

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

ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

JUNE 4, 2018 – 5:00 P.M.

**ISD #15 Central Service Center (District Office)
4115 Ambassador Blvd. NW
Left Conference Room**

1. Call to Order
2. Roll Call
3. Approve Minutes of April 16, 2018
4. Approval of the Agenda
5. Public Hearings/New Business
 - A. Acquisition of real property located at 3765 Bridge Street
6. Other Reports
7. Adjourn

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

ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Monday, April 16, 2018

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

5:30pm

1. Call to order: EDA called to order at 5:35pm
By President Mike Rodger
2. Roll Call
Present: Robert Bauer, Sarah Udvig, Mike Rodger, Joe Muehlbauer, Brenda Pavelich-Beck
Also Present: City Administrator Joe Kohlmann, Community Development Director Kate Thunstrom,
Absent: City Attorney Scott Lepak
3. Approve Minutes of November 6, 2017
Motion: Joe Muehlbauer
Second: Sarah Udvig
Motion Carried: (5-0)
4. Approval of the Agenda
Motion: Joe Muehlbauer
Second: Robert Bauer
Motion Carried: (5-0)
5. New Business
 - A. Annual Report Given by Community Development Director Kate Thunstrom
 - B. Acceptance of bids and selection for contract of 3757 Bridge Street demolition.
Discussion about demo of property.
Motion: Robert Bauer
Second: Brenda Pavelich-Beck
Motion Carried: (5-0)
 - C. Consideration of property acquisition 3731
Brenda motion to move forward, President discussed to lot size. \$ 140,000
Motion: Brenda Pavelich-Beck
Second: Joe Muehlbauer
Motion Carried: (5-0)

6. Other Reports: Meadows discussion

7. Motion: Sarah Udvig
Second: Robert Bauer
To Adjourn @ 5:43pm

Submitted by,
Robert Bauer, Secretary

DRAFT

TO: St. Francis Economic Development Authority
FROM: Kate Thunstrom, EDA Executive Director
SUBJECT: Discussion of Acquisition of Real Property
DATE: 06/04/2018

OVERVIEW:

At the April 16, 2018 EDA meeting, the EDA reviewed the opportunity to acquire a property located at 3765 Bridge Street. Discussion focused on the interest of the acquisition and demolition of this structure as it relates to the St. Francis Forward Plan, the acquisition price and funding source.

The property owner had approached the City regarding the acquisition of this property. The owner was given notice from the tenant and is considering a new lease or potentially disposing of this property. The property is currently vacant, available for rent or for sale.

ACTION TO BE CONSIDERED:

Staff was authorized to negotiate with the property owner within a range of \$140,000 to \$160,000 before the EDA wanted the opportunity to further review. The owner is rejecting all offers within that price point and due to private interest and has set a minimum acceptance price. Staff has had additional conversations with the owner and with interested buyers on the permitted use of the property per City Code. The EDA shall consider its position and interest to continue to pursue the sale. Decision and steps to be made include:

1. The EDA continues to pursue this property, staff moves forward with the attached Resolution to Council for funding, moving funding request to the County HRA/EDA and completes necessary purchase agreement documents
2. The EDA does not continue to pursue, one of the Council representatives would be requested to pull the funding resolution from tonight's council meeting and acquisition of the property will no longer be pursued until a time in which the price was within a range the EDA approved.



BUDGET IMPLICATION:

The proposed budget for the 3765 Bridge Street acquisition and demolition is \$225,000. This amount includes the costs associated with the acquisition, closing, pre-demolition assessment and the demolition and site work. Funds are available through the Anoka County HRA/EDA fund.

This proposed budget is consistent with the two other EDA redevelopment projects that are in process.

1. 3757 Bridge Street, utilized ACHRA funds, budget \$200,000
2. 3731 Bridge Street, utilized Liquor funds, budget \$225,000

Attachments:

- April 16, 2018 Report and attachments
- Resolution to Council Requesting Funds from the Anoka County HRA/EDA for the Completion of Real Property Acquisition and Demolition.

TO: St. Francis Economic Development Authority
FROM: Kate Thunstrom, EDA Executive Director
SUBJECT: 3765 Bridge Street – acquisition consideration
DATE: 04/16/2018

OVERVIEW

Staff continues to work with the St. Francis Forward plan to guide the city development within the main corridors. The city has acquired one property and are working with the owners of a second. As the city takes these steps, conversations with neighbors has occurred and the discussion of the long term plan continues.

The property owner of 3765 Bridge Street has approached staff with the idea of working with the City for the acquisition of his property. He was given notice from his current tenant and find it is at a point in which he is interested in potentially disposing of this property.

Property Details:

Original structure built in 1933
Pole barn built in 1977
Code concerns in 2010 for interior issues, 2017 for exterior issues
Use: Rental housing – non compliant in commercial district
Zoned: B1 Central Business District
Lot size: 13,200 sq. ft.

ITEMS TO BE DICUSSED:

1. Is the EDA interested in the acquisition and demolition of this structure?
2. Based on discussion, Authorization of EDA Resolution 2018-01 Approving the Purchase of Property and Granting Signatory Authority.
3. Acquisition price. As of the 4th of April, the owner had not had property appraised or valued. Per the City consulted Realtor, the comparable could be the neighboring property the city acquired placing value at \$165,000.
4. Funding – if direction is provided to staff to pursue the acquisition, we will work with Council on funding.

POTENTIAL BUDGET:

Acquisition and Closing Costs

Testing and demolition \$30,000, estimate based on neighboring property

TIMELINE ESTIMATE:

Cost Review – either by appraisal or broker price opinion - 15 days/ May

Council – funding commitment – May 7th

Planning Commission – Comprehensive Plan Requirement / May

Acquisition agreement and closing – 60 days/end of June, beginning of July

Bid process for demotion – 30 days / end of July, August

Bid approval and demolition proceed to work / August

ATTACHMENTS:

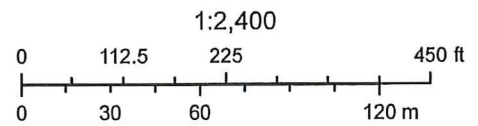
- Photos of site
- GIS Location and Layout
- St. Francis Forward site concept
- EDA Resolution 2018-01 Approving the Purchase of Property and Granting Signatory Authority.

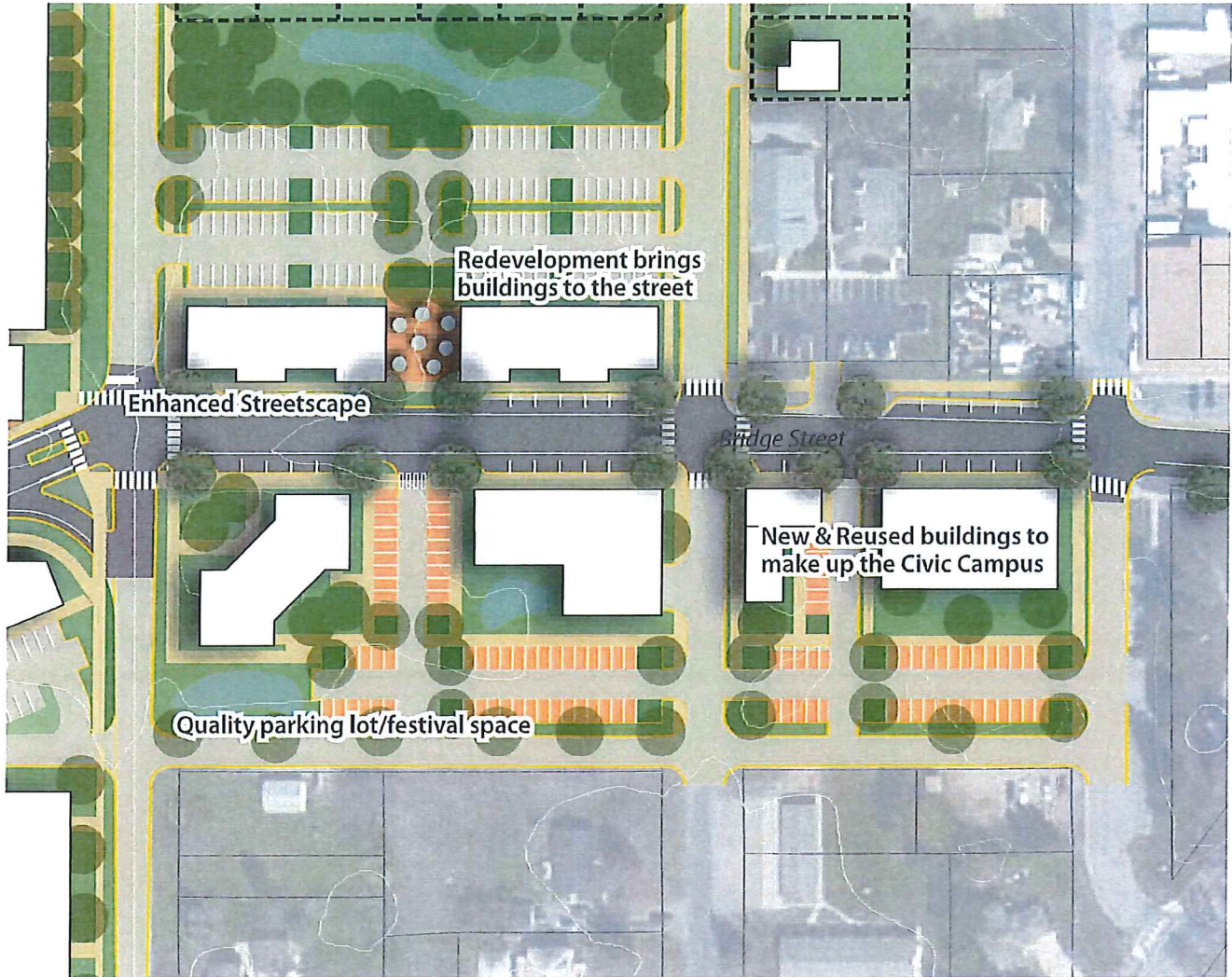


Anoka County, MN



April 2, 2018





Development Summary

Uses	Civic Uses: Fire Station, City Hall/Offices, Library, Post Office, Community Space
Square Footage (As shown)	Civic: +/- 36,000 SF
Key City Actions	<ul style="list-style-type: none"> -Coordinate with the county to relocate the Library west of the Rum River -Develop a formal plan for future operations, incorporating uses into the Civic Campus concept. -Complete more formal plans for the Civic Campus components, in collaboration with the County and other partners. -Identify funding for the civic campus in the future Capital Improvements Plan (CIP). -Complete more detailed design of streetscape elements desired along Bridge Street, in order to be prepared to move forward with construction once funding is available. -Formally reach out to developers interested in redevelopment in the area (including retail and residential components, to the north of the Bridge Street corridor).



In order to accomplish these four points, the plan outlines key development and redevelopment sites:

- » A Civic Campus on the south side of Bridge Street
- » Office Redevelopment on the north side of Bridge Street
- » A restaurant/entertainment anchor on the east side of the Rum River
- » Housing redevelopment between Bridge Street and Rum River North County Park
- » Housing redevelopment south of the High School
- » Industrial growth along Highway 47
- » Residential infill along Ambassador Boulevard
- » Residential infill off Highway 47
- » Redevelopment of Office/Commercial along Highway 47

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

RESOLUTION 2018-

**A RESOLUTION REQUESTING FUNDS FROM THE ANOKA COUNTY HRA/EDA
FOR THE COMPLETION OF A REAL PROPERTY ACQUISITION AND
DEMOLITION FOR REDEVELOPMENT**

WHEREAS, the City of St. Francis is an existing participant of Anoka County Housing and Redevelopment Authority and Economic Development Authority; and

WHEREAS, the City of St. Francis is reviewing opportunities for redevelopment of properties; and

WHEREAS, the Anoka County Housing and Redevelopment Authority (“the HRA”) and Anoka County EDA Authority has funds available that may be used for the development and implementation of a redevelopment project including real property acquisition and demolition for economic development purposes; and

WHEREAS, the City Council is seeking \$225,000 from the HRA/ EDA to complete redevelopment at the property located at 3765 Bridge Street. HRA/EDA. Funds will be used on the anticipated acquisition cost of the property, legal and title and demolition of the existing structure; and

WHEREAS, the City is aware this request exceeds it 2017 balance and includes funds to be collected within the 2018 budget year; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of St. Francis hereby requests \$225,000 from the Anoka County HRA/EDA in order to complete acquisition for redevelopment.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF ST. FRANCIS THIS 6th DAY OF JUNE 2018.

APPROVED

Steven D. Feldman, Mayor

Attest:

Barbara I. Held, City Clerk