

**EDA Members:**  
Dan Roe,  
President  
Wayne  
Groff,  
Vice  
President  
Robert  
Willmus,  
Treasurer  
Jason  
Etten  
Julie  
Strahan



**Economic Development Authority  
Meeting Agenda  
Monday, March 8, 2021  
6:00pm**

**Address:**  
2660 Civic Center Dr.  
Roseville, MN 55113

**Phone:**  
651-792-7000

**Website:**  
[www.growroseville.com](http://www.growroseville.com)

Following guidance from state health officials, EDA Members will participate in upcoming meetings electronically pursuant to Minn. Stat. § 13D.021.

Members of the public who wish speak during public comment or an agenda item during this meeting can do so virtually by registering at [www.cityofroseville.com/attendmeeting](http://www.cityofroseville.com/attendmeeting)

1. 6:00 P.M. Roll Call  
Voting & Seating Order: Groff, Willmus, Strahan, Etten, and Roe
  
2. 6:02 P.M. Pledge Of Allegiance
  
3. 6:03 P.M. Approve Agenda
  
4. 6:04 P.M. Public Comment
  
5. Business Items (Action Items)
  - 5.A. 6:05 PM Retail Market Report – Mark Robinson, Mid-America Real Estate  
  
Documents:  
  
[5A REPORT AND ATTACHMENT.PDF](#)
  
  - 5.B. 6:20 PM Discussion Regarding Future Requests For Public Finance Assistance In Support Of New Multi-Family Housing  
  
Documents:  
  
[5B REPORT AND ATTACHMENTS.PDF](#)
  
  - 5.C. 6:40 PM Authorize Amendment To Contract For Private Redevelopment With 2720 Fairview MKT LLC, (Tareen Dermatology) In Support Of The Epilepsy Foundation Of MN Lease.  
  
Documents:  
  
[5C REPORT AND ATTACHMENTS.PDF](#)
  
  - 5.D. 6:45 PM Adopt Resolutions Of Support For CDBG/HOME Fund Applications To

Ramsey County For Twin Lake Station Senior Housing, PIK Properties Senior Housing,  
And Marion Street Greenway Trail Connection To Lake McCarrons.

Documents:

[5D REPORT AND ATTACHMENTS.PDF](#)

6. 7:00 P.M. Adjourn To City Council



# REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 3/08/2021

Item No.: 5.a

Department Approval

Executive Director Approval

*Janice Gundlach*

*Paul J. Trueman*

Item Description: Retail market report from Mark Robinson, Mid-America Real Estate

1 **BACKGROUND**

2 As part of the Council’s Policy Priority Plan (PPP), Community Development staff outlined several  
3 items that would be undertaken as part of the Economic Development and Housing Strategic Priorities.  
4 Due to the pandemic, BRE&A visits have ceased, as well as the annual Business Exchange event in  
5 December. Under the Housing Strategic Priority, staff committed to inviting a broker to an EDA  
6 meeting to provide a market update and conduct a Q & A. In light of the housing successes the City  
7 has had over the last two years, and our inability to do meaningful BRE&A visits, staff thought a  
8 broker report on the retail market would be more appropriate given our current economic climate and  
9 would serve to meet commitments made in the PPP.

10 Mark Robinson from Mid-America Real Estate has agreed to provide a brief market report on the retail  
11 industry and stand for questions. Mr. Robinson’s bio is attached. He has served on real estate panels  
12 at Real Estate Journal MN events and is currently working on several projects in Roseville.

13 **POLICY OBJECTIVE**

14 The City Council has determined that there will be five strategic priorities that the City will focus on  
15 in 2019 and 2020, those being Economic Development, Inclusive Community and Governance,  
16 Capital Improvements, Housing, and Environmental Sustainability. In order to implement these  
17 priorities, the City Council has identified strategic initiatives under each Strategic Priority.

18 **BUDGET IMPLICATIONS**

19 Not applicable

20 **STAFF RECOMMENDATION**

21 Receive a retail market report from Mark Robinson of Mid-America Real Estate and engage in a Q  
22 & A as needed.

23 **REQUESTED EDA ACTION**

24 Receive a retail market report from Mark Robinson of Mid-America Real Estate and engage in a Q  
25 & A as needed.

Prepared by: Janice Gundlach, Community Development Director, 651-792-7071  
Attachments: A: Mark Robinson bio



HOME ▶ [TEAM MEMBER DETAIL](#)

# Mark Robinson, CCIM

Principal / Investment Sales

Lease, Sale

*Minnesota*

Mid-America Real Estate – Minnesota

## CONTACT INFO

P. 952.563.6664

E. [MRobinson@MidAmericaGrp.com](mailto:MRobinson@MidAmericaGrp.com)



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## BIO

## EXPERTISE

## ATTACHMENT A

Mark Robinson joined Mid-America Real Estate – Minnesota, LLC in 2012. Mark focuses on single & multi-tenant retail investment sales, and specializes in the sale of neighborhood, convenience, community shopping centers, and single tenant retail properties throughout Minnesota & western Wisconsin.

## PROFESSIONAL EXPERIENCE

Prior to joining Mid-America Real Estate – Minnesota, LLC, Mark worked in landlord representation & acquisitions for over four years with Paster Enterprises. While there, he worked with national, regional, and local tenants securing new retail locations. Mark also gained investment sale transaction experience underwriting & analyzing shopping center acquisitions for Paster. His years of experience as an owner representative give him a unique perspective when analyzing shopping centers for acquisition or disposition for his clients. Mark has been involved in over 160 transactions, with an aggregate value of over \$200,000,000 throughout his career.

## AFFILIATIONS & EDUCATION

Mark is a licensed real estate salesperson in both Minnesota & Wisconsin. He is also a member of the International Council of Shopping Centers (ICSC), Minnesota Shopping Center Association (MSCA), Minnesota Commercial Association of Realtors (MNCAR), and is a Certified Commercial Investment Member (CCIM). Mark was named the 2013 MNCAR Rising Star of the Year, a prestigious honor given to one broker annually across all product categories with 5 years or less industry experience. Mark earned a Bachelor of Science degree, majoring in Commercial Real Estate with a minor in Marketing, from St. Cloud State University. He continues to serve active leadership roles in MNCAR, MSCA and CCIM).

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# REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 03/08/21

Item No.: 5.b

Department Approval

*Janice Gundlach*

Executive Director Approval

*Paul Trugen*

Item Description: Discussion regarding future requests for public finance assistance in support of new multi-family housing

## BACKGROUND

Over the past two-four years the City has seen an influx of multi-family housing projects. Several have received public finance assistance, in the form of Sewer Access Charge (SAC) credits, hazardous substance sub-district tax increment, and/or redevelopment tax increment. Going back several more years reveals many projects, none of which received public finance assistance. In recognition of the number of units added, or to be added to the community, staff thought it would be appropriate to have a broader discussion with the EDA about the continued use of tax increment in support of multi-family housing projects. The timing of this discussion is important because there are two known projects in the community that have either already submitted an application for public finance assistance, or one is imminent, those being the PIK Terminal property (on Prior Avenue) in Twin Lakes and Rosedale Center. The EDA has also directed staff to pursue an affordable housing tax increment financing district for preservation of affordable units at the Marion Street/The Brittany apartments. All of these projects include multi-family housing, with the PIK Terminal property exploring approximately 525 units of new market rate, family and senior affordable and Rosedale Center, which is exploring 500+ units of new market rate, serving general occupancy and 55+. And while the underlying zoning of these properties allow multi-family housing, albeit through a conditional use process, it's possible these projects might not be able to proceed if they are unable to secure public finance assistance. Knowing whether assistance would be supported sooner in the planning efforts of the project could impact whether or not certain developers proceed. For example, the PIK Terminal site will require preparation of an Environmental Assessment Worksheet, coupled with plan preparation (even in conceptual terms), that, when combined, could cost tens of thousands of dollars. Staff is uncomfortable allowing this developer to proceed through those steps knowing we've had a large number of multi-family units approved recently and public finance assistance may not be certain.

Staff has determined the following amount of multi-family housing has been added to the community since 2018, including projects approved/funded but not yet started construction, as well as the two pending projects previously mentioned (PIK Terminal & Rosedale Center), both of which have not yet been approved/funded:

Project Name	Pending (unit count is estimated)	2021	2020	2019	2018
Common Bond's Owasso Gardens			60		

(affordable @ 60% AMI) <sup>1</sup>						
Twin Lakes Station's The Oasis (affordable @ 60% AMI) <sup>2</sup>			228			
Twin Lakes Station's The Harbor (affordable @ 50% AMI) <sup>3</sup>		277				
Sands Phase I The Edison (affordable @ 60% AMI)					59	
Sands Phase II The Edison (affordable @ 60% AMI) <sup>4</sup>		59				
Sands Phase III The Edison (study underway for market rate)	120					
The Isaac (Luxury market rate) <sup>5</sup>			117			
The Sanctuary (aka The Preserve) (senior market rate w/services)					103	
The Pointe (senior market rate)				93		
Langton Shores (senior market rate)	83					
Rosedale Center (general occupancy & 55+ market rate) <sup>6</sup>	530					
PIK Terminal (200 general occupancy market rate units, 50 general occupancy affordable units (50% AMI), 275 senior affordable units (30%- 50% AMI)) <sup>7</sup>	525					
<b>TOTAL</b>	1,258	336	405	93	162	<b>2,254</b>

- 29 1: SAC credits – 1<sup>st</sup> affordable senior-only housing project
- 30 2: Redevelopment TIF – priority site, environmental clean-up, high-amenities
- 31 3: Redevelopment TIF – priority site, environmental clean-up, high-amenities
- 32 4: SAC credits
- 33 5: Redevelopment & HSS (existing – not new) TIF – priority site, 1<sup>st</sup> market rate project in 30+ years, environmental clean-up
- 34 6: Tax Abatement application pending – seeking assistance on infrastructure in support of revitalizing a shopping mall
- 35 7: HSS (existing – not new) & Affordable Housing TIF application submitted – priority site, environmental clean-up

36 This in-flux of multi-family housing units increases the City's tax base, but also contributes to a  
37 demand on City services, such as Police and Fire calls for service and park use. Further, on projects  
38 that have (or could) receive tax increment assistance (or tax abatement), the tax increase generated by  
39 these projects has typically gone to the developer to fill the financial gap that exists inherent to  
40 affordable housing creation and/or clean-up of contaminated sites, meaning the new taxes are not  
41 always set aside to fund staffing needs in support of the increase demand on services. Having stated  
42 this, additional Police and Fire staff were added with the 2021 budget, but it is not known if this new  
43 staff has capacity to take on additional service demand. Police and Fire Department staff do expect  
44 additional demands if all the units outlined above are added to the community over the next few years.  
45 For these reasons, staff felt it was prudent to check-in with the EDA to determine the appetite for  
46 additional public finance assistance on new multi-family projects. Some pros and cons to funding  
47 additional projects (or not) are outlined below:

<b>Pros</b>	<b>Cons</b>
Clean up contaminated land	Funding for additional demand on police, fire, and park needs
Expand affordable housing options	Taking on too much of the immediate area's affordable housing share
Facilitate redevelopment of high priority redevelopment areas (such as Twin Lakes)	No increase in tax base, including ripple effects of surrounding tax base
Facilitate continued success in an otherwise outdated industry (shopping malls)	Future of housing market is uncertain – may have to wait longer for redevelopment
Take advantage of a strong housing market	Construction jobs & building permit revenue loss
Contribute towards providing more sustainable housing options near urban core & transit corridors	
One-time administrative fees related to conduit debt (when applicable)	

49 Staff has provided the needs summary table from the Housing Needs Assessment conducted in 2018  
50 and Comprehensive Plan excerpts regarding Roseville's share of the metropolitan area's affordable  
51 housing need (Attachments A & B). Based on the projects outlined in the above table, compared  
52 against Roseville's "need", the following are noted:

- 53 • General occupancy affordable rental units (60%-80% AMI) are met through 2030.
- 54 • Market-rate active adult (55+) rental units are met.
- 55 • 117 units of additional general occupancy market rate rental units are needed (assumes Sands  
56 Phase III proceeds at ~100 units of market rate).
- 57 • A need remains for approximately 60-100 units of 30% AMI (generally seen as "subsidized").
- 58 • A need remains for for-sale multi-family (condos, townhomes, twin homes) and for-sale single  
59 family housing.
- 60 • It's likely additional congregate living, assisted living, and memory care units could be  
61 absorbed, but in staff's experience these projects have not sought public finance assistance and  
62 so were not reviewed in-depth for the purposes of this discussion.

63 Any time a City creates a new tax increment financing district, a fiscal impact questionnaire is required  
64 to be completed by Police, Fire and Public Works. The intent with these is to try and capture additional  
65 service needs arising from individual projects. The problem with these questionnaires is they look at  
66 each individual project, but service demands typically arise out of several projects over time, not by  
67 just one. Police, Fire, Parks and Public Works staff have reviewed and provided input on this topic  
68 and will be available to address any questions the EDA may have regarding additional demand for  
69 City services generated by new multi-family housing projects.

70 Lastly, the City can't control every multi-family housing project that materializes. For example,  
71 several of the projects noted in the above table, as well as projects that have come online earlier than  
72 2018, did so without public finance assistance and in full compliance with underlying zoning  
73 regulations. So, regardless of the EDA's direction on the continued use of public finance assistance  
74 in support of multi-family housing projects, additional multi-family units are likely to materialize in  
75 the near future.

76 **POLICY OBJECTIVE**

77 As a matter of adopted policy, Roseville may consider using public financing, which may include tax  
78 increment financing, tax abatement, bonds, and other forms of public financing as appropriate, to assist  
79 private development projects.

80 **BUDGET IMPLICATIONS**

81 Redevelopment projects increase the tax base, which may limit the impact to taxpayers on future tax  
82 levy increases. But, the use of public finance assistance may impact the amount of new tax revenue  
83 available to fund an increase in the demand on City services. Also, all the tax increment districts  
84 created in the last few years have been for terms far less than the full 26 years allowed under statute.  
85 This means the obligation to the developer is forecasted to be paid off early, allowing early  
86 decertification of the district, bringing tax revenue back to the City for general taxing purposes early.

87 **STAFF RECOMMENDATION**

88 Receive information and provide direction on the continued use of public finance assistance in support  
89 of new multi-family housing projects.

90 **REQUESTED EDA ACTION**

91 Receive information and provide direction on the continued use of public finance assistance in support  
92 of new multi-family housing projects. Direction could include one or more of the following:

- 93 1. Direct staff to communicate to developers a temporary pause on public finance assistance  
94 requests in support of new multi-family housing projects.
- 95 2. Direct staff to communicate to developers that public finance assistance requests will only be  
96 accepted (not necessarily approved) for the following types of projects:
  - 97 o Non multi-family rental projects, except projects of up to 100 units of 30% AMI rental  
98 and projects of up to 120 units of market rate rental.
  - 99 o Projects that consist of amendments to previously approved public finance assistance  
100 requests.
  - 101 o Preservation projects.
- 102 3. Direct staff to communicate to developers that public finance assistance requests will only be  
103 accepted for certain projects deemed of City priority, which could include the Marion  
104 Street/The Brittany apartments, PIK Terminal property, and/or Rosedale Center.
- 105 4. Direct staff to continue the status quo on public finance assistance requests.

Prepared by: Janice Gundlach, Community Development Director, 651-792-7071  
 Attachments: A: Summary Table from Housing Needs Assessment  
 B: Roseville’s affordable housing share per Met Council  
 C: Public Finance & Business Subsidy Policy

## RECOMMENDATIONS AND CONCLUSIONS

## Introduction/Overall Housing Recommendations

This section summarizes demand calculated for specific housing products in Roseville and recommends development concepts to meet the housing needs forecast for the City. All recommendations are based on findings of the *Comprehensive Housing Market Analysis*. The following table and charts illustrate calculated demand by product type. It is important to recognize that housing demand is highly contingent on projected household growth; household growth could be higher with available land for development and increased densities.

<b>TABLE H-1 SUMMARY OF HOUSING DEMAND CITY OF ROSEVILLE October 2018</b>		
<b>Type of Use</b>	<b>2018-2030</b>	
<b><i>General-Occupancy</i></b>		
Rental Units - Market Rate	354	
Rental Units - Affordable	131	
Rental Units - Subsidized	75	
For-Sale Units - Multifamily	220	
For-Sale Units - Single-Family	110	
<b><i>Total General Occupancy Supportable</i></b>	<b>890</b>	
	<b>2018</b>	<b>2023</b>
<b><i>Age-Restricted (Senior)</i></b>		
<b><i>Market Rate</i></b>		
Adult Few Services (Active Adult)	141	334
<i>Ownership</i>	61	196
<i>Rental</i>	80	138
Independent Living (Congregate)	96	126
Assisted Living	120	143
Memory Care	98	113
<b><i>Total Market Rate Senior Supportable</i></b>	<b>455</b>	<b>716</b>
<b><i>Affordable/Subsidized</i></b>		
Active Adult - Subsidized	86	128
Active Adult - Affordable	16	38
<b><i>Total Affordable Senior Supportable</i></b>	<b>102</b>	<b>166</b>
Note: Due to limited land availability, not all of the demand may be able to be developed in Roseville		
Source: Maxfield Research & Consulting, LLC		

TABLE 5-1 SOURCE: METROPOLITAN COUNCIL EXISTING HOUSING ASSESSMENT 2016

	Cost-Burdened Households			Total percent cost-burdened
	≤ 30% AMI	> 30 - 50% AMI	> 50 - 80% AMI	
Roseville	11%	8%	5%	24%
St. Anthony	12%	8%	4%	24%
Falcon Heights	12%	9%	2%	23%
Little Canada	9%	12%	3%	24%
New Brighton	14%	8%	3%	25%
Shoreview	7%	6%	5%	17%
<i>Twin Cities Region</i>	<i>10%</i>	<i>8%</i>	<i>6%</i>	<i>24%</i>

### Meeting the Regional Affordable Housing Allocation Share

Roseville, along with every community in the metro area, is responsible for retaining an adequate regional share of affordable housing. The Housing Element of Metropolitan Council's *Thrive MSP 2040* plan has determined the affordable housing requirement for every community by affordability level, based on a household's relationship to the area median income (AMI).

While Roseville's existing affordable housing is considered when determining its share of 2021-2030 regional affordable housing, the City's allocation is also driven by other factors, namely *forecasted growth* and the City's *low-wage jobs-to-workers* ratio. Based on Roseville's forecasted total growth of 400 households from 2020 to 2030, a regional factor first estimates that about one-third of those new households should be affordable. Next, an existing affordable housing factor is applied; in Roseville, the higher rate of existing housing affordability than the regional average actually reduces the initial affordable housing share estimate. Finally, with the goal of expanding household choice for low-income households and aligning low-income housing with low-wage jobs, the final adjustment is based on whether a city has more low-wage jobs than low-wage workers. Because Roseville's low-wage job to worker ratio is significantly higher than the regional average, the affordable housing allocation is adjusted upward. The final result is a total affordable housing allocation of 142 households between 2021-2030, or 36 percent of forecasted new households in that decade.

The affordable housing need allocation is then further broken out by affordability in terms of regional area median income levels. Roseville's affordable housing allocation is shown by affordability level in [TABLE 5-2](#).

TABLE 5-2 SOURCE: METROPOLITAN COUNCIL EXISTING HOUSING ASSESSMENT 2016

Affordable Housing Need Allocation, 2021-2030	
At or Below 30% AMI	72
From 31 to 50% AMI	50
From 51 to 80% AMI	20
<b>Total Units</b>	<b>142</b>
<i>AMI = Area Median Income</i>	

Housing calculations from TABLE 5-3 AND TABLE 5-4 indicate that Roseville has guided sufficient high-density land at a minimum of eight units per acre to produce 245 units of housing at affordable densities in the 2021-2030 decade, which well exceeds the Metropolitan Council's affordable housing allocation of 120 units.

It is important to note that Roseville's current housing stock of single-family homes provides a source of affordable housing to new home-buyers moving into the city beyond the new development counted toward the Metropolitan Council's allocation. The smaller single-family homes constructed in the 1950s, 60s, and 70s (making up the vast majority of the single-family homes in the city), will be available to new home-buyers as older residents move out of those homes and seek other housing options in the coming decades.

Of the 4,661 acres guided residential in Roseville, only 50.9 of these acres are expected to be re-developable within the 2040 planning horizon. Affordable densities, as defined by the Metropolitan Council, are those with a minimum of eight units per acre. Because the minimum residential density in all of Roseville's high-density residential and mixed-use redevelopment areas is greater than eight units per acre, all housing expected to be developed in these districts within the 2021 – 2030 decade qualifies as affordable housing. TABLE 5-4 below summarizes the residential redevelopment potential from the land use chapter, and highlights with a red outline the units that would be considered affordable to meet Roseville's regional affordable allocation.



**City of Roseville and  
Roseville Economic Development Authority  
Public Financing Criteria and Business Subsidy Policy  
Adopted October 17, 2016**

**INTRODUCTION:**

This Policy is adopted for purposes of the business subsidies act, which is Minnesota Statutes, Sections 116J.993 through 116J.995 (the “Statutes”). Terms used in this Policy are intended to have the same meanings as used in Statutes. Subdivision 3 of the Statutes specifies forms of financial assistance that are not considered a business subsidy. This list contains exceptions for several activities, including redevelopment, pollution clean-up, and housing, among others. By providing a business subsidy, the city commits to holding a public hearing, as applicable, and reporting annually to the Department of Employment and Economic Development on job and wage goal progress.

**1. PURPOSE AND AUTHORITY**

- A. The purpose of this document is to establish criteria for the City of Roseville and the Roseville Economic Development Authority (“EDA”) for granting of business subsidies and public financing for private development within the City. As used in this Policy, the term “City” shall be understood to include the EDA. These criteria shall be used as a guide in processing and reviewing applications requesting business subsidies and/or City public financing.
- B. The City's ability to grant business subsidies is governed by the limitations established in the Statutes. The City may choose to apply its Business Subsidy Criteria to other development activities not covered under this statute. City public financing may or may not be considered a business subsidy as defined by the Statutes.
- C. Unless specifically excluded by the Statutes, business subsidies include grants by state or local government agencies, contributions of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient of the subsidy, any reduction or deferral of any tax or any fee, tax increment financing (TIF), abatement of property taxes, loans made from City funds, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business.

- D. These criteria are to be used in conjunction with other relevant policies of the City. Compliance with the Business Subsidy Criteria and City Public Financing Guidelines shall not automatically mean compliance with such separate policies.
- E. The City may deviate from the job and wage goals criteria outlined in Section 5 D and E below by documenting in writing the reason(s) for the deviation. The documentation shall be submitted to the Department of Employment and Economic Development with the next annual report.
- F. The City may amend this document at any time. Amendments to these criteria are subject to public hearing requirements contained in the Statutes.

**2. CITY’S OBJECTIVE FOR THE USE OF PUBLIC FINANCING**

- A. As a matter of adopted policy, the City may consider using public financing which may include tax increment financing (TIF), tax abatement, bonds, and other forms of public financing as appropriate, to assist private development projects. Such assistance must comply with all applicable statutory requirements and accomplish one or more of the following objectives:
  - 1. Remove blight and/or encourage redevelopment in designated redevelopment/development area(s) per the goals and visions established by the City Council and EDA.
  - 2. Expand and diversify the local economy and tax base.
  - 3. Encourage additional unsubsidized private development in the area, either directly or through secondary “spin-off” development.
  - 4. Offset increased costs for redevelopment over and above the costs that a developer would incur in normal urban and suburban development (determined as part of the But-For analysis).
  - 5. Facilitate the development process and promote development on sites that could not be developed without this assistance.
  - 6. Retain local jobs and/or increase the number and diversity of quality jobs
  - 7. Meet other uses of public policy, as adopted by the City Council from time to time, including but not limited to promotion of quality urban design, quality architectural design, energy conservation, sustainable building practices, and decreasing the capital and operating costs of local government.

**3. PUBLIC FINANCING PRINCIPLES**

- A. The guidelines and principles set forth in this document pertain to all applications for City public financing regardless of whether they are considered a Business Subsidy as defined by the Statutes. The following general assumptions of development/redevelopment shall serve as a guide for City public financing:

1. All viable requests for City public financing assistance shall be reviewed by staff, and, if staff so designates, a third party financial advisor who will inform the City of its findings and recommendations. This process, known as the “But For” analysis is intended to establish the project would not be feasible but for the City assistance.
2. The City shall establish mechanisms within the development agreement to ensure that adequate checks and balances are incorporated in the distribution of financial assistance where feasible and appropriate, including but not limited to:
  - a. Third party “but for” analysis
  - b. Establishment of “look back provisions”
  - c. Establishment of minimum assessment agreements
3. TIF and abatement will be provided on a pay-as-you-go-basis. Any request for upfront assistance will be evaluated on its own merits and may require security to cover any risks assumed by the City.
4. The City will set up TIF districts in accordance with the maximum number of statutory years allowable. However, this does not mean that the developer will be granted assistance for the full term of the district.
5. The City will elect the fiscal disparities contribution to come from inside applicable TIF district(s) to eliminate any impact to the existing tax payers of the community.
6. Public financing will not be used to support speculative commercial, office or housing projects. In general the developer should be able to provide market data, tenant letters of commitment or finance statements which support the market potential/demand for the proposed project.
7. Public financing will generally not be used to support retail development. The City may consider projects that include a retail component provided they meet a Desired Qualification as identified in Section 4.2.C(8) of this policy.
8. Public financing will not be used in projects that would give a significant competitive financial advantage over similar projects in the area due to the use of public subsidies. Developers should provide information to support that assistance will not create such a competitive advantage. Priority consideration will be given to projects that fill an unmet market need.
9. Public financing will not be used in a project that involves a land and/or property acquisition price in excess of fair market value.
10. The developer will pay all applicable application fees and pay for the City and EDA’s fiscal and legal advisor time as stated in the City’s Public Assistance Application.

11. The City will not consider waiving fees including, but not limited to, building permit fees, park dedication fees, SAC charges, and planning and zoning application fees. The City may consider using SAC credits, to the extent they are available, to off-set a project's SAC expenses.
12. The developer shall proactively attempt to minimize the amount of public assistance needed through the pursuit of grants, innovative solutions in structuring the deal, and other funding mechanisms.
13. All developments are subject to execution and recording of a Minimum Assessment Agreement.

#### **4. PROJECTS WHICH MAY QUALIFY FOR PUBLIC FINANCING ASSISTANCE**

- A. All new applications for assistance considered by the City must meet each of the following minimum qualifications. However, it should **not** be presumed that a project meeting these qualifications will automatically be approved for assistance. Meeting the qualifications does not imply or create contractual rights on the part of any potential developer to have its project approved for assistance.

##### **4.1 MINIMUM QUALIFICATIONS/REQUIREMENTS:**

- A. In addition to meeting the applicable requirements of State law, the project shall meet one or more of the public financing objectives outlined in Section 2.
- B. The developer must demonstrate to the satisfaction of the City that the project is not financially feasible "but for" the use of tax increment or other public financing.
- C. The project must be consistent with the City's Comprehensive Plan and Zoning Ordinances, Design Guidelines or any other applicable land use documents.
- D. Prior to approval of a financing plan, the developer shall provide any requested market and financial feasibility studies, appraisals, soil boring, private lender commitment, and/or other information the City or its financial consultants may require in order to proceed with an independent evaluation of the proposal.
- E. The developer must provide adequate financial guarantees to ensure the repayment of any public financing and completion of the project. These may include, but are not limited to, assessment agreements, letters of credit, personal deficiency guarantees, guaranteed maximum cost contract, etc.
- F. Any developer requesting assistance must be able to demonstrate past successful general development capability as well as specific capability in the type and size of development proposed. Public financing will not be used when the developer's credentials, in the sole judgment of the City, are inadequate due to past history relating to completion of projects, general reputation, and/or bankruptcy, or other problems or issues considered relevant to the City.

- G. The developer, or its contractual assigns, shall retain ownership of any portion of the project long enough to complete it, to stabilize its occupancy, to establish project management and/or needed mechanisms to ensure successful operation.

**4.2 DESIRED QUALIFICATIONS:**

- A. Projects providing a high ratio of private investment to City public investment will receive priority consideration. Private investment includes developer cash, government and bank loans, conduit bonds, tax credit equity, and land if already owned by the developer.
- B. Proposals that significantly increase the amount of property taxes paid after redevelopment will receive priority consideration.
- C. Proposals that encourage the following will receive priority consideration:
  - 1. Implements the City’s vision and values for a City-identified redevelopment area
  - 2. Provides significant improvement to surrounding land uses, the neighborhood, and/or the City
  - 3. Attracts or retains a significant employer within the City
  - 4. Promotes multi-family housing investment that meets the following City goals:
    - a. Extensive rehabilitation of existing multi-family housing stock
    - b. Demonstration of need for the type of multi-family housing proposed through a market study or other reliable market data.
    - c. Multi-family workforce housing proposals that include amenities similar to those found in market rate housing
    - d. Workforce housing proposals that consider innovative and alternative forms of development and do not include high-rise buildings
  - 5. Provides significant rehabilitation or expansion and/or replacement of existing office or commercial facility
  - 6. Provides opportunities for corporate campus or medical office development
  - 7. Provides opportunity for hi-tech, med-tech, R & D facilities/office or major manufacturer
  - 8. Provides opportunities for small businesses (under 50 employees) that are non, start-up companies
  - 9. Provides opportunities for small businesses that may enhance the quality of life within neighborhoods
  - 10. Redevelops a blighted, contaminated and/or challenged site

11. Adds needed road, access and multi-modal improvements
12. Addition of specific project enhancements including, but not limited to, architectural upgrades, pedestrian and transit connections, green building practices and enhanced site planning features.

**5. BUSINESS SUBSIDY PUBLIC PURPOSE, JOBS AND WAGE REQUIREMENT**

- A. All business subsidies must meet a public purpose with measurable benefit to the City as a whole.
- B. Job retention may only be used as a public purpose in cases where job loss is specific and demonstrable. The City shall document the information used to determine the nature of the job loss.
- C. The creation of tax base shall not be the sole public purpose of a subsidy.
- D. Unless the creation of jobs is removed from a particular project pursuant to the requirements of the Statutes, the creation of jobs is a public purpose for granting a subsidy. Creation of at least **3** Full Time, or Full Time Equivalent (FTE) jobs is a minimum requirement for consideration of assistance. For purposes of this Policy, FTE's must be permanent positions with set hours, and be eligible for benefits.
- E. The wage floor for wages to be paid for the jobs created shall be not less than 300% of the State of MN Minimum Wage. The City will seek to create jobs with higher wages as appropriate for the overall public purpose of the subsidy. Wage goals may also be set to enhance existing jobs through increased wages, which increase must result in wages higher than the minimum under this Section.
- F. After a public hearing, if the creation or retention of jobs is determined not to be a goal, the wage and job goals may be set at zero.

**6. SUBSIDY AGREEMENT**

- A. In granting a business subsidy, the City shall enter into a subsidy agreement with the recipient that provides the following information: wage and job goals (if applicable), commitments to provide necessary reporting data, and recourse for failure to meet goals required by the Statutes.
- B. The subsidy agreement may be incorporated into a broader development agreement for a project.
- C. The subsidy agreement will commit the recipient to providing the reporting information required by the Statutes.

**7. PUBLIC FINANCING PROJECT EVALUATION PROCESS**

- A. The following methods of analysis for all public financing proposals will be used:
1. Consideration of project meeting minimum qualifications
  2. Consideration of project meeting desired qualifications
  3. Project meets “but-for” analysis and/or statutory qualifications
  4. Project is deemed consistent with City’s Goals and Objectives

***Please note that the evaluation methodology is intended to provide a balanced review. Each area will be evaluated individually and collectively and in no case should one area outweigh another in terms of importance to determining the level of assistance.***



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 3/08/2021
Item No.: 5.c

Department Approval

Executive Director Approval

Janice Gundlach

[Signature]

Item Description: Adopt a Resolution authorizing an amendment to the Development Agreement with 2720 Fairview MKT, LLC– Tareen Dermatology

BACKGROUND

On November 9, 2020, the Roseville Economic Development Authority (REDA) provided a resolution of support (Attachment A) to amend the Development Agreement with 2720 Fairview MKT, LLC, known as Tareen Dermatology. This support was contingent on Tareen Dermatology signing a long-term lease of 10 years with the Epilepsy Foundation of MN for the build-out and occupancy of the first floor of the newly constructed building. The Epilepsy Foundation of MN would provide the following quantity and type of jobs:

- 12 -- MD physicians (income > \$200K+)
5 -- neuropsychologists (\$100K+)
5 -- Physician Assistants/Nurse Practitioners (\$100K+)
40 -- Social workers, EEG technicians, Nurses (\$50K+)
20 -- support staff (medical assistants, administrative assistants) (\$40K+)

2720 Fairview MKT, LLC has executed a 10 year lease with the Epilepsy Foundation of MN dated January 21, 2021. The Development Agreement is being amended to memorialize the reimbursement of eligible environmental contamination costs in the amount of \$93,999. Ehlers has reviewed the need and supported the additional assistance, subject to Tareen Dermatology executing a lease for the space with the Epilepsy Foundation. The additional funding would be paid for from tax increment generated by the City's existing Hazardous Substance Subdistrict (HSS), which allows for 25% pooling of dollars to be spent outside the district. The REDA should note, a final lookback of all assistance will be reviewed upon stabilization of the project at 90% occupancy, to ensure all given assistance was justified. This will be upon the Certificate of Occupancy of the Epilepsy Foundation, as they will be occupying the full first floor of 2720 Fairview Avenue in the fall of 2021.

STAFF RECOMMENDATION

By resolution, authorize the First Amendment to the Contract for Private Redevelopment between the Roseville Economic Development Authority and 2720 Fairview MKT LLC.

REQUESTED EDA ACTION

Adopt a Resolution authorizing execution the First Amendment to the Contract for Private Redevelopment between the Roseville Economic Development Authority and 2720 Fairview MKT LLC.

34 Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086

35

Attachments: A: Resolution of support for providing assistance with additional extraordinary costs  
B: 1<sup>st</sup> Amendment to the Development Agreement with Fairview MKT, LLC  
C: Resolution authorizing entering into the 1<sup>st</sup> Amendment to the DA with Fairview MKT, LLC

**EXTRACT OF MINUTES OF MEETING  
OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Roseville Economic Development Authority, County of Ramsey, Minnesota was duly held on the 9th day of November, 2020, at 6:00 p.m.

The following members were present: Etten, Laliberte, Groff, and Roe

and the following were absent: Willmus.

Member Laliberte introduced the following resolution and moved its adoption:

**RESOLUTION No. 74**

**RESOLUTION AUTHORIZING FIRST AMENDMENT TO CONTRACT FOR  
PRIVATE REDEVELOPMENT BETWEEN THE ROSEVILLE ECONOMIC  
DEVELOPMENT AUTHORITY AND 2720 FAIRVIEW MKT LLC**

WHEREAS, pursuant to Minnesota Statutes, Sections 469.174 to 469.1794 (the “TIF Act”) and 469.090 to 469.1081 (the “EDA Act”), the Roseville Economic Development Authority (“REDA”) is authorized to create and administer tax increment financing districts within the City of Roseville (the “City”); and

WHEREAS, REDA and 2720 Fairview Mkt LLC (the “Redeveloper”) previously entered into a Contract for Private Redevelopment dated as of September 16, 2019, pursuant to which REDA will issue and deliver a TIF Note to the Redeveloper to reimburse the Redeveloper for certain qualified costs related to the development of a medical office building to be occupied by the Redeveloper and one or more tenants on certain property within the City (the “Redevelopment Property”); and

WHEREAS, the Epilepsy Foundation (the “Foundation”) has entered into discussions with the Redeveloper regarding the long-term lease of a portion of the Redevelopment Property, and the Redeveloper has identified the Foundation as a desirable tenant and has requested certain additional tax increment assistance from REDA, which would allow the Redeveloper to negotiate a long-term lease with the Foundation that will likely result in lower than projected lease revenues; and

WHEREAS, REDA's municipal advisor, Ehlers and Associates, has performed a pro forma analysis and has determined that additional assistance for costs of environmental remediation, in an amount of up to \$93,999, is warranted, if the Redeveloper and the Foundation successfully negotiate and execute a Letter of Intent to enter into a lease for a portion of the Redevelopment Property for a term of at least ten years.

NOW, THEREFORE, BE IT RESOLVED, that subject to (i) the successful negotiation and execution by the Redeveloper and Foundation of a letter of intent to enter into a lease with a term of at least ten years; (ii) certification by the Redeveloper of qualified remediation costs, including abatement of hazardous materials, removal of rubble, debris and contaminated soils, and excavation related to soil removal, accompanied by evidence of such costs in a total amount of at least \$93,999; (iii) negotiation and approval of a First Amendment to Contract for Private Redevelopment that incorporates the terms and conditions under which REDA will provide the financial assistance set forth in this resolution and the sources of such financial assistance; and (iv) ratification of such First Amendment by REDA at a future meeting; REDA approves said financial assistance as provided in the TIF Act and the EDA Act.

BE IT FURTHER RESOLVED, that if the Redeveloper and the Foundation do not successfully negotiate and execute a letter of intent as described above, REDA is supportive of considering additional assistance to the Redeveloper in connection with a long-term lease with another tenant or tenants to be identified, subject to review and recommendation of specific terms by REDA staff and consultants and formal approval of a First Amendment memorializing such terms by REDA.

The motion for the adoption of the foregoing resolution was duly seconded by Member Groff, and upon a vote being taken thereon, the following voted in favor thereof:

Etten, Laliberte, Groff, and Roe

and the following voted against the same: None.

WHEREUPON said resolution was declared duly passed and adopted.

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regular meeting thereof on November 9, 2020.

I further certify that Commissioner Laliberte introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner Groff, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

Etten, Laliberte, Groff, and Roe

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 10<sup>th</sup> day of November, 2020.



Patrick Trudgeon, Executive Director  
Roseville Economic Development  
Authority

**FIRST AMENDMENT TO CONTRACT FOR PRIVATE REDEVELOPMENT**

This Amendment is made as of \_\_\_\_\_, 2021, by and between the Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota (the “Authority”) and 2720 Fairview MKT LLC, a Minnesota limited liability company (the “Redeveloper”).

WHEREAS, the Authority and the Redeveloper entered into that certain Contract for Private Redevelopment dated as of September 16, 2019 (the “Agreement”), providing, among other things, for the construction by the Redeveloper of certain improvements (the “Minimum Improvements”) on the property legally described in Exhibit A hereto (the “Property”) and the issuance by the Authority of a tax increment revenue note (the “Note”) to reimburse certain public redevelopment costs of the Redeveloper; and

WHEREAS, due to worse-than-anticipated environmental conditions discovered on the Redevelopment Property in the construction of the Minimum Improvements, which have led to additional extraordinary costs to remediate such conditions, the Redeveloper has requested and the Authority has agreed to provide additional assistance in the form of pooled increment from Tax Increment Hazardous Substance Subdistrict No. 17A, as described herein.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to add Section 3.7 to the Agreement. The Agreement is amended to add Section 3.7 as follows:

Section 3.7. HSS Grant.

(a) In recognition of higher-than-anticipated costs of environmental remediation on the Redevelopment Property that the Redeveloper has actually incurred and for which the Redeveloper has provided evidence satisfactory to the Authority as of the date of this Agreement, the Authority will apply a portion of tax increment generated from its Tax Increment Hazardous Substance Subdistrict No. 17A to reimburse the Redeveloper for a portion of the extraordinary costs of environmental remediation required to redevelop the Redevelopment Property pursuant to the Response Action Plan in effect for the Redevelopment Property, in the amount of \$93,999 (the “HSS Grant”).

(b) The Redeveloper and Minnesota Epilepsy Group, P.A. (the “Tenant”) have entered into an Office Lease dated January 21, 2021, pursuant to which the Redeveloper will lease certain space within the Minimum Improvements to the Tenant. Authority will pay the HSS Grant to the Redeveloper in one lump sum upon issuance by the City of a construction permit for the improvements necessary to build out the portion of the Minimum Improvements to be occupied by the Tenant.

2. Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect. Redeveloper shall pay all Administrative Costs related to the negotiation and drafting of this Amendment.

(Remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed as of the day and year first above written.

**ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

By \_\_\_\_\_  
Its President

By \_\_\_\_\_  
Its Executive Director

STATE OF MINNESOTA    )  
                                          )   SS  
COUNTY OF RAMSEY    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by Dan Roe, the President of the Roseville Economic Development Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the authority.

\_\_\_\_\_  
Notary Public

STATE OF MINNESOTA    )  
                                          )   SS  
COUNTY OF RAMSEY    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by Patrick Trudgeon, the Executive Director of the Roseville Economic Development Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the authority.

\_\_\_\_\_  
Notary Public

**Authority Signature Page to First Amendment to Contract for Private Redevelopment**

**2720 FAIRVIEW MKT LLC**

By \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF MINNESOTA        )  
                                          )  SS  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, the \_\_\_\_\_ of 2720 Fairview MKT LLC, a limited liability company under the laws of Minnesota, on behalf of the company.

\_\_\_\_\_  
Notary Public

THIS DOCUMENT DRAFTED BY:

Kennedy & Graven, Chartered  
470 US Bank Plaza  
200 South Sixth Street  
Minneapolis, MN 55402  
(612) 337-9300

**Redeveloper Signature Page to First Amendment to Contract for Private Redevelopment**

**EXHIBIT A**

**Property**

Lot 2, Block 1, FAIRVIEW AVENUE ADDITION, according to the recorded plat thereof, Ramsey County, Minnesota.

1  
2 **EXTRACT OF MINUTES OF MEETING**  
3 **OF THE**  
4 **ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

5  
6 \* \* \* \* \*

7  
8 Pursuant to due call and notice thereof, a special meeting of the Board of Commissioners  
9 (the “Board”) of the Roseville Economic Development Authority (“REDA”) was duly  
10 held on the 8th day of March, 2021, at 6:00 p.m.

11  
12 The following members were present:

13  
14 and the following were absent: .

15  
16 Member introduced the following resolution and moved its adoption:

17  
18 **RESOLUTION No.**

19  
20 **RESOLUTION APPROVING FIRST AMENDMENT TO**  
21 **CONTRACT FOR PRIVATE REDEVELOPMENT**  
22 **BETWEEN THE ROSEVILLE ECONOMIC**  
23 **DEVELOPMENT AUTHORITY AND 2720 FAIRVIEW**  
24 **MKT LLC**

25 WHEREAS, pursuant to Minnesota Statutes, Sections 469.174 to 469.1794 (the “TIF  
26 Act”) and 469.090 to 469.1081 (the “EDA Act”), the Roseville Economic  
27 Development Authority (“REDA”) is authorized to create and administer  
28 tax increment financing districts within the City of Roseville (the “City”)  
29 and to enter into contracts for the development or redevelopment of  
30 property within such districts; and

31  
32 WHEREAS, REDA and 2720 Fairview Mkt LLC (the “Redeveloper”) previously  
33 entered into a Contract for Private Redevelopment dated as of September  
34 16, 2019 (the “Contract”), pursuant to which REDA will issue and deliver  
35 a TIF Note to the Redeveloper to reimburse the Redeveloper for certain  
36 qualified costs related to the development of a medical office building to  
37 be occupied by the Redeveloper and one or more tenants on certain  
38 property within the City (the “Redevelopment Property”); and

39  
40 WHEREAS, the Authority previously authorized the negotiation of a first amendment  
41 to the Contract (the “Amendment”) providing for additional assistance to  
42 the Redeveloper in the amount of \$93,999, subject to the negotiation and  
43 execution of a long-term commercial lease (the “Lease”) for a portion of  
44 the Redevelopment Property; and

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WHEREAS, the Redeveloper and Minnesota Epilepsy Group P.A. have successfully negotiated and executed the Lease; and

WHEREAS, the Board finds that execution of the Amendment is necessary and desirable and is in the best interest of the City as a whole because it will facilitate the retention of a high-quality long-term medical tenant within the City.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Amendment as presented to the Board is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the President and Executive Director, provided that execution of the Amendment by such officials shall be conclusive evidence of approval. The President and Executive Director are hereby authorized to execute, on behalf of the Authority, the Amendment.
  
2. Authority staff and officials are authorized to take all actions necessary to perform the Authority's obligations under the Amendment and under the Contract as a whole, all as described in the Amendment and Contract.

The motion for the adoption of the foregoing resolution was duly seconded by Member

, 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.

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regular meeting thereof on March 8, 2021.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this \_\_\_ day of March, 2021.

\_\_\_\_\_  
Patrick Trudgeon, Executive Director  
Roseville Economic Development  
Authority



# REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 03/08/2021

Item No.: 5.d

Department Approval

Executive Director Approval

*Jamie Gundlach*

*Randy Trueman*

Item Description: Consideration of Resolutions Supporting Applications for Ramsey County Community Development Block Grant (CDBG)/HOME Investment Partnership Funds.

1  
2 **BACKGROUND**

3  
4 ***Twin Lakes Station***

5 On July 15, 2019 the Roseville Economic Development Authority (REDA) provided financial support  
6 for the redevelopment of the Twin Lakes Station by adopting resolution No. 47 (Attachment A). The  
7 original proposal was for two developments that would be general occupancy and senior housing that  
8 would both be affordable to less than 60% AMI. The 228 general occupancy buildings (The Oasis)  
9 received all funding to close in July 2020 with the 277 senior affordable property (Harbor at Twin  
10 Lakes) to resubmit for bonding allocation at the beginning of 2021. A site plan is attached for reference  
11 (Attachment B). In order to be more competitive for awarding of the bonds for the senior building  
12 Dominion targeted all rents to be less than 50% AMI. That reduction in rent has left the project with a  
13 gap in financing and they are seeking other funding sources other than the REDA to assist with filling the  
14 gap. Staff is recommending that Dominion make an application to Ramsey County for HOME Funds  
15 to assist with filling part of the gap in finance. As staff works with Ehlers to review the financial needs  
16 of the development, the REDA may have this project come forward at a later time to further consider  
17 any additional financial assistance that the REDA could provide.  
18

19 ***PIK***

20 The redevelopment of the 13 acre PIK property has had previous interest in the past that Schafer Richardson  
21 proposed affordable senior housing and a market rate multifamily rental development. That proposal did  
22 have financial support from the REDA but never materialized due to the seller and developer not being able  
23 to come to terms on the environmental remediation that is needed on the site. Currently Roers Development  
24 has a Letter of Intent (LOI) and is very well aware of the environmental remediation that is needed to be  
25 done on the site. In addition the LOI is subject to receiving financing to construct roughly 275 senior  
26 affordable multifamily housing units with 98% of the rents targeted to 50% AMI and the remaining 2% at  
27 30% AMI. The other building would be 250 units of general occupancy multifamily housing with 20% of  
28 the rents at 50% AMI and the remaining 80% with no income restrictions. A preliminary site plan is provided  
29 just for reference (Attachment C). If this project proceeds forward from tonight's decision on wither any  
30 future Tax Increment Financing might be considered to redevelop this property into housing, then the  
31 developer would like to move forward with seeking financing assistance from Ramsey County HOME funds.  
32 Since this development most likely will not be funded in 2021, if submitting an application this year to

33 Minnesota Management and Budget (MMB) Bond allocation, because of the competitive process the  
34 application would most likely be funded in one of the 2022 bond allocation rounds. Since the bond  
35 allocation also provides for the 4% tax credit to go along with the bonds awarded, Minnesota Housing (MH)  
36 in 2022 is requiring a minimum of 2% of the units be set aside for 30% AMI units. This requirement does  
37 tie into the identified need in the Comprehensive Housing Needs Assessment as well as identified rental goals  
38 that the Ramsey County has identified. Providing and targeting units at 30% AMI is difficult to do without  
39 rental assistance, such as Section 8 vouchers that are used to underwrite the rental income of a development.  
40  
41

42 ***Marion Street Greenway Trail Connection***

43 It was identified in the Rice-Larpenteur Vision Plan to connect Marion Street to Lake McCarrons  
44 (Attachment D). The vision plan was formally adopted as part of the Comprehensive 2040 Plan. Staff in  
45 the past has been able to access Community Development Block Grant (CDBG) Funds from Ramsey County  
46 to assist with acquisition of 1716 Marion St., that is now Unity Park, as well as funds to assist with the  
47 completion of sidewalk along Larpenteur Avenue. The census tract that South East Roseville is in still  
48 qualifies for using CDBG funds for public improvements as it benefits a Low-Moderate Income  
49 neighborhood. Staff is recommending to have the REDA apply for the CDBG funds in order to assist the  
50 developer who is redeveloping 210 S. McCarrons and 196 S. McCarrons. If awarded the project would  
51 become part of a larger public improvement project in order to meet the Davis Bacon wage requirements.  
52

53 **STAFF RECOMMENDATION**

54 Staff is providing the following items for the REDA to consider as separate actions:

- 55 1. Adopt a Resolution of support for HOME funds to assist with the gap identified in Harbor at Twin  
56 Lakes Senior Development.
- 57 2. Consider adoption a Resolution of support for HOME funds to assist with future senior affordable  
58 housing on PIK properties site, based on City Council discussion regarding public financial assistance  
59 for new housing developments.
- 60 3. Adopt a Resolution of support for CDBG funds to assist for the Marion Street Greenway Trail  
61 connection.  
62  
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64 **REQUESTED REDA ACTION**

65 By three separate motions staff is requesting the REDA to consider:

- 66 1. Adopt a Resolution of support for HOME funds to assist with the gap identified in Harbor at Twin  
67 Lakes Senior Development.
- 68 2. Consider adopting a Resolution of support for HOME funds to assist with future senior affordable  
69 housing on PIK properties site, based on City Council discussion regarding public financial assistance  
70 for new housing developments.
- 71 3. Adopt a Resolution of support for CDBG funds to assist for the Marion Street Greenway Trail  
72 connection.

73 Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086

- Attachment A: Resolution No. 47 support for TIF assistance for redevelopment of Boater's Outlet for Dominionium  
B: Site Plan for Twin Lake  
C: Site Plan for PIK Site  
D: Rice-Larpenteur Sections of Marion Street Greenway Connection  
E: Resolution of support for HOME funds application for Harbor at Twin Lakes  
F: Resolution of support for HOME funds application to assist with the Redevelopment of PIK Terminal

G: Resolution of support for CDBG funds application to assist with the Marion St. Greenway Connection

**EXTRACT OF MINUTES OF MEETING  
OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Roseville Economic Development Authority, County of Ramsey, Minnesota was duly held on the 15th day of July, 2019, at 6:00 p.m.

The following members were present: Willmus, Laliberte, Groff, Etten, and Roe

and the following were absent: none.

Member Willmus introduced the following resolution and moved its adoption:

**RESOLUTION No. 47**

**RESOLUTION EXPRESSING SUPPORT FOR REDEVELOPMENT TAX  
INCREMENT FINANCING ASSISTANCE REQUESTED IN CONNECTION  
WITH A PROPOSED MULTIFAMILY HOUSING DEVELOPMENT ON ALL  
OR A PORTION OF PARCEL ID NOS. 042923430005, 042923430013, AND  
042923430014 AT COUNTY ROAD C**

WHEREAS, pursuant to Minnesota Statutes, Sections 469.174 to 469.1794 (the "TIF Act") and Sections 469.090 to 469.1081 (the "EDA Act"), the Roseville Economic Development Authority ("EDA") is authorized to create and administer tax increment financing districts within the City of Roseville (the "City"); and

WHEREAS, the EDA is further authorized to identify and utilize other funds for the purpose of assisting redevelopment; and

WHEREAS, Dominion or an affiliate thereof (the "Redeveloper") has requested tax increment financing assistance in connection with Redeveloper's proposed redevelopment of certain property located on all or a portion of Parcel ID Nos. 042923430005, 042923430013, and 042923430014 at County Road C in the City (the "Property"), in order to construct approximately 224 units of affordable rental housing and 252 units of senior affordable rental housing on the Property, as well as approximately 56,200 square feet of commercial/retail space for which the Redeveloper is not requesting assistance (the "Improvements"); and

WHEREAS, the EDA has previously expressed support for the creation of a redevelopment tax increment financing district in connection with both the

proposed redevelopment of 2720 Fairview Avenue and the Improvements, and is willing to explore tax increment and other financial assistance at a level to be determined, subject to a pro forma analysis by the EDA's municipal advisor, to finance a portion of the extraordinary redevelopment costs of the Improvements.

NOW, THEREFORE, BE IT RESOLVED, that subject to (i) further verification of Redeveloper's need for financial assistance and (ii) negotiation and approval of a Contract for Private Redevelopment that addresses (among other things) the terms under which the Redeveloper will construct the Improvements on the Property, the terms and conditions under which the EDA will provide financial assistance, and the sources of such financial assistance, the EDA agrees to create a redevelopment tax increment financing district for the purpose of financing a portion of the extraordinary costs of the Improvements in compliance with the TIF Act and the EDA Act.

The motion for the adoption of the foregoing resolution was duly seconded by Member Groff, and upon a vote being taken thereon, the following voted in favor thereof:

Willmus, Laliberte, Groff, Etten, and Roe

and the following voted against the same: None.

WHEREUPON said resolution was declared duly passed and adopted.

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regular meeting thereof on July 15, 2019.

I further certify that Commissioner Willmus introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner Groff, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

Willmus, Laliberte, Groff, Etten, and Roe

and the following voted against the same: None.

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 15<sup>th</sup> day of July, 2019.



Patrick Trudgeon, Executive Director  
Roseville Economic Development  
Authority

ISSUE	DATE	DESCRIPTION
	09/29/20	CITY SUBMITTAL

DRAWN BY	Author
CHECKED BY	Chris
DATE	09/29/20

SHEET TITLE

SITE RENDERING

SHEET NUMBER

**G100**

© 2020 BKV Group



**1** SITE RENDERING  
1" = 40' 0"



PARKING		
Level	Type	Count
Level -1	Market Rate Garage	252
Level 1	Market Rate Surface	91
Level -1	Senior Garage	231
Level 1	Senior Surface	121

695

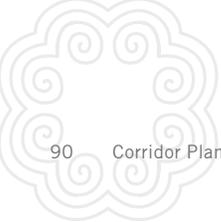
1 SD Site Plan  
1" = 100'-0"

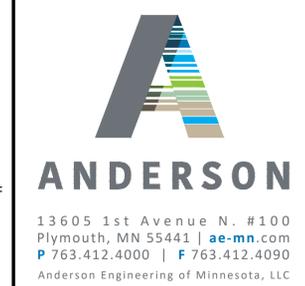


**Lake McCarrons Site**

The redevelopment concept for this site is predicated on the extension of Marion Street to Lake McCarrons Boulevard. This connection will realize the “Big Idea” of the Marion Street greenway identified on page 49. The redevelopment of this site is proposed as senior housing/assisted living with the buildings and site features oriented towards Lake McCarrons. This housing type fills a desired need within the district and allows for unique lakefront living.

- Create a new residential development area to maximize views and access to Lake McCarrons.
  - Provide market rate or assisted senior living multi-story buildings.
  - Provide public open space connected to residential development and lake front.





# THE ENCLAVE AT MCCARRON'S LAKE

210 S MCCARRON'S BLVD,  
ROSEVILLE, MN 55113  
  
AIRBORNE MCCARRON'S LLC  
13605 1ST AVE N #100  
PLYMOUTH, MN 55441

**NOT FOR CONSTRUCTION**

REVISION LOG		
NO.	DATE	DESCRIPTION OF REVISIONS
1	11/9/20	PRELIMINARY BUDGET

## SCHEMATIC DESIGN

NOVEMBER 3, 2020

DESIGNED:	DRAWN:	CHECKED BY:
BF	JR	MB

## DRAWING TITLE

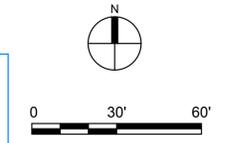
# PRELIMINARY GRADING PLAN

DRAWING NO.

# C1

PLOTTED:	COMM. NO.
---	14957

**Plan with Revised Trail**  
**9 Dec 2020**

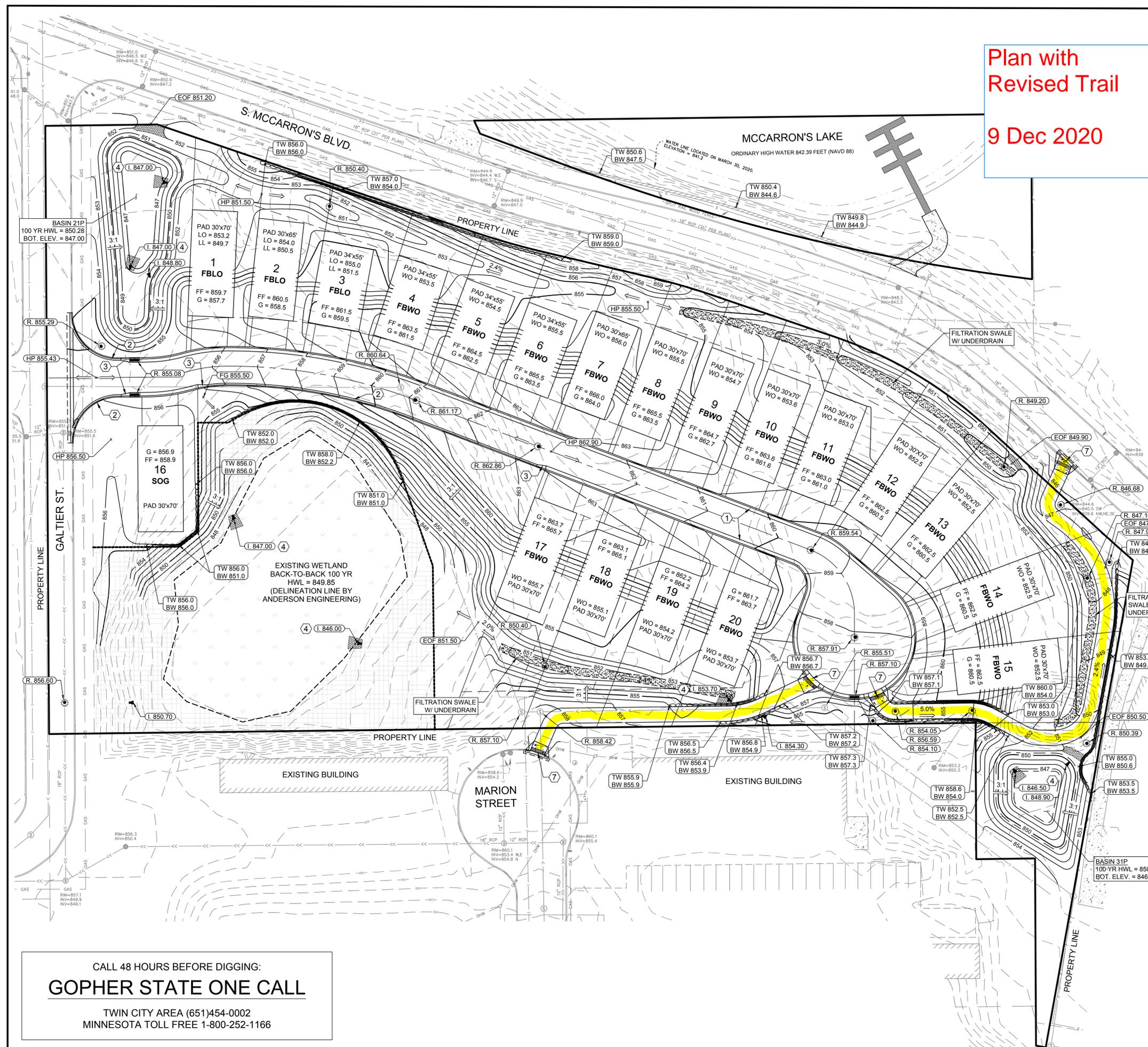


- 966 — PROPERTY LIMITS
- 965 — CONSTRUCTION LIMITS
- X 959.4 — EXISTING MINOR CONTOUR
- — EXISTING MAJOR CONTOUR
- — PROPOSED MINOR CONTOUR
- — PROPOSED MAJOR CONTOUR
- — EXISTING SPOT ELEVATION
- — DRAINAGE ARROW
- — PROPOSED RETAINING WALL
- — PROPOSED CONCRETE C&G

- ### SPOT ELEVATION KEY
- FG FINISHED GRADE
  - ± EXISTING GRADE
  - FL GUTTER FLOW LINE
  - HP HIGH POINT ELEVATION
  - BW BOTTOM WALL ELEVATION
  - TW TOP WALL ELEVATION
  - R RIM ELEVATION
  - I INVERT ELEVATION
  - EOF EMERGENCY OVERFLOW ELEVATION

- ### CONTRACTOR NOTES
- THE TOTAL DISTURBED AREA IS EQUAL TO 3.97 ACRES. AN MPCA PERMIT IS REQUIRED.
  - PROPOSED SPOT ELEVATIONS ARE TO TOP OF FINISHED SURFACE UNLESS OTHERWISE NOTED IN LEGEND.
  - TAKE ALL NECESSARY PRECAUTIONS TO PROTECT EXISTING UTILITIES. LOCATIONS OF UTILITIES SHOWN BASED ON SURVEY AND AS-BUILT INFORMATION AND MAY NOT REPRESENT ACTUAL CONDITIONS. CONTRACTOR IS RESPONSIBLE FOR UTILIZING UTILITY LOCATES PRIOR TO STARTING ANY WORK.

- ### KEY NOTES
- SURMOUNTABLE CONC. CURB & GUTTER (TYP.)
  - B612 VERTICAL CONC. CURB & GUTTER (TYP.)
  - 6" TRANSITIONAL CONC. CURB & GUTTER
  - INSTALL RIP-RAP AT NEW FES
  - ADJUST EXISTING SANITARY MANHOLE RIM TO FINISHED GRADE AS SHOWN
  - INSTALL RIP-RAP AT EMERGENCY OVER FLOW LOCATION
  - INSTALL CONCRETE PEDESTRIAN ADA RAMP WITH TRUNCATED DOME.



Nov 09, 2020 - 11:09am BField  
Xref Filename: \\14957\14957\_AIRBORNE - THE ENCLAVE AT MCCARRON'S LAKE - ROSEVILLE\Civil\01\_CAD Files\01\_SHEETS\14957\_C\_Grading.dwg  
Xref Filename: \\14957\14957\_AIRBORNE - THE ENCLAVE AT MCCARRON'S LAKE - ROSEVILLE\Civil\01\_CAD Files\01\_SHEETS\14957\_C\_Grading.dwg

CALL 48 HOURS BEFORE DIGGING:  
**GOPHER STATE ONE CALL**  
 TWIN CITY AREA (651)454-0002  
 MINNESOTA TOLL FREE 1-800-252-1166

**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a special meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 8<sup>th</sup> day of March, 2021, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No.**

**RESOLUTION IN SUPPORT OF APPLICATION BY ROSEVILLE LEASED HOUSING ASSOCIATES II LLLP FOR RAMSEY COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT/HOME INVESTMENT PARTNERSHIP FUNDS, FOR THE DEVELOPMENT OF HARBOR AT TWIN LAKES**

WHEREAS, Roseville Leased Housing Associates II LLLP (the “Developer”) has proposed the development of a multifamily rental housing facility including 277 units of senior housing (the “Facility”), to be located at 2730 Herschel Street (Address) in the City of Roseville (the “City”); and

WHEREAS, to finance a portion of the costs to develop the Facility, the Developer intends to apply for Community Development Block Grant HOME Investment Partnership Program (“HOME”) funds allocated to Ramsey County.

NOW THEREFORE BE IT RESOLVED THAT the Roseville Economic Development Authority hereby supports the request by the Developer for HOME funding through Ramsey County to finance a portion of the costs of the proposed Facility.

Adopted by the Board of the Authority this 8<sup>th</sup> day of March, 2021.

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Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and specially held meeting thereof on March 8, 2021.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 8<sup>th</sup> day of March, 2021.

\_\_\_\_\_  
Executive Director  
Roseville Economic Development Authority

**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a special meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 8<sup>th</sup> day of March, 2021, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No.**

**RESOLUTION IN SUPPORT OF APPLICATION FOR RAMSEY COUNTY  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)/HOME INVESTMENT  
PARTNERSHIP FUNDS BY ROERS ROSEVILLE APARTMENTS OWNER LLC, FOR  
THE REDEVELOPMENT OF PIK TERMINAL**

WHEREAS, Roers Roseville Apartments Owner LLC (the “Developer”) has proposed the development of a multifamily rental housing facility including 275 units of senior housing (the “Facility”), to be located at 2690 Prior Ave. North in the City of Roseville (the “City”); and

WHEREAS, to finance a portion of the costs to develop the Facility, the Developer will apply for Community Development Block Grant/HOME Investment Partnership Program (“HOME”) funds allocated to Ramsey County.

NOW THEREFORE BE IT RESOLVED THAT the Roseville Economic Development Authority hereby supports the request by the Developer for HOME funding through Ramsey County to finance a portion of the costs of the proposed Facility.

Adopted by the Board of the Authority this 8<sup>th</sup> day of March, 2021.

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and the following voted against the same:

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\_\_\_\_\_  
Executive Director  
Roseville Economic Development Authority

**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

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The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No.**

**RESOLUTION AUTHORIZING APPLICATION FOR RAMSEY COUNTY  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)/HOME INVESTMENT  
PARTNERSHIP FUNDS FOR THE DEVELOPMENT OF MARION STREET  
GREENWAY CONNECTION**

WHEREAS, the Roseville Economic Development Authority, (the “EDA”) has proposed to act on behalf of the City of Roseville (the “City”) for the purpose of applying for grants to finance a portion of the costs of construction of the proposed Marion Street Greenway Connection (the “Public Infrastructure”), to be located at Marion Street and South McCarrons Boulevard in the City; and

WHEREAS, the EDA has identified Community Development Block Grant Investment Partnership Program (“CDBG”) funds allocated to Ramsey County as a potential source of grant funding to finance a portion of the costs of the Public Infrastructure; and

WHEREAS, the proposed Public Infrastructure is within a HUD Low to Moderate Income Area that qualifies for CDBG funds.

NOW THEREFORE BE IT RESOLVED THAT the EDA shall proceed with a grant application for CDBG funding through Ramsey County to finance a portion of the costs of the proposed Public Infrastructure. EDA staff is hereby authorized to proceed with grant application activities on behalf of the EDA and City, subject to approval of any grant agreement by the Board of Commissioners of the EDA if such grant is received.

Adopted by the Board of Commissioners of the Roseville Economic Development Authority this 8<sup>th</sup> day of March, 2021.

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\_\_\_\_\_  
Executive Director  
Roseville Economic Development Authority