

**NOVEMBER 3, 2016**  
**HRA Meeting**  
**Regular Meeting Agenda**  
**7:00 p.m.**

Call to order

Roll call.

Action Items

1. Approval of Expenditures
2. Approval of September 1, 2016, Meeting Minutes
3. Approval of October 6, 2016 Meeting Minutes
4. Approval of 2017 HRA Regular Meeting Dates
5. Approval of Preliminary 2017 HRA Budget
6. Locke Park Pointe / City Hall / Columbia Arena Update

Informational Items

1. CEE Housing Programs Update

Adjournment



City of Fridley, MN

# Check Report

By Check Number

Date Range: 09/30/2016 - 10/17/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: APBNK-HRA-APBNK-HRA</b>						
hra-623	FRIDLEY, CITY OF	10/05/2016	Regular	0.00	65.70	29939
hra-1320	MINNESOTA POLLUTION CONTROL AGENCY	10/12/2016	Regular	0.00	375.00	29940
hra-1403	NATIONAL SPORTS CENTER/SCHWAN'S	10/12/2016	Regular	0.00	3,000.00	29941
hra-1601	PASSAU LANDCARE INC.	10/17/2016	Regular	0.00	540.00	29942
hra-1703	QUICKSILVER EXPRESS COURIER	10/17/2016	Regular	0.00	16.59	29943
hra-1933	SEVENICH, BUTLER, GERLACH & BRAZIL	10/17/2016	Regular	0.00	2,388.75	29944
hra-220	BRAUN INTERTEC CORPORATION	10/17/2016	Regular	0.00	1,353.25	29945

**Bank Code APBNK-HRA Summary**

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	10	7	0.00	7,739.29
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>10</b>	<b>7</b>	<b>0.00</b>	<b>7,739.29</b>

**CITY OF FRIDLEY  
HOUSING AND REDEVELOPMENT AUTHORITY COMMISSION  
SEPTEMBER 1, 2016**

---

**CHAIRPERSON PRO TEM Gabel** called the Housing and Redevelopment Authority Meeting to order at 7:00 p.m.

**MEMBERS PRESENT:** William Holm  
Pat Gabel  
Stephen Eggert  
Gordon Backlund

**MEMBER ABSENT:** Lawrence Commers

**OTHERS PRESENT:** Paul Bolin, HRA Assistant Executive Director  
Wally Wysopal, City Manager  
Shelly Peterson, Finance Director/Treasurer  
Jim Casserly, Development Consultant  
Greg Johnson, City Accountant

**Action Items**

**1. Approval of Expenditures.**

**MOTION** by Commissioner Holm to approve the expenditures. Seconded by Commissioner Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON PRO TEM GABEL DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**2. Approval of the July 14, 2016, Meeting Minutes.**

**MOTION** by Commission Holm to approve the minutes. Seconded by Commissioner Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON PRO TEM GABEL DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**3. Resolution Adopting a 2016 Tax Levy Collectible in 2017.**

**Paul Bolin**, HRA Assistant Executive Director, stated the Minnesota State Statutes authorize housing authorities to levy properties within their community to support their housing and redevelopment efforts. That levy is equal to .0185 percent of estimated market value. Based on an estimated market value of \$2,207,363,400, the 2017 levy will allow the Authority to collect \$408,000. The impact this has on Fridley taxpayers is if their home is worth \$150,000, it would cost \$27.75. If someone owned a \$1 million commercial property, it would be \$185.00.

**Mr. Bolin** presented a graph showing historically where the levy amounts have been over the past ten years. They are collecting \$11,000 more this year than they did last year. The amount is about \$92,000 less than they collected in 2009 and 2010. It typically takes about two years for changes in market value to really show up in the levy. The big jump between 2007 and 2009 was when the Legislature changed the amount that authorities could levy. They increased that percentage just slightly. It made quite a bit of difference. That reflected the property values that were increasing in 2005, 2006, and 2007. That is where the big jump came from and then there was the decline from 2010 to 2013 which were affected by the 2008 crash. It is turning around, and looking at some of the numbers for next year, they should see another increase.

**Mr. Bolin** stated staff recommends the approval of the resolution in the HRA's packet. This item does require Council action, and that is set to take place on Monday, September 12. Once Council acts on it, the levy is then certified. It will be forwarded to the County by September 15.

**Commissioner Backlund** asked if they ever split the \$408,000 into private property and commercial/industrial, so they know what the split is between the two.

**Mr. Bolin** replied, he does not know what that split is. He thought Ms. Peterson might have that information.

**Commissioner Backlund** stated he is just curious because, does that not have an effect on what they give the central taxing district under fiscal disparities? And, is the common base that is redistributed from an industrial standpoint out to everybody in the seven-county area?

**Shelly Peterson**, Finance Director/Treasurer, stated as to fiscal disparities, she could take the \$408,000, look at where their market values are right now, determine how much of that is commercial, and give them an estimate of approximately how much of the levy is paid for by commercial customers vs. residential.

**Commissioner Backlund** replied, and he is just asking approximately.

**Ms. Peterson** replied staff can provide the details for what makes the estimated market values.

**MOTION** by Commission Backlund to adopt HRA Resolution No. 2016-06. Seconded by Commissioner Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON PRO TEM GABEL DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**4. Columbia Arena Redevelopment TIF District Creation.**

**Paul Bolin**, HRA Assistant Executive Director, stated this item is to create Tax Increment District No. 23. This site includes the former Columbia Arena, the Public Works site, the Fire Training Center, and the eastern two-thirds of a park in that neighborhood.

**Mr. Bolin** stated as they are aware, there has been discussion of potentially putting a City campus on a portion of this site. If that does happen, that portion would be taken out of the Tax Increment District.

**Mr. Bolin** stated staff is asking for the HRA to adopt a resolution that will modify the City's redevelopment plans, the TIF plans for the existing districts, and the modifications incorporating the project costs that are projected for this project. It also reflects the additional bonding authority the HRA would have as a result of adding this district to its redevelopment program. The District is going to be necessary to assist with what staff estimates to be over \$14 million of extraordinary development costs for things such as demolition and environmental remediation. There will also be some geotechnical soil corrections, and utilities and roadways that need to be installed and in some cases, relocated.

**Mr. Bolin** stated staff has based the TIF plans assumptions. In this case, they are assuming the site will be built out over the next five to six years. When it is all completed, there will be 15 patio homes; 30 townhomes; 360 senior housing units; 280 market-rate units; and up to about 15,000 square feet of retail.

**Mr. Bolin** stated once that is all constructed, it would have a value of about \$75 million and would generate approximately \$24 million in increment over the life of the district. The \$24 million would have a present value of about \$13.5 million.

**Mr. Bolin** stated staff recommends approval of the resolution modifying the existing TIF plans and creating the new TIF District No. 23. The City Council will hold a public hearing on this and be asked to adopt a similar resolution on Monday, September 12.

**CHAIRPERSON PRO TEM Gabel** asked if they put a road in and it will be used by both the neighborhood and City staff, how would they determine if that was eligible.

**Mr. Bolin** replied public roadways are eligible. Those are one of those typical costs that they assist with. A lot of times there are utilities that need to be moved and installed as part of a roadway going in. Those are TIF eligible. What would not be eligible would be, i.e., a driveway in the municipal campus portion of a development. Everything that would be TIF eligible will be really those kinds of costs that the Authority has assisted other projects with.

**Commissioner Eggert** asked Mr. Casserly to talk about the timing of creating this TIF district and the flexibility they have going into the future as they explore development there.

**Jim Casserly**, Development Consultant, replied this is a multi-phased, multi-year development. They anticipate in Phase I which hopefully will commence next year, they are looking at 15 owner-occupied homes, because that area is essentially ready to go with a minimum amount of public improvements that are needed. Phase II requires some additional infrastructure. They need to have a lot more investment in this site to make Phases II, III, IV, and V work. They have really spread out the development and they are conservative with their timing, which is why there are five phases spread over a number of years.

**Attorney Casserly** stated they are a little bit expansive on what they think will actually go into the development because, when you create a district, you are really limited on the income you can spend based on what goes into your plan. They always like to think, as expansively as they can to shape the plan. They try to be as conservative as they can when they think increment will actually occur.

**Attorney Casserly** stated it is a trade-off. If they move all these numbers up a couple of years, there would definitely be more increment generated; however, you may not have the kind of value that they are hopeful will be there.

**Attorney Casserly** stated they try to build in some flexibility in how they think the development will occur. Also, they have deferred the collection of increment (just like they did on their last two districts), for a year or two; and that gives them an opportunity to have a longer phasing time. What they are doing in this district is really what they did for Gateway Northeast because they anticipated that would take some time to build out. In fact, it is going very well. In their original analysis, they thought it was going to take longer. They do not know when Phase III will occur. However, the first two phases are happening pretty quickly. They really try and build in as much time as they can just because history has taught them that these things do not go so smoothly.

**Commissioner Holm** stated he noticed there are some assumptions built into the TIF District as to what they will have in Phases I and II--townhomes and patio homes. However, they have not received any information from developers yet on how that may occur. He asked if they were committed to proceeding with Phases I and II as outlined, or if they had some flexibility in modifying that in the event they find developers who have some other ideas that might be better for the City and for the HRA.

**Attorney Casserly** replied this document does not govern how the development occurs. This is simply the best guess as to the kind of development that will occur. They are not sure of the timing of the development. They just made what they thought were reasonable assumptions based on some early site plans that have been put together. There is in no way a commitment on what is going to occur. That is all subject to the normal Council overview and permitting process. When any developer comes in to work with the HRA, they exercise their normal oversight and how they want to assist with the development. It may be in a completely different phasing or structure.

**Attorney Casserly** stated what really has happened here is they know they made a very substantial investment in this site already and will be asked to make additional investments. This allows the HRA to recapture the investment they have already made in the site and it gives them the ability to put in some additional infrastructure and improvements to get a higher quality and more dense development than what would normally occur. They have already invested several million dollars into this site. Creating this district allows them to recapture that money and to repay their general fund. However, it does not commit to this type of timing. This is just what they have to do in order to have some understanding of the kind of revenue that would be generated.

**Commissioner Eggert** asked, by creating the TIF District in advance, what is the impact on the development community.

**Attorney Casserly** replied it shows that they are very serious about trying to develop this site. Also, it allows them to be creative in their dealings with developers because they already created the district and they are in a position to assist. What will probably happen is there are geotechnical issues that are very substantial on this site, and they do not want to spend any more money. They already have several million dollars into it, and they are going to be putting in roads and other kinds of infrastructure.

**Attorney Casserly** stated the development community is going to come in and say they love the site and will pay \$8,000 a unit but, unfortunately, it is going to cost them \$6,000 to do the geotechnical work. The HRA is in a good position to deal with all of the issues.

**Attorney Casserly** stated they have the flexibility with their sales. They need the increment to reimburse the HRA for the expenditures it already made and will continue to make to get the site prepared.

**MOTION** by Commissioner Holm to adopt HRA Resolution No. 2016-07. Seconded by Commissioner Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON PRO TEM GABEL DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**5. Authorize RFP for Private Development – Columbia Arena.**

**Paul Bolin**, Executive Assistant HRA Director, stated over the past several months, the City has spent a great deal of time developing different layouts for the potential City campus on the former Columbia Arena site. Plans are now far enough along that they can start to have some real conversations with developers about the types and amount of private development that can happen on the remainder of this site.

**Mr. Bolin** stated they did start having some discussions of the potential use of the private development on this site back in the spring of 2015 when they met with the Corridor Housing Initiative Group at the Community Center. They had a good cross section of residents at those meetings, and what they told them is on the arena site and the property surrounding it, they would like to see a mix of housing and some public uses. By the time they got to the end of the fourth meeting, there was a lot of discussion about potentially putting a city hall and a combination of patio homes and some multi-family on this site.

**Mr. Bolin** stated the City has spent time looking at the City campus portion and how that would fit on the site. However, really all of the potential and proposed private development on this site has really been a combination of what came out of the HCI meetings, staff looking at what could potentially fit on this site, and having a number of informal discussions with different developers about this site.

**Mr. Bolin** stated while that has been very helpful, if you ask any developer if they would be interested in building on this site, they are going to tell you, yes, without even looking into it because they do not want to be excluded from an opportunity to build on this site. They have had all positive feedback from the development community so far, but they have not actually gone out to formally solicit proposals and to hear from these different developers what they would build, where they would build it on this site, and when they would build. They have not heard what type of assistance they would want or need from the City, and they have not had any discussions about what they may be willing to pay for on different portions of this site.

**Mr. Bolin** stated they are now at a point where the City campus footprint and that pond are fairly well laid out. They have some idea now of exactly what they have available land-area wise for private redevelopment. Now would be a good time to go out. They also need to make some decisions by next spring as to where some of the roadways should go and where utilities should be run.

**Mr. Bolin** stated they could spend a lot of money trying to guess where a lot of these things should go. To avoid that staff is looking for authorization to go out with a formal solicitation to the development community and ask those questions. Staff will be working with Attorney Casserly to put that together.

**Mr. Bolin** stated this site is large enough that he does not know if they will end up with a single developer that can do all of the different types of housing that could go on this site, or if it is going to be a team of developers that would partner together.

**Mr. Bolin** stated there is a Met Council sewer line that runs there. In most of the drawings that have been put together, the parkway is right over the top of the pipe. That is probably the best place to have that roadway so you can always access that pipe if there are issues, but they want to get things out there and get a development partner on board if they can by the end of the year. They would like to work with them to refine the ideas that have been discussed so far. As Commissioner Holm mentioned, a developer may come with something that none of them thought of. Maybe it is possible to get more of a certain type of housing on this site or maybe there is a clever way to squeeze more retail in there. They are to the point now where he does not think they can keep guessing anymore as to what might happen development-wise. It is time to go out and find a partner who will work with them and work with the City to move this forward.

**Mr. Bolin** stated they have put together a suggested timeline. Staff would like to get this document out this month. They already have a good start on the bones of the document and the supplements that will go with it. They would like to give the development community about a month to get back to them. Then ideally, staff would come back to the HRA in November with a recommendation of developers the HRA would interview. Typically for an RFP of this scope, it might not be a bad idea to have them interview the top two or three developers.

**Mr. Bolin** stated staff thinks they could have somebody on board, and they know the patio homes in particular could go up next week if they were in a position to tell somebody to go ahead and start. There is demand for those and there is not a lot of infrastructure that really

needs to go in. Also, the soils on that end will be fine for those slab, on-grade patio homes.

**Mr. Bolin** stated staff recommends the HRA authorize staff to move forward and work with Attorney Casserly in getting the right document, whether it is an RFP, an RFQ, or a hybrid out to the development community later this month. They started out back in May of 2015 with some ideas that came out of the Corridor Housing Initiative meetings and kind of continued to use these as they continue to talk about the potential for redevelopment on this site. This is kind of the latest reiterations that show the City campus on the north/northwest side of the property. However, they do not know as far as private development goes if this is the best layout.

**Chairperson Pro Tem Gabel** asked how he saw this tying together with the City's development. It seems like the two cannot be isolated from each other. While they are separate, they still need to work together.

**Mr. Bolin** replied they are to that point right now. The City is getting fairly far along in developing their site. However, there are things like the pond. Anything the HRA builds on, the private side of things, they are going to need to tie into that pond. There are utilities that are going to serve both sites. There is a roadway that really needs to go through and is going to be a benefit to both sides, but it is definitely needed by the private development to have access to this site. They have reached the point that the sooner they can get somebody on board that can start working with the City's developer (McGough Construction) and start coordinating some of these things, it is going to save all of them money and time in the long run.

**Commissioner Backlund** asked Will there be an opportunity in supplying the RFP, if it is the right proposal process, to look at different ways to develop patio homes?

**Commissioner Backlund** said third, there is a tremendous amount of hard surface parking. That is probably not the most desirable use of surface as opposed to at least having a parking garage concept.

**Commissioner Backlund** stated, finally, he looks at the schedule and today is the 1st and the bid is the 15th. If they have not already had a significant start, can staff look at issuing an RFP that would be significant enough so that somebody could do a good job at responding because it is a difficult job to incorporate all of these things and make them readable and understandable. He thought this was a fairly tight schedule staff has given them.

**Mr. Bolin** replied, in regards to the pond, there has been a great deal of time spent by Wenck engineers working with the City engineers trying to design the pond so it has the capacity that would be needed for this development. He does not see a lot of changes to the pond from the present design.

**Commissioner Backlund** stated staff changed the orientation from the last one he looked at.

**Mr. Bolin** replied they have changed the tail end of the pond that will run on the east side. This is what they are moving forward with at this point. This design has the capacity to handle the runoff. It will actually treat and recirculate water. They spent a lot of time designing this. The

pond gets more natural as it moves to the east.

**Mr. Bolin** stated in regards to the patio homes, that is something they have heard about for the last two in the comprehensive plans they have done. There is a real demand in the community for patio homes. If Commissioner Backlund looks at some of the different commissions in the City, they have lost a number of commissioners to Blaine because Fridley does not have patio homes for people to move into. That is a need. That is something they have heard in the comprehensive plans, at the HCI meetings, that is something that the neighborhood just to the south of this area really supported as a good transition or buffer to higher density further north on this site. They may not be cookie cutter. That is part of this whole process. They want developers to tell them what they are thinking. If they do not like something as a group, they will have a lot of input on this because they are the ones holding the land and any assistance. There will be an opportunity to really help shape that.

**Mr. Bolin** stated as far as the schedule, staff does have a fairly well roughed out draft of the document. They do have all of the environmental studies that the City has done. There has been a lot of work that has gone into this already; therefore, he is not concerned about the timeframe. They will be able to get that done. Where they may run into things that may take a little more time are if in November they have four or five really good developers, it may take some time and/or a special meeting or two, to give them an opportunity to sit down and meet with those developers. However, as far as getting this out to the development community, staff is ready to do that. The development community is just waiting for them to do that.

**Mr. Bolin** stated as to the surface parking that is shown on this plan, again, this is really just staff's best guess as to one potential layout for this site that avoids deck parking. The design shows about 450 rental units, and you would be able to park all of those without building a parking deck. That is all they are trying to show on this. Staff is not taking this out to the development community and saying, build this. This was just really more to show what could go around the proposed municipal center.

**Commissioner Backlund** stated with regard to the patio homes, at least when he was part of Met Council a long time ago, it did a study and Fridley was one of the highest cities that had no high-end housing. This is one opportunity when the City could influence that. He does not see an effort to do something like that so they have more mixed housing, some affordable housing, some moderate housing, some middle structures, and some high-end housing. He encourages staff to consider that as part of at least the evaluation process in determining what would be the final look.

**Commissioner Backlund** stated with regard to the parking lot, Cielo, for example, did a nice job having structured the first floor as parking to minimize the amount of surface parking lot in a small footprint. This looks like it has something similar to that available to it. He encourages staff to consider a look at that.

**Commissioner Eggert** stated to him it appears this is possibly a backup plan. Obviously there are some soil conditions here which impact structure and parking underneath buildings, and that could play a role in the cost of pulling this all together.

**Commissioner Backlund** stated but they should provide the latitude for creative processes and thoughts and then be able to develop a ranking process to give some consideration and some clever ideas or answers some creative thought, so they can possibly get the best alternative for a great opportunity for someone or some group of people to provide this development.

**Commissioner Eggert** stated given there may be some uncertain soil conditions that will play a role in how this residential parking will be played out economically to both the developer and the HRA and the TIF District.

**Chairperson Pro Tem Gabel** stated she thinks that is true because one of the concerns at those meetings was that parking garages would be very difficult to put in there. She actually likes that suggestion too. It is something they could certainly ask about.

**Mr. Bolin** stated through this process, they are not asking developers, how would you build these for us? They are asking them what would they build, where would they build it, because they know this may not be the best site plan. That is really what they are trying to get out of this.

**Chairperson Pro Tem Gabel** stated so this just an idea, a concept, so they have something saying here is some potential, give us some more potential.

**Mr. Bolin** replied correct. One of the patio home builder's homes start at about \$310,000. There is an opportunity, if the market will support these things, to get some higher-end patio homes. He does not think anybody is seeing these as starter homes. They are talking something that will compete with Blaine and keep people in town.

**Commissioner Backlund** stated words are important. When you are talking patio homes to common people such as himself, when he hears the words "patio homes," that thought process is different when he hears \$310,000. That is more than just a little patio home sitting on a garage slab. It is important to have the description as to what the word means somewhere along when they are sending these things out so there is an understanding.

**MOTION** by Commissioner Eggert to authorize an RFP for Private Development – Columbia Arena. Seconded by Commissioner Backlund.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON PRO TEM GABEL DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**Informational items**

**1. Housing Loan Program Update**

**Mr. Bolin** stated this past month the City issued two loans out of the Revolving Loan Program. One was deferred and was a Minnesota Finance Agency loan that they used some of the HRA dollars as leverage to obtain. For year to date, there are now 14 loans which is twice as many as

they did all of last year.

**Mr. Bolin** stated the Remodeling Advisor did 3 visits in August for a total of 9 visits year-to-date. Just as a comparison, they did 3 all of last year. As to the Home Energy Squad, in August they did 16 visits, which is 34 for the year to date. That program continues to be strong and receives positive feedback. If it the weather cools down, they will see interest in that go up again this fall.

**CHAIRPERSON PRO TEM Gabel** asked if they have had any interest in the business loans.

**Mr. Bolin** replied they have. There have been a few projects in Fridley the last few months, but none of them needed HRA funding or qualified for its funding. However, there has been activity, and today they met with another business owner who may be a potential borrower.

**Commissioner Holm** asked about mobile homes?

**Mr. Bolin** replied they have not had any takers there either. Staff is going to try and get out and meet with them and push the program a little bit more.

**ADJOURN:**

**MOTION** by Commissioner Backlund to adjourn. Seconded by Commissioner Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON PRO TEM GABEL DECLARED THE MOTION CARRIED UNANIMOUSLY AND THE MEETING ADJOURNED AT 7:51 P.M.**

Respectfully submitted,

Denise M. Johnson  
Recording Secretary

**CITY OF FRIDLEY  
HOUSING AND REDEVELOPMENT AUTHORITY MEETING  
OCTOBER 6, 2016**

---

**Chairperson Commers** called the Housing and Redevelopment Authority meeting to order at 7:01 p.m.

**MEMBERS PRESENT:** Larry Commers  
William Holm  
Pat Gabel  
Stephen Eggert  
Gordon Backlund

**OTHERS PRESENT:** Paul Bolin, HRA Assistant Executive Director  
Wally Wysopal, City Manager  
Jim Casserly, Development Consultant  
Paul Hyde, Hyde Development

**ACTION ITEMS:**

**1. Approval of Expenditure.**

**MOTION** by Commissioner Holm to approve the expenditures as presented. Seconded by Commission Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON COMMERS DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**2. Approval of September 1, 2016 Meeting Minutes.**

**Commissioner Gabel** asked for the following changes to be made:

- (1) Page 6, third paragraph, second sentence, "To avoid that really what staff" she believed it should read "To avoid that what staff. . . ."
- (2) Page 6, fourth paragraph, should be corrected to read, "Mr. Bolin referred to Request for Proposals (RFP) in the memorandum. Attorney Casserly and he have had some discussions, and it may end up being referred to a Request for Qualifications. . . ."
- (3) Page 6, fifth paragraph, second sentence, eliminate the second sentence and then complete the paragraph stating, "Staff has a lot of soil reports and different environmental reports done. They can get out into the market place and share that

information along with the other site constraints with the development community."

- (4) Page 7, fifth sentence, should read, "Then ideally, staff. . .maybe recommend a couple of developers the HRA. . . ."
- (5) Page 9, second paragraph, last sentence, should read "He encourages staff to consider taking a look at that."
- (6) Page 9, fifth paragraph, should read, "because one of the concerns at those meetings was if the parking garages would be difficult to put in there."

**Commissioner Backlund** said page 2, paragraph 5, should read, "He is curious of what the process is as one goes into the seven-county pool and the rest of the money comes back here for fiscal disparities."

**Commissioner Eggert** referred to page 2, paragraph 3. He asked if the dollar amount should be \$408,000.

**Paul Bolin, HRA Assistant Executive Director**, replied the amount should be \$408,000 and not \$480,000.

**Chairperson Commers** asked the minutes be approved subject to corrections at their next meeting.

**3. Approval of Administrative Contract - Home & Garden Show.**

**Paul Bolin**, Assistant Executive HRA Director, said for the last 19 years, the HRA has been the fiscal agent on behalf of the cities of Blaine, Mounds View, and Columbia Heights for the Home & Garden Show. The revenues from the booth rentals cover the expenses for the show. Since 2005, they have worked with Castle Visions to perform the administrative tasks. The Home & Garden Show members would like to work with Castle Visions for the 2017 Home & Garden Show which is going to be held on Saturday, February 4, at the National Sports Expo Center. Staff recommends approval of the contract authorizing the HRA to work with Castle Visions.

**MOTION** by Commissioner Holm to approve the Administrative Contract - Home & Garden Show. Seconded by Commissioner Gabel.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON COMMERS DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**4. Approval of Resolution Supporting Grant Application - DEED Redevelopment**

**Paul Bolin**, Assistant Executive HRA Director, stated Hyde Development is getting ready to do the clean-up needed to build Phase 4, the final phase of the Northern Stacks project. Mr. Hyde has identified the need for approximately \$3 million in grants to complete this work. These

grants would come from Met Council and from the State's Department of Employment and Economic Development. The grants require that the funds go through the HRA, which happened with the previous three phases of this project.

**Mr. Bolin** stated the first grant program is DEED's Contamination Cleanup Program. This provides money for investigating and developing a Response Action Plan and then doing contamination clean-up that would go along with that plan. Mr. Hyde is seeking about \$2 million from DEED for this particular program.

**Mr. Bolin** stated the other program is the Met Council's Tax Base Revitalization Account (TBRA) Program. This is additional money for investigation and cleanup of contamination on the site. They are looking at approximately \$950,000 from this program.

**Mr. Bolin** stated the HRA has helped Mr. Hyde with these applications during the previous three phases and they have obtained nearly \$6 million. This is Phase 4.

**Mr. Bolin** stated staff recommends the HRA adopt two resolutions, one resolution for DEED's Contamination Cleanup Grant, and the other resolution under a separate motion approving the application to Met Council's TBRA Program.

**Paul Hyde**, Hyde Development, stated they have started and now completed two buildings in Phase I which are on the south side of the park. The second building which is a 135,000 square foot office warehouse building was just completed last week. It is 100 percent occupied. In fact, they leased the building right as they were starting it. That is how much demand they are seeing. They did not have enough clean-up work done to be able to start another building any sooner than what they are doing now. They are starting their fourth building, in the Phase 3 site, which is what they call Northern Stacks 3. That started construction last week.

**Mr. Hyde** stated they have completed three buildings. All are 100 percent occupied. They are starting their fourth building which is the Northern Stacks 3 building. They will finish the clean-up of the Phase 3 site this fall. They have another few weeks to wrap that up. Now they are focusing on getting the clean-up grant applications in on November 1 for the Phase 4 portion of the site.

**Mr. Hyde** stated in terms of their environmental clean-up, they have had Certificates of Completion issued for the Northern Stacks 1 building which was the first project. They have a request for the Certificate of Completion for the BAE Building and expect it by the end of the year. Shortly, they will submit their request for the third Certificate for the Stacks 2 building with Trio and MV2. They expect that Certificate to be issued in the first quarter of next year.

**Mr. Hyde** stated so far everything is moving along, probably faster than what they told the HRA it would when they first started. It all seems to be going well. They are seeing really good activity from the leasing market. It may have started a little slower than what they hoped with the first building. That is typical of it being the first project on a much larger park. The old BAE building was still out there. It did not look great. They were talking about a vision that was harder for people to see--especially tenants. Once they got the BAE project done, people really

could see what it would look like. They started Stacks 2 and filled that up immediately. They have not had another site ready to offer another building until the Stacks 3 project.

**Mr. Hyde** stated they continue to do work marketing the boiler room for tap rooms. He thanked the HRA for their legislation as it helps out a great deal. That is the first thing any potential tenant asks when they walk in. They think the space is amazing and ask if the City has passed the ordinance. Now they are now able to reply, yes. People are interested in the very tall ceilings in the boiler room. It is very open and bright with a lot of windows which they are going to add. It has enormous history, not only with the site but with the stacks. They have had a showing with a different brewing company every other week. They have a lot of activity, and he hopes to have somebody in there next summer.

**Mr. Hyde** said to wrap up, they have had three buildings built in full and all are open. They are starting their fourth project which will be ready in the spring of 2017. They will continue working through Phase 3 this winter and spring, trying to get those buildings filled up. Now their focus is on cleaning up the Phase 4 site, and that is the reason for their grant application. Last summer they did the environmental investigation of the Phase 4 site, and they are preparing their grant application. They have already submitted their clean-up plan to the Pollution Control Agency. Staff at the Pollution Control Agency has indicated they will approve it in time for their November 1 application deadline.

**Commissioner Commers** stated to Mr. Hyde he certainly deserves a lot of credit for developing this project. It is a little bit surprising, as it has come faster than they originally thought. There must be a great demand out there.

**Mr. Hyde** replied it is really interesting. Their primary competition is in Rogers and Otsego. There has been an enormous amount of new product put up out there. He thinks it is a result of a lot of Wall Street capital that is interested in making some development returns and not just mortgage returns. Here they have won for people who want to be close to downtown, close to the employment base, close to transit, and close to their customers. If you have two employees and want the cheapest place to store boxes, this is not their project. If you want to have an in-field site location, they are the only game in town. They have been fortunate enough to launch their project with a good economic cycle. That along with getting the BAE project underway, has shown some momentum, and people who are tenants now see other people who are there. They have buildings to show them. They can see what it will look like.

**Commissioner Commers** stated they look forward to them being able to get it finished. He asked if that would be next year.

**Mr. Hyde** replied, depending on the economy, he thought it would be two to three years unless something happened and they slow down. They are really in good shape and they would not have been able to do any of this without the HRA getting that first development agreement put together which launched this whole project.

**Commissioner Gabel** asked how it went when they got into the plating shop.

**Mr. Hyde** replied two different things happened on Phase 3. There really have been almost four completely different sites environmentally which has been interesting. Phase 3 had two areas that had been historic concerns. One was called the paint shop which was just south of the boiler room and something BAE was focused on cleaning up. The other was the plating shop which was the Navy's issue. Neither party had ever had a chance to do anything about it because the building covered it. Once the building came up, they warned people they were going to have a summer to go in and solve the problem or else they were going to cover it with something else, BAE and the Navy spent their own money and addressed the paint shop and the plating shop. They excavated the soils and they met the cleanup standards. The cleanups are done, and the project is underway.

**Mr. Hyde** said they have cleaned it up and treated it to the standards required by the agencies. Now they are looking to de-list another portion of that site. They have de-listed the soils. They have not de-listed the middle part. They are looking at working on that now that those two areas have been cleaned up. That may take a year, but now that the cleanup work has been done, that is a possibility.

**Commissioner Gabel** asked if they have moved any of the soil.

**Mr. Hyde** replied, absolutely. He cannot tell her the volumes but both in the paint shop and the plating shop, somewhere between 10,000 yards or so was excavated and treated. Some was taken off-site. Some treated soil met industrial standards, and he believed they used it under their parking lots.

**Commissioner Backlund** asked if that would relieve any contingent liability that may exist after the project is completed.

**Mr. Hyde** replied he cannot speak for those companies or those parties. The motivation was to spend some dollars to cut off future liability. He thought the motivation was that this was the only time in the next 50 years when there was going to be a hole in the ground.

**Commissioner Backlund** stated he would assume the Navy would be anxious to do that to limit their liability.

**Mr. Hyde** replied, again, he cannot speak for the Navy. His suspicion is they saw an opportunity to address the plating shop soils.

**Commissioner Gabel** stated according to the MPCA they still have liability even if they have agreed to some extensive liability of the soil under one of those rooms. She forgot which one it was. That has been their baby for a long time.

**Commissioner Backlund** stated that would be a risk assessment that they would be assuming, and they probably decided it was the least risky.

**Chairperson Commers** stated he would think so and it is clean.

**Commissioner Backlund** stated it is a great idea.

**Commissioner Gabel** stated it is a very good deal for this community to have that cleaned up.

**MOTION** by Commissioner Holm to approve the Resolution Supporting Grant Application - DEED Redevelopment. Seconded by Commissioner Gabel.

**UPON A VOICE VOTE, ALL VOTING AYE, COMMISSIONER COMMERS DELCARED THE MOTION CARRIED UNANIMOUSLY.**

**5. Approval of Resolution Supporting Grant Application - Met Council TBRA**

**MOTION** by Commissioner Holm to approve the Resolution Supporting Grant Application – Met Council TBRA. Seconded by Commissioner Gabel.

**UPON A VOICE VOTE, ALL VOTING AYE, COMMISSIONER COMMERS DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**Informational Items**

**1. CEE Housing Programs Update.**

**Paul Bolin**, Assistant Executive HRA Director, stated the numbers for loan programs and the Remodeling Advisor were much better than they have been for the past few years. They would like to see that continue. They are already at 16 loans for the year to date. Last year they only had 11. Remodeling Advisors had 5 last year, and they are already at 11 this year. They are starting to see positive impacts from those few changes they made last year to the loan program. The Home Energy Squad visits continue to be popular. They did 20 of those in September, and those numbers will go up over the next couple of months as well. They continue to get good feedback from the residents about the program.

**Chairperson Commers** asked if there is still a \$50 charge for the Home Energy Squad.

**Mr. Bolin** replied the program is the same as it has been for the past few years.

**2. Locke Park Pointe RFQ.**

**Paul Bolin**, Assistant Executive HRA Director, the Request for Qualifications was made available on September 16. They had 17 different development groups ask for copies. They had a mandatory pre-submittal meeting yesterday, and there were 8 developers represented at that meeting. They had local developers but also had a development group from Indianapolis, one from New York, and one from Kansas City.

**Mr. Bolin** stated out of those 8 developers, there was a real nice mix of specialties. They all seemed to have done some different mixed use developments, but they did have one group that specialized in senior buildings. There were some that have been doing condos in the north loop

and are now looking at this area. They had other groups there that had done office projects, residential projects, and retail projects. They were not sure how this would be received in the marketplace, but there are some people who are pretty excited about it.

**Mr. Bolin** stated the real test will be at 12:00 p.m. on October 19 to see how many of these 8 have responded to the questions the City has asked. At yesterday's meeting, the developers had an opportunity to ask questions of the City's environmental consultant and soils person they have been working with. The developers have had a lot of access to all the different studies the City has done on this site over the past 1 ½ years. They have made everything available to the developers, and they are available for questions from them through next Wednesday.

**Chairperson Commers** stated he noticed in the minutes Commissioner Backlund had raised the issue of every unit being the same and asking for some diversity. Was there any discussion or did he get any sense from the developers what they are talking about? Is it going to be a uniform type of patio home all the way through?

**Mr. Bolin** said they did not get any of that feedback from those groups yesterday. He did not think anybody wanted to share their vision. When they refer to patio homes, they are really talking about the single-level homes such as what those in Blaine. These are nice owner-occupied homes where you have everything you need on one level. One of the groups they were talking to stated their homes start at \$310,000. They are very nice homes, and they would be a buffer between the denser development to the north and the single-family neighborhood to the south.

**Chairperson Commers** stated there are a bunch of patio homes on County Road I and I-35, right off the freeway in Shoreview.

**Mr. Bolin** stated Fridley has some across the street in the Christenson Crossing neighborhood. Most of the homes there are two stories, but within the two stories, you have everything you need to live on the main floor. Patio homes are not a new product. They are just smaller single-family homes on smaller lots. Since staff does not know the market. They are looking to find the right development partner or partners and work with them to come up with a project that works for everybody.

**Mr. Bolin** stated after they get the proposals back on October 19, staff will go through and see if there are one, two or three of them that seem to be better than the others. Then they would like those groups to have an opportunity to meet with the HRA Commission in November. Staff would ask the HRA to make a decision at their December meeting.

### **3. Existing City Hall Update**

**Mr. Bolin** stated there was a memo regarding the current City Hall and some ownership maps in the packet. The purpose was to let the HRA know of some of the challenges they will have in disposing of this site. If a new City Hall is constructed on another site, it will likely not be until late 2018 or some time in 2019 before City staff would be moved out of the current building.

**Mr. Bolin** stated it is important they start working on this now. The City proper owns the building and the plaza in front, but the HRA owns the rest of the land around City Hall. The HRA owns land around the building immediately south of City Hall. They also own almost half of Fairview's parking lot on the other side of Fourmies Avenue. There are agreements with these different bodies on all those parcels. Jim Casserly and Vicki Loher-Johnson's office is working on this so when the time is right, they can dispose of the property either to their neighbors or to some other interested party.

**Mr. Bolin** stated the next step is going to be having appraisals done for the parcels. They will do an appraisal of the City Hall property, the Fire Department parking lot, and the City's parking deck. They will look separately at the parking lot that surrounds the building just to the south and the parking lot on the other side of Fourmies Avenue. Once they have those values, they can sit down with the City Manager and discuss how to dispose of this between the City and HRA. Attorney Casserly pointed out it would take a lot of fill to get this site back up to grade with the neighboring properties. There are a lot of things they need to figure out over the next several months; however, they are months away from making any sort of recommendation to the HRA.

**Chairperson Commers** asked if the City had any title insurance on this property.

**Mr. Bolin** replied they just had a lot of work done.

**Chairperson Commers** stated it would go way back to when it was initially acquired or built.

**Jim Casserly**, Development Consultant, said at one time he was on a school board, and they had an issue with the county and city as to who owned what. It took many years of effort to readjust all the property values. It is not a foregone conclusion that is going to happen quickly.

**Chairperson Commers** stated the agreements they have entered into may or may not cause some kind of permanent disability to being able to sell free and clear. He would think there would have been along with the initial title opinions, some kind of protection.

**Attorney Casserly** replied he does not know if there is title insurance. There may have been, but the issues that have been raised are really not title insurance problems. These are all encumbrances and leases they have entered into as an Authority and have encumbered property that it owns.

**Chairperson Commers** asked if there were boundary issues or other issues.

**Attorney Casserly** replied, there is one little one and has to do with the property that is to the north. It is a question of ownership of the retaining wall and subterranean rights. It is all in agreements. A number of these things are where the adjacent property has the right to exercise the option to purchase. It may be prudent for the HRA at some point to talk to them about exercising their option. They have rights for the next 50-60 years. There are all kinds of obligations the HRA has to clean up the parking area and there are a number of things they are supposed to do for some years. They may want to see if there is some way they can try and resolve those issues.

**Attorney Casserly** stated most of the issues that have arisen are ones they have entered into to facilitate either the developers to the north and south of them to provide adequate parking that they do not have exclusive rights to. If the HRA is going to sell its property, the appraiser has to know how much property is available to park and how much or what kind of other encumbrances there are on some of this ownership. With respect to the survey now, there was a fourth supplemental opinion which was just a little touch up on one of the issues. The survey is now in excellent shape.

**Attorney Casserly** stated with the current survey and with the title opinion commitment that exists now, the appraiser will have all the information they need. He referenced a notebook he had which contained all the documents impacting the property the City and HRA owns. It is about 500 pages. They just have to sort these out.

**Chairperson Commers** replied they have talked about some of these issues before. For example, the office building next door, the maintenance of that parking lot, the plowing of that parking lot has come up many times as has the strip of land by the clinic. That would be the most recent agreement. There should be records related to each one of these events and how they got resolved at the time.

**Attorney Casserly** replied they have all of the documents. They certainly have the time to sort these out. They had recommended having an appraisal done. They really do not know what kind of values they are talking about in today's market.

**Chairperson Commers** stated he also noticed that on the First American Title insurance Company commitment, they do talk about the issuance of an ALTA Owner's Policy. As they say a lot of these issues are not covered by the policy. That should be analyzed completely because now that he looks at it closer, it looks like there was a policy issued.

**Attorney Casserly** said this appears to be a commitment to issue a policy.

**Chairperson Commers** stated this would be the first upfront document. The policy would then follow, along with the commitment itself which is continued with schedules.

**Attorney Casserly** stated they spent a lot of time with the surveyor when they knew this needed to be addressed. Paul Bolin and the City Manager strongly suggested they start identifying these issues and start addressing this so that when the appropriate time comes, and that may be a year from now, they will be in a position to do something.

**Commissioner Backlund** asked Attorney Casserly, if the 500 pages of document are akin to an abstract.

**Attorney Casserly** replied, not exactly. These are leases, development agreements, cross easements; all of which the HRA or the City have entered into as it impacts all the different parcels.

**Commissioner Backlund** asked Attorney Casserly if there has ever been an abstract for this property.

**Attorney Casserly** said he is sure there has been.

**Commissioner Commers** replied, Anoka County usually keeps the abstracts. If there is one, it might be in the County's office.

**Commissioner Backlund** stated at least they could tie it back to some fixed point in time.

**Attorney Casserly** stated any time you have redevelopment, you are going to have all these kinds of issues. There are access roads in here. At some point you are going to have to either dedicate those or make sure the access works for whoever purchases it as well as for the adjacent properties.

**Commissioner Backlund** stated it seems as though at some point in time some of the County revenue was somewhat loose in the way they issued some of these properties.

**Attorney Casserly** replied with the development that occurred just to the south of City Hall, there was a real emphasis to try and get that developed, and that led to working out all kinds of parking issues.

**Adjournment:**

**MOTION** by Commissioner Eckert to adjourn the meeting. Seconded by Commissioner Backlund.

**UPON A VOICE VOTE, ALL VOTING AYE, CHAIRPERSON COMMERS DECLARED THE MOTION CARRIED UNANIMOUSLY AND THE MEETING WAS ADJOURNED AT 7:56 P.M.**

Respectfully submitted,

Denise M. Johnson  
Recording Secretary



ACTION ITEM  
HRA REGULAR MEETING  
NOVEMBER 3, 2016

Date: October 25, 2016  
To: Wally Wysopal, Executive Director  
From: Paul Bolin, Assistant Executive HRA Director  
Subject: 2017 HRA Meeting Dates

---

Below are the suggested meeting dates for 2017. Staff recommends approval of these dates.

January 5, 2017  
February 2, 2017  
March 2, 2017  
April 6, 2017  
May 4, 2017  
June 1, 2017  
July 6, 2017  
August 3, 2017  
September 7, 2017  
October 5, 2017  
November 2, 2017  
December 7, 2017



ACTION ITEM  
HRA REGULAR MEETING  
NOVEMBER 3, 2016

Date: October 25, 2016  
To: Wally Wysopal, Executive Director  
From: Shelly Peterson, Finance Director  
Paul Bolin, Asst. Executive HRA Director  
Subject: Preliminary Budget for 2017

---

On Thursday night, staff will present a draft of the 2017 budget for HRA review. Shelly Peterson and Paul Bolin will be available to answer any questions that the Commissioners may have on the proposed budget. The HRA's input will lead to staff making revisions to the draft budget and then presenting a final version for consideration at the December 1st HRA meeting.

The budget is now divided into two separate categories. The General Fund covers the bulk of the administrative and overhead costs of the HRA. The Housing Loan Program Fund covers the housing related programs and services (CEE programs, etc.).

The Capital Outlay Funds previously included in the budget packets, consisting of the tax increment (TIF) districts, have been removed from the budget packet. Included instead, are the projected fund balances. This is being done due to the fact that there is little, if any, flexible spending or revenues in the TIF Funds. The funds have very specific purposes and the cash balance projections we do annually, provide a better picture of what we anticipate balances will be over the term of the districts.

Staff recommends approval of the preliminary budget. Your questions and suggestions will be incorporated into a final budget that will be presented for your approval on December 1<sup>st</sup>.

**Fridley Housing & Redevelopment Authority  
2017 Budget**

Account Description	2014 Actual	2015 Actual	2016 Budget	2016 Revised	2016 YTD 9/30/16	2017 Proposed
<b>001 - General Fund</b>						
<b>Revenues</b>						
City Revenues						
Tax Levy	380,413	357,968	397,022	397,000	208,326	408,400
Tax Levy - Delinquent Years	(403)	-	-	-	-	-
	<u>380,010</u>	<u>357,968</u>	<u>397,022</u>	<u>397,000</u>	<u>208,326</u>	<u>408,400</u>
Other Miscellaneous Revenue						
Interest on Investment Earnings	33,433	46,021	20,000	20,000	13,423	20,000
Rent and Royalties ( <i>Fairview - parking lot rental</i> )	9,600	10,400	9,600	9,600	7,200	9,600
Sale of Miscellaneous Property ( <i>Medtronic Land Repymt</i> )	129,609	123,983	124,000	124,000	-	124,000
Interfund loan interest				164,500		206,800
Miscellaneous Revenues ( <i>TIF Admin Fees</i> )	124,756	90,417	62,100	100,000	65,821	120,000
Development Grants ( <i>Deed &amp; Met Council</i> )	1,531,353	999,973	1,500,000	1,500,000	464,813	2,000,000
	<u>1,828,751</u>	<u>1,270,794</u>	<u>1,715,700</u>	<u>1,918,100</u>	<u>551,257</u>	<u>2,480,400</u>
Other Finance Sources						
Transfer In from Other Funds	1,000,000	-	-	-	-	-
	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues - General Fund</b>	<b>3,208,761</b>	<b>1,628,762</b>	<b>2,112,722</b>	<b>2,315,100</b>	<b>759,583</b>	<b>2,888,800</b>
<b>Expenditures</b>						
Salaries and Wages						
Full Time Employee Salary (includes Leave)	99,334	106,728	103,400	103,400	73,924	105,400
Part Time/Temporary Salary	5,416	8,776	15,000	15,000	10,221	14,000
	<u>104,750</u>	<u>115,504</u>	<u>118,400</u>	<u>118,400</u>	<u>84,145</u>	<u>119,400</u>
Benefits						
Medicare ( <i>1.45% of Salary</i> )	1,542	1,645	1,700	1,700	1,279	1,700
Social Security ( <i>6.2% of Salary</i> )	6,591	7,036	7,300	7,300	5,471	8,300
ICMA Contribution ( <i>7.5% of Salary</i> )	7,202	7,502	7,800	7,800	6,118	7,900
Wellness Program	-	-	200	200	-	200
Health Insurance	16,829	18,708	18,700	-	-	18,700
Dental Insurance	263	300	300	300	-	300
Life Insurance	51	53	100	100	37	100
Cash Benefit	-	88		5,700	4,093	-
Workers Compensation	1,620	1,453	700	700	614	300
	<u>34,098</u>	<u>36,785</u>	<u>36,800</u>	<u>23,800</u>	<u>17,612</u>	<u>37,500</u>
Supplies and Materials						
Operating Supplies	-	200	2,500	2,500	-	200
Purchased Services						
Professional Services ( <i>Krass Monroe, Ehlers, Sevenich</i> )	100,209	620,001	75,000	75,000	61,784	82,400
Insurance - Non Personnel ( <i>Allocation</i> )	3,050	4,693	4,500	4,500	2,196	4,200
Administration Charges ( <i>Allocation</i> )	209,800	214,000	218,000	218,000	109,000	218,000
Dues and Subscriptions ( <i>NAHRO, AICP</i> )	1,451	3,968	4,000	4,000	1,040	3,000
Transportation ( <i>Mileage Reimbursement</i> )	66	-	600	600	-	600
Conferences/Seminars/Training	423	560	2,000	2,000	1,313	2,000
Advertising	387	648	1,000	1,000	702	1,000
Printing and Binding ( <i>Allocation</i> )	560	90	800	800	91	800
Communication ( <i>Allocation</i> )	556	3,227	600	600	438	800
Services Contracted	6,149	13,998	8,000	8,000	5,754	8,000
Miscellaneous Other Services & Charges	10,812	421	500	500	-	500
	<u>333,463</u>	<u>861,606</u>	<u>315,000</u>	<u>315,000</u>	<u>182,318</u>	<u>321,300</u>
Capital Outlay						
Payments to Other Gov'ts ( <i>Solid Waste Fees/ Col. Arena</i> )	1,669	81,538	1,700	1,700	1,262	2,500
Land, Building, Demo ( <i>Columbia Arena</i> )	2,627,914	-	20,000	20,000	-	-
Transfer Out to other funds		489				
	<u>2,629,583</u>	<u>82,027</u>	<u>21,700</u>	<u>21,700</u>	<u>1,262</u>	<u>2,500</u>
Developer Assistance						
Hyde Development Outside Grant Funds	1,531,353	999,973	1,500,000	1,500,000	464,813	2,000,000
Debt Service						
Interest ( <i>Columbia Arena Loan from City</i> )	4,375	52,653	54,300	54,300	-	56,400
<b>Total Expenditures - General Fund</b>	<b>4,637,622</b>	<b>2,148,748</b>	<b>2,048,700</b>	<b>2,035,700</b>	<b>750,150</b>	<b>2,537,300</b>
<b>Net Income - General Fund</b>	<b>(1,428,861)</b>	<b>(519,986)</b>	<b>64,022</b>	<b>279,400</b>	<b>9,433</b>	<b>351,500</b>
<b>Projected Ending Fund Balance As of December 31</b>	<b>9,999,006</b>	<b>9,479,020</b>	<b>9,543,042</b>	<b>9,758,420</b>	<b>9,488,453</b>	<b>10,109,920</b>

**Fridley Housing & Redevelopment Authority  
2017 Budget**

Account Description	2014 Actual	2015 Actual	2016 Budget	2016 Revised	2016 YTD 9/30/16	2017 Proposed
<b>020 - Housing Loan Programs</b>						
<b>Beginning Fund Balance As of January 1 (Estimated)</b>	<b>3,927,963</b>	<b>2,959,113</b>	<b>2,959,113</b>	<b>3,013,847</b>	<b>3,013,847</b>	<b>3,017,647</b>
<b>Revenues</b>						
Other Miscellaneous Revenue						
Intergovernmental - Federal (2011 Tornado)	8,772	-	-	-	-	-
Intergovernmental - State (2011 Tornado)	2,924	-	-	-	-	-
Interest on Investment Earnings	34,014	18,606	18,000	18,000	4,740	18,000
Interest on Mortgages (Pool 0, 1, 2)	37,154	37,748	50,000	33,300	24,970	33,300
Miscellaneous Revenue (H & G Show)	11,708	21,631	12,000	20,000	11,433	21,400
	<u>94,572</u>	<u>77,985</u>	<u>80,000</u>	<u>71,300</u>	<u>41,143</u>	<u>72,700</u>
<b>Total Revenues - Housing Programs</b>	<b>94,572</b>	<b>77,985</b>	<b>80,000</b>	<b>71,300</b>	<b>41,143</b>	<b>72,700</b>
<b>Expenditures</b>						
Supplies and Materials						
Operating Supplies	-	155	-	-	222	200
Purchased Services						
Professional Services (Castle Vision - Home Show)	15,338	32,298	17,500	22,000	19,028	23,000
Advertising (Clear Channel - Home Show)	1,843	3,276	2,500	5,000	4,383	5,000
Printing and Binding (Advantage Sign - Home Show)	335	-	500	500	-	-
Services Contracted (CEE, Home Energy Visits, etc.)	18,103	17,368	30,000	30,000	15,010	30,000
Charges/Rentals (NSC/Cenaiko - Home Show)	8,541	5,970	10,000	10,000	8,370	13,000
Uncollectible Accounts	19,262	(35,814)	-	-	-	-
	<u>63,422</u>	<u>23,097</u>	<u>60,500</u>	<u>67,500</u>	<u>46,791</u>	<u>71,000</u>
Other Financing Uses						
Transfer Out to General Fund	1,000,000	-	-	-	-	-
<b>Total Expenditures - Housing Programs</b>	<b>1,063,422</b>	<b>23,252</b>	<b>60,500</b>	<b>67,500</b>	<b>47,013</b>	<b>71,200</b>
<b>Net Income - Housing Programs</b>	<b>(968,850)</b>	<b>54,734</b>	<b>19,500</b>	<b>3,800</b>	<b>(5,870)</b>	<b>1,500</b>
<b>Projected Ending Fund Balance As of December 31</b>	<b>2,959,113</b>	<b>3,013,847</b>	<b>3,033,347</b>	<b>3,017,647</b>	<b>3,007,977</b>	<b>3,019,147</b>

**Fridley Housing & Redevelopment Authority  
2017 Proposed Budget  
All Funds Summary**

<b>Fund Description</b>	<b>2016 Estimated Ending Fund Balance</b>	<b>2017 Estimated Revenues</b>	<b>2017 Estimated Expenditures</b>	<b>2017 Estimated Ending Fund Balance</b>
001 - General Fund	<u>\$ 9,758,420</u>	<u>\$ 2,888,800</u>	<u>\$ 2,537,300</u>	<u>\$ 10,109,920</u>
<b>Special Revenue Fund</b>				
020 - Housing Loan Programs	<u>\$ 3,017,647</u>	<u>\$ 72,700</u>	<u>\$ 71,200</u>	<u>\$ 3,019,147</u>
<b>Capital Projects Funds</b>				
045 - Lake Pointe (1985-2025)	\$ (353,827)	\$ 625,300	\$ 593,100	\$ (321,627)
047 - University/Osborne (1992-2018)	307,693	53,900	5,200	356,393
048 - McGlynn (1992-2019)	143,749	47,400	4,700	186,449
049 - Satellite Lane Apts (1995-2023)	169,852	39,600	3,900	205,552
051 - Gateway East (2001-2028)	(351,750)	31,000	-	(320,750)
052 - Gateway West (2005-2032)	(388,230)	26,400	-	(361,830)
053 - Main Street (2009-2034)	(4,656)	119,200	119,000	(4,456)
054 - Gateway Northeast (2017-2042)	(3,331,927)	159,300	138,500	(3,311,127)
055 - BAE - Superfund Site	(48,310)	743,600	743,800	(48,510)
056 - BAE - Hazardous Subdistrict	(2,404,872)	330,400	1,349,100	(3,423,572)
057 - Northstar Station	(315)	-	-	(315)
065 - Housing Replacement (1997-2029) Scattered Site	<u>182,081</u>	<u>29,500</u>	<u>2,900</u>	<u>208,681</u>
<b>Total Capital Projects Funds</b>	<u>\$ (6,080,512)</u>	<u>\$ 2,205,600</u>	<u>\$ 2,960,200</u>	<u>\$ (6,835,112)</u>
<b>Total All Funds</b>	<u>\$ 6,695,555</u>	<u>\$ 5,167,100</u>	<u>\$ 5,568,700</u>	<u>\$ 6,293,955</u>



## ACTION ITEM HRA REGULAR MEETING NOVEMBER 3, 2016

Date: October 25, 2016  
To: Wally Wysopal, Executive Director  
From: Paul Bolin, Asst. Executive HRA Director  
Subject: RFQ Update – Locke Park Pointe (Columbia Arena Site)

---

On September 16, Staff released a Request for Qualifications (RFQ) to begin the process of selecting a developer/partner for private development around the proposed municipal campus. In total, 17 developers requested copies of the RFQ and supporting documents. Eight different developers were represented in a mandatory, pre-submittal meeting on October 5.

In the days leading up to the RFQ submittal deadline, what we heard from a few developers, is that they are/were too busy to get responses to us and that the uncertainty surrounding the construction of City Hall causes some concern.

At noon on Wednesday October 19, we had RFQ responses from one developer, Dominion. While they are class leaders in senior buildings, their vision for the site did not extend beyond them building a single 200 unit senior building. They did not bring any partners forward to develop the rest of the site.



The RFQ response from Dominion did not address the entire site. To proceed with Dominion as a development partner, at this time, would require the Authority to go out and find other developers to construct patio homes and other multi-family units. With the RFQ, we are really looking for a developer or team of developers to take on the development of the entire site. We are recommending that the Authority adopt a motion on November 3, rejecting the response to the RFQ received.

Staff is also recommending waiting until at least December 15 to go out with a new RFQ. This timeframe will work better for the developers that are scrambling to finish projects this fall, but more importantly we will know with much more certainty that City Hall is a go or not. The Council is authorizing the bond sale for constructing City Hall on November 14 and residents will have 30 days to gather enough signatures to put the issue up for a special vote. If there is not a successful petition, we can issue the RFQ on December 15. If the signatures are gathered, and a special election forced, we would delay issuing the RFQ until the issue is decided.

**STAFF RECOMMENDATION:**

Staff recommends the Authority approve a motion to reject the October 19 RFQ Response received from Dominion, for the Locke Park Pointe redevelopment.

**Fridley HRA  
Housing Program Summary  
Cover Page  
November 3, 2016 HRA Meeting**

**Report**

**Description**

Loan Summary Report

Loan application activity (e.g. mailed out, in process, closed loans) for year-to-date.

Also shows the number of field appointments scheduled and completed for the Remodeling Advisor Services administered by Center for Energy and Environment.

Home Energy Squad

E-mail detailing recent activity and year to date.

# FRIDLEY Loan Summary Report

## Activity for Period 9/16/16 - 10/15/16



Application packets requested/mailed:	This period:	1	Year-to-Date:	16
Residential Advisor Visits:	This period:	0	Year-to-Date:	11
Loans currently in process for residents in your City/Neighborhood:		8		

Closed Loans	This period:		Year-to-Date:	
Fridley		Units		Units
		0		0
<b>Closed End</b>	32,000.00	1	321,115.60	14
<b>Last Resort</b>	0.00	0	0.00	0
<b>Last Resort Emergency Deferred</b>	0.00	0	10,000.00	1
<b>Mobile Home Closed End</b>		0		0
<b>Total</b>	32,000.00	1	331,115.60	15

Leveraged Funds	This period:		Year-to-Date:	
MHFA FUF		Units		Units
		0		2
<b>Total</b>	0.00	0	34,035.00	2

Types of Improvements Financed YTD	# of Projects	% of Total
Additions/Finishing off unused space	1	4.35
Bathrooms	1	4.35
Driveways	1	4.35
Flooring/Carpet/Tile	1	4.35
Foundations/Basement	1	4.35
Garage	1	4.35
Heating System	1	4.35
Kitchens	3	13.04
Landscaping	2	8.70
Other Exterior Improvements	2	8.70
Other Interior Improvements	2	8.70
Plumbing	2	8.70
Roof	1	4.35
Siding, Stucco, Exterior Paint	1	4.35
Windows, Doors, Storm Windows, Storn	3	13.04

Types of Properties Financed YTD	#	% of Total
<b>Single Family Residence</b>	17	100.00

**Bolin, Paul**

---

**From:** Stacy Boots Camp <sbootscamp@mncee.org>  
**Sent:** Tuesday, October 25, 2016 12:44 PM  
**To:** Bolin, Paul  
**Subject:** Re: HES Visits

Hi Paul,

My application that sends the graph isn't working, so I'll just tell you the numbers I pulled from Access. October will have 4 visits, bringing the year total to 54.

Thanks and have a great day,

Stacy

Stacy Boots Camp |   
Recruitment and Outreach Coordinator | 612.244.2429  
Center for Energy and Environment  
212 North 3rd Ave #550 | Minneapolis, MN 55401  
(fax) 612.244.2429 | [www.mncee.org](http://www.mncee.org)

On Mon, Oct 24, 2016 at 1:30 PM, Bolin, Paul <[Paul.Bolin@fridleymn.gov](mailto:Paul.Bolin@fridleymn.gov)> wrote:

Stacy –

Can you send me the visit numbers for the last month and year to date total? Thank you.

Sincerely,

*Paul*

Paul Bolin, AICP

Assistant Executive Director

City of Fridley Housing & Redevelopment Authority

6431 University Avenue NE

Fridley, MN 55432

[Paul.bolin@fridleymn.gov](mailto:Paul.bolin@fridleymn.gov)