



Minutes

Roseville Economic Development Authority (REDA) City Council Chambers, 2660 Civic Center Drive Monday, March 9, 2020 – 6:00 p.m.

1. Roll Call

President Dan Roe called to order a meeting of the Roseville Economic Development Authority (REDA) in and for the City of Roseville at approximately 6:00 p.m. Voting and Seating Order: Willmus, Laliberte, Groff, Etten and Roe.

Present: President Dan Roe and Board Members Robert Willmus, Jason Etten, Wayne Groff, and Lisa Laliberte.

Others Present: Attorney Martha Ingram, Assistant City Manager Rebecca Olson, Community Development Director Janice Gundlach, and Housing & Economic Development Program Manager Jeanne Kelsey

2. Pledge of Allegiance

3. Approve Agenda

Member Laliberte arrived at 6:02 p.m.

Groff moved, Etten seconded, approval of agenda as presented.

Ayes: 5

Nays: 0

Motion carried.

4. Public Comment

Deferred to city Council meeting

5. Business Items

a. Receive 2019 Rice & Larpenteur Alliance Annual Report

Ms. Kim O'Brien, St. Paul Area Chamber of Commerce provided a presentation on 2019 Rice & Larpenteur Alliance Annual Report.

President Roe asked for clarification on the Alliance and what some of the roles are that people can fulfil on the Advisory Council.

Ms. O'Brien reviewed the Alliance's Community Advisory Council with the EDA.

President Roe thanked Ms. O'Brien for her presentation.

b. Provide Direction Regarding the Recommendations in City's Tax Increment Financing (TIF) Management Plan

Housing and Economic Development Program Manager Jeanne Kelsey provided a brief summary of this request as detailed in the staff report and attachments dated March 9, 2020.

Ms. Kelsey introduced Ms. Stacie Kvilvang from Ehlers & Associates who reviewed the city's Tax Increment Financing Management Plan.

President Roe asked if board members had any questions related to the recommendations on TIF 17/17A, the HSS District.

Without objection, the EDA board concurred with the recommendation for TIF 17/17A, Twin Lakes redevelopment and allow staff to pursue that option.

President Roe asked if board members had any questions related to the recommendations on TIF 18, the Sienna Green TIF for Affordable Housing District.

Member Groff asked if there was not agreement on extending this would that mean this could be considered not under the affordable housing regulations any longer.

Ms. Kvilvang explained when their pay as you go obligation is paid off in 2028, the district would have to be decertified and then it would go back on the tax rolls. The city would be losing the future ten years for collecting for affordable housing.

Member Groff noted then the affordable housing guidelines would not need to be followed either.

Ms. Kvilvang indicated that was correct.

Without objection, the EDA board concurred with the recommendation for TIF 18, Sienna Green TIF District.

President Roe asked if there were any questions related to TIF District 19, Applewood Pointe Pooling for Economic Development.

Without objection, the EDA board concurred with the recommendation for TIF District 19, Applewood Point Pooling for Economic Development.

President Roe asked if there were any questions related to TIF District 19, Applewood Pointe Return of Increment, reserving \$267,617 for economic development projects.

Without objection, the EDA board concurred with the recommendation for TIF District 19, Applewood Point Return of Increment for redistribution of \$72,750 to be directed into the general fund for use as the Council desires.

President Roe offered an opportunity for public comment with no one appearing to speak to this issue.

c. Consider Request To Amend The Contract For Private Redevelopment With 2720 Fairview Group, LLC (Reuter Walton Development)

Housing and Economic Development Program Manager Jeanne Kelsey provided a brief summary of this request as detailed in the staff report and attachments dated March 9, 2020.

If the request is approved tonight, Ms. Kelsey advised that the next steps would be to amend the Contract for Private Redevelopment with 2720 Fairview Group, LLC and a motion to adopt a Resolution Authorizing the Amendment.

Member Willmus indicated TIF District 17 dollars are dollars that could potentially be earmarked for this project, but the city could also utilize those dollars, if looking at other areas, such as blight within the community and use those dollars for rehab.

Ms. Kelsey noted that was correct but District 17A is the HSS and would be used for environmental remediation that a RAP (Response Action Plan) only identifies.

President Roe asked if staff had any sense from Reuter Walton as to the proportionality of the two value engineering items as it relates to that additional \$550,000. He also asked whether the reduction of the parking was most of it or was the reduction of the parking a smaller percentage of it.

Ms. Kelsey deferred that question to a representative from Reuter Walton.

Mr. Paul Keenan, Vice President of Development at Reuter Walton, reviewed the project reductions with the EDA. He explained Reuter Walton is going to cut the underground parking to 110 spots and staff requested it be bumped up 1 to 1 which will bring the underground parking spots back to 127 so not all of the savings will be captured. He noted a more detailed breakout of the costs can be done if needed.

Member Laliberte asked for a breakdown of the size of the units in the building.

Mr. Keenan indicated there will be approximately twenty 2-bedroom units and twelve 3-bedroom units. It is mostly one bedroom and alcove units.

President Roe offered an opportunity for public comment with no one appearing to speak to this issue.

Etten moved, Groff seconded, adoption of REDA Resolution No. 61 entitled, "Resolution Approving First Amendment To Contract For Private Redevelopment Between The Roseville Economic Development Authority and 2720 Fairview Group, LLC."

BOARD DISCUSSION

Member Etten indicated while he was always supportive of cleaning up pollution, there are long-term pieces of leaving it there that can be a problem, so the city wants to make sure it is taken care of. He thought the balance here is where the responsibility lies with these other items. There are benefits to the play areas for the children and there are also benefits to not having as much outdoor parking. He thought there are benefits in some ways. The question is if the city wants a development like this in Roseville and is there a benefit to the City of Roseville to have a development such as this. For now, he was supportive but open to other thoughts.

Member Groff thought it was important to clean up the environmental damage that had been done in this site and that is basically why he is supporting it. He also thought it was important to have a range of housing in Roseville, noting this is the first time in thirty-five plus years that the city has had this type of development.

Member Willmus explained he had heard that unless the company receives some of these extra dollars, Reuter Walton will not be able to fully clean the site and he wondered if that was accurate.

Ms. Kelsey indicated the company would still have to clean the site and meet the MPCA requirements but some of the amenities would be cut.

Member Willmus explained the question really becomes talking about some additional amenities related to parking and the tot lot versus the ability to perhaps use those dollars in a different area of the community and that is where he is struggling a little bit with this.

Member Laliberte indicated that was also where she was struggling. She was trying to determine if the entire amount was needed or a lesser amount could be given so the dollars are still available for other projects. She understood the underground parking and the benefits that gives to the city without having additional surface parking and cleaning it up has to be done. She was struggling more with what is the city's part in supporting rooftop decks, sport courts, and tot lots.

Attorney Ingram clarified that in case there are any misconceptions, TIF 17A funds can only be used within the boundaries of the original hazardous substance subdistrict, not within the city as a whole.

Member Groff noted a letter was submitted from the Carpenters Union as well supporting this and he did talk to Adam Duinck, Director of Government Affairs at the Carpenters Union, who said it is providing a lot of jobs in the City of Roseville and he encouraged the city to support this item.

President Roe explained from his perspective, he agreed there is sort of a trade off on the use of the funds for other purposes within the city and making sure this is a development that has viability as it is defined and envisioned in terms of having the amenities to go with a market rate apartment building in the community. He did have concern that the value engineering eliminates amenities and thought he would be supportive of the notion of this being up to that \$1.1 million and continuing conversations between the developer and the city to make sure the cleanup is done. Also, maybe not using as much of the public funding as is authorized to make sure good amenities are provided and also making the funds are available to as many uses as possible within the city. He thought the motion as it is currently constructed would accomplish that with the understanding between the developer and the city staff that those conversations continue going forward.

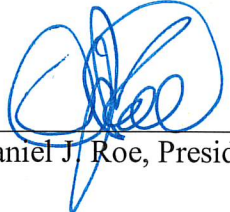
President Roe reviewed where the TIF funds have come from that are being used for this project.

Ayes: 5
Nays: 0
Motion carried.

6. Adjourn

Groff moved, Etten seconded, adjourning the REDA meeting at approximately 6:59 p.m.

Ayes: 5
Nays: 0
Motion carried.



Daniel J. Roe, President

ATTEST:



Rebecca Olson, Assistant City Manager