

ECONOMIC DEVELOPMENT AUTHORITY
City of Apple Valley
Dakota County, Minnesota
July 23, 2015

Minutes of the meeting of the Economic Development Authority of Apple Valley, Dakota County, Minnesota, held July 23, 2015, at 6:00 p.m., at Apple Valley Municipal Center.

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

ABSENT: Commissioner Maguire

City staff members present were: Executive Director Tom Lawell, City Attorney Michael Dougherty, Community Development Director Bruce Nordquist, Finance Director Ron Hedberg, Planner Margaret Dykes and Department Assistant Joan Murphy.

Meeting was called to order at 6:00 p.m. by President Goodwin.

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES

MOTION: of Bergman, seconded by Grendahl, approving the minutes of the meeting of May 28, 2015, as written. Ayes - 5 - Nays - 0. Abstain – 1 (Melander)

CONSENT AGENDA

None

REGULAR ITEMS

None

EDA ITEMS AND COMMUNICATIONS

Commissioner Bergman asked for an update on the former BP gas station.

Mr. Nordquist stated that all soil concerns have been addressed. Bank of America will be starting construction soon.

7. STAFF UPDATES

A. Mixed Business Campus Discussion.

Community Development Director Bruce Nordquist stated that a review and discussion is planned over the next few Planning Commission meetings concerning the Mixed Business Campus designation in the 2030 Comprehensive Plan.

The 2030 Comprehensive was adopted by the City Council on January 14, 2010. A prior action taken by the City Council in May, 2009, directed staff "to review and update the City Council every five years on development and continued viability of the Mixed Business Campus." It is appropriate to keep the EDA informed of this process as well.

It has been five years since the adoption of the 2030 Comprehensive Plan. The Planning Commission has conducted its first meeting on July 15. Future Planning Commission meetings will discuss marketing, development, official actions and viability of the Mixed Business Campus to provide an update to the City Council and Economic Development Authority.

Discussion followed.

B. Village Pointe Plaza

Planner Margaret Dykes reviewed the Purchase Agreement between the City and OneTwoOne Development, LLC for the acquisition of Lot 1, Block 1, Village at Founders Circle, a 3.65-acre lot southwest of the intersection of Galaxie Avenue and 153rd Street W., commonly called the "Triangle Site ". Earlier this year, the City received a \$1,148,639 Livable Communities Development Account (LCDA) Grant from the Metropolitan Council to help a developer acquire the site from the City through the Apple Valley Economic Development Authority (AVEDA).

The City acquired the property from Dakota County after the site went through the tax forfeiture process, and paid the County the \$1,148,639 for the site to prevent auction or further languishing in the marketplace. The City was approached by Cooperative Lifestyle Group, LLC, now OneTwoOne Development, LLC (the developer), a partnership of Ecumen and Lifestyle Communities, LLC, in April 2014 to develop the Village Pointe Plaza project, which is a pedestrian-friendly, integrated mix of uses including 78 units of senior-owned housing, retail, office, and a boutique grocery store. In January 2015, the Metropolitan Council approved the grant request of \$1,148,639. The funds will be used for site acquisition in order to convey the property to the developer so that they may move forward with an intensive, vertical mixed-use to provide lifecycle housing, and neighborhood commercial uses with an innovative structured parking solution on the most prominent center parcel in the Central Village. In March 2015, AVEDA directed City staff to draft a predevelopment agreement. The purchase agreement is the initial agreement that will assist the developer in obtaining private financing for the project.

Additional actions will need to be taken by the City and AVEDA prior to the transfer of the property, including the subdivision of the property creating separate lots for the senior housing and commercial uses; various agreements for the development; and business subsidy agreements for the LCDA funds.

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These will need to occur over the next 18 months, or City may cancel the sale of the property to the developer. The Purchase Agreement assists the developer in obtaining additional private financing from lenders. The City and AVEDA are not providing any additional assistance beyond the site acquisition grant and the payment of special assessments over time.

Tim Nichols, OneTwoOne Development, provided additional information.

Discussion followed.

ADJOURNMENT

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

The meeting was adjourned at 6:50 p.m.

Respectfully Submitted,

/s/ Joan Murphy
Joan Murphy, Department Assistant

Approved by the Apple Valley Economic Development Authority on 9/24/15.