

ECONOMIC DEVELOPMENT AUTHORITY
City of Apple Valley
Dakota County, Minnesota
October 27, 2016

Minutes of the special meeting of the Economic Development Authority of Apple Valley, Dakota County, Minnesota, held October 27, 2016, at 6:00 p.m., at Apple Valley Municipal Center.

PRESENT: Commissioners Bergman, Goodwin, Grendahl, Hamann-Roland, Hooppaw and Melander

ABSENT: Commissioner Maguire

City staff members present were: Executive Director Tom Lawell, Attorney Michael Dougherty, Community Development Director Bruce Nordquist, Finance Director Ron Hedberg, Planner Kathy Bodmer, Planner/Economic Development Specialist Alex Sharpe, and Department Assistant Joan Murphy

Meeting was called to order at 6:01 p.m. by President Goodwin.

APPROVAL OF AGENDA

MOTION: of Hamann-Roland, seconded by Grendahl, approving the agenda. Ayes - 6 - Nays - 0.

CONSENT AGENDA

MOTION: of Hooppaw, seconded by Bergman, approving the minutes of the meeting of September 22, 2016, as written. Ayes - 6 - Nays - 0.

MOTION: of Hooppaw, seconded by Bergman, adopting **Resolution No. EDA 2016-09** certifying the benefit date for the Business Subsidy Agreement with Uponsor, Inc. and authorizing the execution of Exhibit B to the Business Subsidy Agreement. Ayes - 6 - Nays - 0.

PARKSIDE VILLAGE GALANTE

Planner Kathy Bodmer stated IMH Special Asset NT 175-AVN, LLC received authorization to construct the Parkside Village development on January 24, 2013. The project included two sites, the 196-unit Parkside Village Gabella building north of Kelley Park and the 126-unit Parkside Village Galante building west of Kelley Park. Construction of the Parkside Village Gabella building was completed with the final certificate of occupancy issued on May 31, 2016.

Bigos Management executed a purchase agreement with IMH to purchase the Galante property on the southeast corner of Galaxie Avenue and 152nd Street. In connection with the purchase, Bigos Management submitted an application requesting tax increment financing assistance to construct the Parkside Village Galante building as previously approved by the City. The City's Financial Consultant, Northland Securities, conducted a review of the Bigos Management company and determined, based on information provided, that Bigos has the experience and capacity to complete

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the project. The consultant analyzed the pro forma for the project and determined the Galante development may not occur with only private investment.

The overall development of the Galante building will be consistent with the previously approved plans. The building footprint, parking lot and access points all remain the same. Bigos-Galante plans to make minor modifications to the units, removing the three bedroom units to reflect market demand. As a result, the number of units will increase from 126 to 134. An exterior pool is added to provide an additional amenity for the residents. Other than these minor changes, the building remains the same as approved January 2013. The revised building permit plans are scheduled to be reviewed by the City Council at its November 10, 2016, meeting.

The Parkside Village development is subject to an approved Development Assistance Agreement and Business Subsidy Agreement which requires the Apple Valley Economic Development Authority (EDA) and City Council to review and consent to transfers of ownership and assignment of documents.

Tammy Omdal, Northland Securities, provided additional information.

Discussion followed.

MOTION: of Hamann-Roland, seconded by Melander, adopting **Resolution No. EDA 2016-10** Consenting to Partial Assignment of Development Agreements to Bigos-Galante LLC. Ayes - 6 - Nays - 0.

MOTION: of Hamann-Roland, seconded by Hooppaw, adopting **Resolution No. EDA 2016-11** approving Second Amendment to Amended and Restated Development Assistance Agreement. Ayes - 6 - Nays - 0.

ADJOURNMENT

MOTION: of Hooppaw, seconded by Grendahl, to adjourn. Ayes - 6 - Nays - 0.

The meeting was adjourned at 6:26 p.m.

Respectfully Submitted,

/s/ Joan Murphy
Joan Murphy, Department Assistant

Approved by the Apple Valley Economic
Development Authority on 12/8/16.

/s/ Tom Goodwin
Tom Goodwin, President