



Minutes
Roseville Economic Development Authority (REDA)
City Council Chambers, 2660 Civic Center Drive
Monday, February 22, 2021 – 6:00 p.m.

*Pursuant to Minn. Stat. 13.D.021,
Economic Development Authority members, City Staff, and members of the
public participated in this meeting electronically due to the COVID-19
pandemic.*

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, Strahan, Etten, Groff, and Roe.

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

Others Present: Attorney Martha Ingram, Executive Director Pat Trudgeon, Community Development Director Janice Gundlach, Housing & Economic Development Program Manager Jeanne Kelsey, and Stacie Kvilvang, Ehlers, and Associates.

2. Pledge of Allegiance

3. Approve Agenda

Willmus moved, Groff seconded, approval of February 22, 2021 Agenda.

Ayes: 5

Nays: 0

Motion carried.

4. Public Comment

5. Business Items

- a. Consider Establishing and Affordable Housing Tax Increment Financing District to Capture Increment to Assist with Future Acquisition and Rehabilitation of Existing Multifamily Housing Located at 1720, 1721, 1736, 1740, 1746, 1750 Marion Street; 175 and 195 Larpenteur Avenue W; And 1722, 1725, 1735, And 1736 Woodbridge Court.**

Housing and Economic Development Program Manager Kelsey provided a brief summary of this request as detailed in the staff report and attachments dated February 22, 2021.

Stacie Kvilvang, Ehlers, and Associates made a presentation to the EDA.

Member Etten indicated in the RCA, some of the buildings are missing and he wondered if that was intentional. The missing buildings are 1750 and 1745, the ones at the cul-de-sac on Marion Street, and seem to be missing in the Resolution as well.

President Roe indicated 1750 appears to show in the Resolution but 1745 does not. He noted there is a 1746 listed but no building with that number.

Ms. Kvilvang explained the Parcel ID should correlate to the map Ms. Kelsey has in the packet.

President Roe noted the Resolution incorrectly lists a 1746, there is no property that has that address, but there is not listed a 1745. He thought there was a typo listed. He indicated when and if the Resolution is adopted, that will need to be updated.

Member Strahan asked what 241 was and if that was another apartment building in the area.

Ms. Kelsey explained that is a church.

Member Strahan explained when looking through the materials on the proposal for the 210/196 McCarrons parcel, it looks like the price of the homes is going to be significantly more than the \$450,000. She wondered if that was realized in a ratio to the \$550,000 or \$600,000.

Ms. Kvilvang indicated that was correct. It is based upon the actual values at the end of the day. Each individual house will have a separate sale price. For estimating her company used \$450,000 as a ballpark.

Member Groff asked if the City's/EDA's cost to start this is approximately \$10,000.

Ms. Kvilvang indicated that was correct. It is approximately \$10,000 to \$12,000 and a TIF eligible expense and can be paid from the tax increment that is collected from the district or the City can use tax increment from other existing districts as well.

President Roe asked in terms of the properties at 196 and 210 McCarrons, if it was determined that the increment stated was not needed, can those properties be removed from the district early.

Ms. Kvilvang indicated those properties could be removed from the district if it was determined the increments were not needed.

President Roe offered an opportunity for public comment.

Public Comment

Susan Love, Roma Avenue

Ms. Love asked what kind of tax implication they were looking at for residents.

Roger Anderson, owner of 196 and 210 McCarrons

Mr. Anderson explained he was unaware this was going to be proposed for part of a TIF District and he was curious what kind of impact it may have on the development. If there are any changes he needs to make or a way to utilize the taxes generated from this property to help improve the area.

Magi Korder, McCarrons Boulevard

Ms. Korder questioned if TIF is going to be used to help with the apartment complex, to do updates, she wondered if it might have an impact on the rental costs for those apartment buildings.

No one else wished to speak to this issue.

Member Discussion

President Roe explained there is no tax impact to anyone else in the City. What the Tax Increment Financing (TIF) does is charge the full property tax on the developed value of the properties. The property owner is paying the full bill based on the City's tax levy and the tax base and a portion of that money that is collected. Instead of going to the City, School District, and County for use, it is specifically captured for purposes of helping to reimburse costs related to the purchase and rehabilitation of those Marion Street/Britany's apartments, at least on this plan. There will not be any impact to other taxpayers in the community. He stated there is not any impact on the development at 196 and 210 McCarrons that he knows of. As to the impacts on the rents to the Marion and Britney's Apartments, the whole objective of affordable housing TIF District is to maintain affordability and as a result those units would have to be affordable to those income categories as Ms. Kvilvang outlined during her presentation. The purpose of doing this is to provide funding to help maintain the affordability of those apartments.

Ms. Kvilvang noted there is a potential for some rent increases but as President Roe stated those rent increases, if any, would be modest because these are capped at the rent levels which can be charged for that property.

Etten moved, Strahan seconded, adoption of REDA Resolution No. 77 entitled, “Resolution Expressing Support for Tax Increment Financing Assistance Requested in Connection with a Proposed Multifamily Housing Redevelopment at 1720, 1721, 1735, 1740, 1745, 1750 Marion Street; 175, 195 and 221 Larpenteur Avenue West; and 1722, 1725, 1735 and 1736 Woodbridge Court.”

Member Discussion

Member Etten explained this is an area the City has worked on for many years in preserving affordable housing and also making sure it is quality housing. This is a huge goal for the City and for this area. He appreciated staff coming to them with a mechanism to help make sure that can happen.

Member Strahan echoed Member Etten’s comments and thought the City needed to make sure that as the improvements are made, to make sure that the affordability of the units is maintained.

President Roe noted if there is a sale of these buildings in the future, this is a way to ensure the affordability as well. This is a way to preserve that proactively.

Ayes: 5
Nays: 0
Motion carried.

6. Board and Executive Director Communications, Reports, and Announcements

Executive Director Trudgeon noted the originally scheduled EDA meeting for March 15, 2021 given the fact that the City Council is going to be interviewing Commissioner’s all night, staff has split that agenda and the EDA will no longer being meeting. The EDA will be meeting on March 8, 2021 instead to discuss a couple of items as well as on March 22, 2021 to take up business items.

Willmus moved, Etten seconded, to cancel the EDA meeting on March 15, 2021 and establish EDA meetings on March 8, 2021 and March 22, 2021.


Ayes: 5
Nays: 0
Motion carried.

7. Adjourn

Groff moved, Willmus seconded, adjourning the REDA meeting at approximately 6:33 p.m.

Ayes: 5
Nays: 0

Motion carried.



Daniel J. Roe, President

ATTEST:



Pat Trudgeon, Executive Director