

CITY OF ST. FRANCIS
ST. FRANCIS, MN
ANOKA COUNTY

ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

MONDAY, AUGUST 7, 2017

4115 Ambassador Blvd. NW
ISD #15 Central Service Center (District Office)

5:00 PM

1. Call to Order
2. Roll Call
3. Approve Minutes of July 17, 2017
4. Approval of the Agenda
5. Public Hearings/New Business
 - A. Acquisition of a property along Bridge Street for redevelopment
6. Other Reports
7. Adjourn

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ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

JULY 17, 2017

1. **Call to Order** The EDA meeting was called to order at 5:33 pm.

2. **Roll Call**
Members present Robert Bauer, Sarah Udvig and Mike Rodger. Members Brenda Pavelich-Beck Joe Muehlbauer absent.

Also present City Administrator Joe Kohlmann, Community Development Director Kate Thunstrom, City Attorney Scott Lepak, Nick Anhut of Ehlers and Associates, and City Clerk Barb Held.

3. **Approve Minutes of January 17, 2017**
Motion by Udvig second Rodger to approve the January 17, 2017 Economic Development Authority Minutes. Motion carried 3-0.

4. **Adopt Agenda**
Motion by Udvig second Bauer to adopt the July 17, 2017 EDA Agenda. Motion carried 3-0.

5. **Public Hearings/New Business**
 - A. **Appointment of Officers**
 1. President
 2. Vice President
 3. President Pro Tem
 4. Secretary
 5. Treasurer
 6. Executive Director

Motion by Bauer to nominate Sarah Udvig as president. Udvig declined the nomination.

Motion by Udvig second Bauer to nominate Mike Rodger as President. Rodger accepted the nomination. Motion carried 3-0.

Motion by Bauer second Rodger to nominate Sarah Udvig as Vice President. Udvig accepted the nomination. Motion carried 3-0.

Motion by Bauer second Rodger to nominate Joe Muehlbauer as President Pro Tem. Motion carried 3-0.

Motion by Rodger second Udvig to nominate Robert Bauer as Secretary. Bauer accepted the nomination. Motion carried 3-0.

Motion by Bauer second Udvig to nominate Brenda Pavelich-Beck as Treasurer. Motion carried 3-0.

Motion by Bauer second Udvig to appoint City Administrator Joe Kohlmann as Executive Director. Discussion was held on whether it was required to have the City Administrator be the Executive Director. Kohlmann said no, Kate Thunstrom, Community Development Director could also hold this position. Motion withdrawn. Motion by Bauer second Rodger to nominate Community Development Director Kate Thunstrom as the Executive Director. Motion carried 3-0.

B. Public Project Lease Revenue Bonds, Series 2012A

1. Resolution 2017-01 Providing for the Redemption and Prepayment of the Authority's Outstanding Public Project Lease Revenue Bonds, Series 2012A

Kohlmann reported the City has determined to exercise its option to prepay the Authority Bonds in order to acquire the Site and the Facilities. Section 8.2 of the Lease requires that the City give notice to the Authority of its intention to exercise its option to prepay the Lease Payments and acquire the Site and the Facilities at least forty-five (45) days in advance of the date of prepayment and purchase. In order to prepay the Lease Payments and acquire the Site and the Facilities from the Authority, the City will issue its General Obligation Capital Improvement Bonds, Series 2017A (the "City Bonds"), in the aggregate principal amount of approximately \$7,005,000. Proceeds of the City Bonds will be used to prepay the Lease Payments and acquire the Site and the Facilities, and the Authority will use the proceeds derived from the sale of the Site and the Facilities to the City to debase, redeem, and prepay the outstanding Authority Bonds.

Motion by Bauer second Udvig to adopt EDA Resolution 2017-01 a Resolution Providing for the Redemption and Prepayment of the Authority's Outstanding Public Project Lease Revenue Bonds, Series 2012A. Motion carried 3-0.

Question was raised about potential sale and purchase of properties.

6. Adjournment

Motion by Bauer second Udvig to adjourn the EDA meeting at 5:43 pm.

TO: EDA Commissioner
FROM: Kate Thunstrom, Community Development Director
SUBJECT: Community Development – Land Acquisition
DATE: 08/02/2017

OVERVIEW:

Assembly and organization of land can be the most difficult and sensitive piece of redevelopment. Redevelopment projects may be as small as a single property or as large as an industrial park. St. Francis is completing its redevelopment plan for the Bridge Street and Hwy 47 corridors. Through this redevelopment planning Bridge St was identified as the Downtown and an important area for redevelopment focus.

St. Francis is in a position to begin steps towards addressing our redevelopment plan and to begin a responsive and active EDA. EDA Commissions are key groups to tackle development and redevelopment within the City. One of the sites identified along the Bridge Street corridor has become available and the EDA has an opportunity to move forward with redevelopment planning.

As Cities have the ability to use Eminent Domain it is not a practice that is used for redevelopment efforts intended to create or support private development. It is our intent to assemble property through a fair market process and through voluntary sales practices.

Anticipated Timeline:

- August 7 - EDA and Council meeting
- August 16 - Planning Commission determination of consistency with the Comprehensive Plan
- August 22 – Anoka County HRA Board Meeting to address funding recommendations
- September – anticipated closing



ITEMS TO BE DICUSSED:

1. Acquisition
2. Financing
3. Use and plans for structures acquired

POTENTIAL BUDGET:

\$200,000 estimate

Attachments will be available at the meeting



EDA Funding Opportunities

Funds that may be available for acquisition, assembly and demolition of properties include:

1. Anoka County HRA/EDA funds.
 - a. Current balance roughly \$300,000,
 - b. increased roughly \$50,000 per year
 - c. Reimbursement process
 - d. Requires Resolution request from City Council
2. Funds from the sale of existing real estate:
 - a. Meadows - \$90,000, BGS recommends holding until project meets all requirements
3. Sale of City owned properties if funds are transferred from Council
 - a. 4201 St. Francis Blvd – \$26,000
 - b. 23xxx St. Francis Blvd- \$60,000
 - c. 3518 Bridge St – for sale for \$157,000
4. Funds that can be reviewed at the time of need, may be available through:
 - a. MN Department of Employment and Economic Development
 - b. Anoka County Federal Block Grant
 - c. Other State or Federal Redevelopment funds.
5. Funds not currently utilized:
 - a. Local EDA Levy, capped at 0.01813% of taxable market value.
 - i. If certified by City would collect roughly \$87,000 per year