supported the City providing affordable and attainable housing for Blaine residents.

Commissioner Newland stated this was a great location for the proposed apartment complex. He indicated he was not a huge fan of TIF, but he explained he did not mind the request for this project.

Commissioner Paul commented he supported the City having additional affordable housing within the community, especially given the growing housing requirements from the state.

Moved by Commissioner Jeppson, seconded by Commissioner Newland, that Resolution No. 22-06, "Indicating Support for the Use of \$780,000 in Pooled Housing Tax Increment Financing (TIF) for the Restwood Road Apartments," be approved.

Motion adopted 6-1 (Commissioner Massoglia opposed).

Aye 5 - Commissioner Jeppson Commissioner Robertson Commissioner Paul
Commissioner Hovland President Sanders

Nay 1 - Commissioner Massoglia

5 Other Business

Mr. Thorvig provided the EDA with an update on the 105th Avenue Area RFP. He explained staff hoped to have the development RFP out in late July.

6 Adjournment

Moved by Commissioner Robertson, seconded by Commissioner Jeppson, to adjourn the meeting at 9:10PM.

Motion adopted unanimously.

Aye 6 - Commissioner Jeppson Commissioner Robertson Commissioner Paul
Commissioner Hovland Commissioner Massoglia President Sanders