



CITY OF ANOKA

Housing & Redevelopment Authority

Monday, February 9<sup>th</sup>, 2015

Anoka City Hall

Council Chambers

5:00 p.m.

- I. Call to Order
- II. Roll Call
- III. Approval of the Agenda
- IV. Approval of Minutes
  - A. January 12<sup>th</sup>, 2015 Regular Meeting
  - B. January 12<sup>th</sup>, 2015 Worksession
- V. Open Forum
- VI. Unfinished Business
  - A. Review of Fourth Quarter Financials
  - B. Update Regarding Walker Plaza II Project
  - C. North Suburban Home Improvement Show Update
  - D. Other Updates
- VII. New Business
  - A. Resolution Requesting that the City Council Call for a Public Hearing to Modify Redevelopment Project Plan for Redevelopment Project No. 1 and the Tax Increment Financing Plan for Tax Increment Financing District No. 2 AND The Establishment of the South Central Business TIF District Plan
  - B. Adoption of 2014 HRA Accomplishments
  - C. Adoption of 2015 HRA Goals
- VIII. Discussion Items
- IX. Tentative Agenda Items for Future Meetings
- X. Adjournment

**CITY OF ANOKA  
HOUSING AND REDEVELOPMENT AUTHORITY  
MEETING MINUTES – JANUARY 12, 2015**

**Call to Order:** Chair Carl Youngquist called the meeting to order at 5:00 p.m.

**Roll Call:** Commissioners present were: Chair Carl Youngquist, Commissioners Dave Bonthuis, Lynn Hopkins, and Lori Manzoline. Staff present were: Housing Manager Darin Berger.

Also present: Nathan Gunn, Realtor.

Chair Youngquist announced long-time Commissioner Merrywayne Elvig passed away on January 8, 2015. He stated Commissioner Elvig was appointed to the Housing and Redevelopment Authority in 1979 and had served for nearly 35 years. Chair Youngquist gave a wonderful tribute to Commissioner Elvig and outlined her extraordinary contributions and dedication to the City of Anoka. Chair Youngquist declared Commissioner Elvig the “Matriarch of Anoka” and said she will be truly missed.

**Approval of the Agenda:** MOTION BY CHAIR YOUNGQUIST, SECONDED BY COMMISSIONER BONTHUIS, TO APPROVE THE AGENDA AS PRESENTED.

UPON A VOICE VOTE, MOTION CARRIED.

**Approval of Minutes:**  
**December 8, 2014, Regular Meeting:**

Housing Manager Darin Berger stated that due to technical difficulties the December meeting was not recorded and asked the Board to review the minutes in order to accurately reflect the motions made that evening. He said the minutes will then be completed and filed accordingly.

MOTION BY COMMISSIONER HOPKINS, SECONDED BY COMMISSIONER BONTHUIS, TO APPROVE THE DECEMBER 8, 2014, REGULAR MEETING MINUTES AS COMPLETED.

UPON A VOICE VOTE, MOTION CARRIED.

**Open Forum:** David Elvig, Ramsey, thanked the Board for their kind words regarding his mother, Commissioner Elvig. He said she felt very strongly about the caliber of people she served with on the Board and was very proud of the good work they did as the HRA.

Commissioners Hopkins and Bonthuis shared their condolences with Mr. Elvig and his family and shared memories of Commissioner Elvig.

**Annual Meeting Business:**

**Oath of Office:** Mr. Berger said the City Council re-appointed Lynn Hopkins at their December 1, 2014, meeting. He said her appointment is for a five-year term then issued the Oath of Office to Commissioner Hopkins.

Chair Youngquist congratulated Commissioner Hopkins on her appointment.

**Election of Officers: Chair, Vice Chair, and Secretary** – Mr. Berger said each year the HRA Board must elect officers for the positions of Chair, Vice Chair, and Secretary. The Secretary position will be elected with the duties of keeping the minutes, which is delegated to the Housing Manager. The staff then hires TimeSaver Offsite Secretarial to keep the minutes.

Action Requested: Nominate and Elect HRA Chair and Vice Chair by motion, second, and vote.

MOTION BY COMMISSIONER BONTHUIS, SECONDED BY COMMISSIONER HOPKINS, TO NOMINATE CARL YOUNGQUIST AS CHAIR FOR 2015.

Nominations closed.

UPON A VOICE VOTE, MOTION CARRIED.

Chair Youngquist thanked the Board and said he enjoyed the opportunity.

MOTION BY COMMISSIONER MANZOLINE, SECONDED BY COMMISSIONER HOPKINS, TO NOMINATE DAVE BONTHUIS AS VICE CHAIR FOR 2015.

Nominations closed.

UPON A VOICE VOTE, MOTION CARRIED.

Commissioner Bonthuis said he is honored and humbled to serve as Vice Chair.

The Board designated Housing Manager Darin Berger as Secretary for 2015 who in turn designated secretarial duties to TimeSaver Offsite Secretarial.

**Review of Bylaws:** Mr. Berger shared the Bylaws with the Board and requested their review and approval.

Action Requested: Approve Bylaws by motion, second, and vote.

MOTION BY COMMISSIONER BONTHUIS, SECONDED BY COMMISSIONER HOPKINS, TO APPROVE THE HRA BYLAWS AS PRESENTED.

Chair Youngquist suggested adding to the last sentence on Page 2, Section 4 as follows: "...the Secretary may delegate duties to a designated employee of the City of Anoka **or an approved outside agency.**" in order to clarify that meeting minutes can be created by TimeSaver Offsite Secretarial.

UPON A VOICE VOTE, MOTION CARRIED.

**Review 2015 Meeting Schedule:** Mr. Berger shared the 2015 Meeting and Event Schedule, noting the October meeting will be held on Tuesday, October 13 because of the Columbus Day Holiday and the North Suburban Home Improvement Show on March 21 as a reminder of the Board's role as greeters. He also noted a correction to a note for the February 9 meeting that referred to last year's schedule.

Action Requested: Adopt 2015 Meeting and Event Schedule by motion, second, and vote.

MOTION BY COMMISSIONER MANZOLINE, SECONDED BY COMMISSIONER HOPKINS, TO APPROVE THE 2015 MEETING AND EVENT SCHEDULE AS PRESENTED.

UPON A VOICE VOTE, MOTION CARRIED.

**Unfinished Business:**

**Update Regarding Walker Plaza II Project:** Mr. Berger stated staff met with Walker Methodist's Executive Director of Development and Anoka's City Planner on January 5. He said this meeting was held to discuss several items, including a tentative schedule for submittals to the Planning Commission and City Council for site plan and rezoning approval. Staff anticipates both submittals prior to February 20 in order to include these items on their April agendas.

Additionally, Walker plans to make a final selection of their architect on January 19. HRA staff is also still awaiting additional financial documents.

Significant progress is being made by both parties and we are still on track to break ground late this spring.

Action Requested: None at this time. Informational only.

Commissioner Bonthuis asked if the architect they are considering has been involved with City projects before. Mr. Berger said he believes so but noted no final selection has been made. He said it has been helpful since Walker has been through this before as some of the same staff is involved and we know what to expect.

**Other Updates:** None.

**New Business:**

**Approval of Letter of Intent Between Walker Methodist and City of Anoka Housing and Redevelopment Authority Regarding Purchase of 1833 2<sup>nd</sup> Avenue and 100 Monroe Street:**

Mr. Berger said the Anoka HRA and the developer (Walker Methodist) are proposing to enter into a Letter of Intent (LOI) for the purchase and development of the HRA owned properties located at 1833 2<sup>nd</sup> Avenue and 100 Monroe Street. A LOI is a non-binding agreement that is put in place prior to formal agreement(s) that will come in the near future.

The LOI identifies a purchase price of \$206,283, which is based on the square foot price the HRA Board agreed to during a closed session on June 9, 2014. The LOI is effective through June 1, 2015 and identifies a closing date on or before June 1, 2015. Walker Methodist is anticipating starting construction late spring 2015.

Action Requested: Approve signing of the Letter of Intent with Walker Methodist by motion, second, and vote.

Chair Youngquist said the price we quoted during the June 9 meeting was a good decision for both Walker Methodist and in the long term for Anoka and the HRA.

Mr. Berger said the LOI states no one can enter into negotiations with another party until March 1 but that he anticipates received the purchase agreement by then. He said if received after the LOI would be null and void.

Chair Youngquist said once the LOI is signed then we should be confident that we will receive a signed purchase agreement by June 1.

MOTION BY COMMISSIONER HOPKINS, SECONDED BY COMMISSIONER MANZOLINE TO APPROVE LETTER OF INTENT BETWEEN WALKER METHODIST AND CITY OF ANOKA HOUSING AND REDEVELOPMENT AUTHORITY REGARDING PURCHASE OF 1833 2<sup>ND</sup> AVENUE AND 100 MONROE STREET.

UPON A VOICE VOTE, MOTION CARRIED.

Chair Youngquist complimented Mr. Berger on the progress of this project and said he looks forward to this development.

**Discussion Items:** None.

**Tentative Agenda Items for Future Meetings:** None.

Chair Youngquist noted the Board will be holding a worksession immediately following to review 2014 accomplishments and 2015 goals.

**Adjournment:** MOTION BY COMMISSIONER BONTHUIS, SECONDED BY COMMISSIONER HOPKINS, TO ADJOURN.

Chair Youngquist thanked everyone for their support during this difficult time.

The motion carried, the meeting was adjourned at 5:45 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

**CITY OF ANOKA  
HOUSING AND REDEVELOPMENT AUTHORITY  
WORKSESSION MEETING MINUTES – JANUARY 12, 2015**

**Call to Order:** Chair Carl Youngquist called the meeting to order at 6:00 p.m.

**Roll Call:** Commissioners present were: Chair Carl Youngquist, Dave Bonthuis, Lynn Hopkins, Lori Manzoline. Absent: Merrywayne Elvig. Staff present were: Housing Manager Darin Berger.

**Approval of the Agenda:** MOTION BY COMMISSIONER, SECONDED BY COMMISSIONER, TO APPROVE THE AGENDA AS PRESENTED.

UPON A VOICE VOTE, MOTION CARRIED.

**2014 HRA Accomplishments:** Mr. Berger gave an overview of the HRA's accomplishments to help start the discussion amongst the Board in regards to 2014:

2014 Accomplishments

- Demolished and prepared site for redevelopment at 1833 2<sup>nd</sup> Avenue and 100 Monroe Street
- Adopted criteria for expending HRA funds over the next five years
- Successfully found a buyer to relocate the historic home at 210 Monroe Street, making way for potential redevelopment
- Made \$100,000 commercial loan commitment to It's About Sleep for renovation of 633 Main Street East
- Acquired 1800 2<sup>nd</sup> Avenue in order to further redevelopment opportunities in the South Central Business District
- Acquired 117 Benton Street to allow for potential future redevelopment at the Benton Street and Ferry Street corner
- Provided homeowners with 10 home improvement loans
- Facilitated the North Suburban Home Improvement Show, which drew it's largest number of attendees since its inception

Action Requested: Identify at least five accomplishments by reflecting on 2014.

Mr. Berger noted the home improvement loans is down seven from last year. He said he has spoken with the Center for Energy and Environment (CEE) who state how complimentary Anoka is with advertising their programs through the City newsletter so it is interesting that the number of loans are down. He said he is unsure how many actually apply versus how many approved but said he will be watching this a little closer to see if they can identify some trends.

Commissioner Bonthuis inquired about the history of CEE. Mr. Berger said the HRA has been working with CEE for about 10 years and they usually process 20-25 loans per year so this figure is surprising. He said he will ask more about the next few applications and processes and check

in a little more with CEE over the next few months. Mr. Berger said he would like to see more loans because it results in more improvements within the City.

Chair Youngquist noted equity is needed in order to obtain a loan so this should increase more as the market and economy improves.

Commissioner Manzoline said some loans require matching dollars, which could be part of the issue as well.

Mr. Berger shared an update on It's About Sleep and some delays on completing their construction.

Chair Youngquist said he would like to add one more accomplishment regarding adopting criteria for expending HRA funds for the past five years.

Commissioner Bonthuis suggested combining the two acquisition bullet points then adding the criteria adoption as an established accomplishment. The Board agreed.

**2015 HRA Goals:** Mr. Berger gave an overview of possible goals to help start the discussion amongst the Board in regards to 2015:

#### 2015 Goals

- Formulate and implement strategic plan for South Central Business District (SCBD)
  - Find buyer/end user for Riverway Clinic site
  - Acquire additional properties for potential redevelopment
  - Continue to work with the SCBD Strategic Plan Committee to carry out their vision in accordance with the Housing and Redevelopment Authority's vision
- Continue to acquire properties through Scattered Site Replacement Program as they come available
- Promote the maintenance and renovation of commercial buildings and facilities for the expansion of the tax base and quality jobs
- Establish TIF district in the South Central Business District
- Work with the Planning Commission to redevelop sites in the South Central Business District planning area and rezone properties consistent with the study

Mr. Berger noted the SCBD Committee actually disbanded and suggested they change the last bullet point and add Planning Commission with the SCBD and not separate them as outlined.

Commissioner Manzoline asked if Medved/Riverplace is a HRA or Council goal. Mr. Berger confirmed this project is a Council goal.

Chair Youngquist suggested adding coordinating monitoring of the South Ferry Street Corridor with the Planning Commission and City Council.

Commissioner Manzoline asked if the scattered site program includes desolate properties the private market is not interested in acquiring. Mr. Berger said that is correct, adding they are still paying attention to this activity. He said 433 Polk is available for \$42,000 but he is working with the neighbor and others for a possible rehab but prefers tear down. Mr. Berger said he toured the property with Building Inspections staff who made some recommendations and referred to another property at Queens and Oakland as another potential. He stated with turnaround in the private market the HRA does not always need to step in and acquire property as much as in the past.

Chair Youngquist suggested monitoring these properties such as Benton Street and others, adding that while the HRA is out of the market once it starts to improve we should still monitor.

Commissioner Manzoline said the bad properties have been dealt with while the others are rebuilt and look great.

Mr. Berger suggested 426 Taylor could be another property to consider. He said this is a vacant 40-foot lot and abuts a neighbor who may be interested. He said he will be contacting him to see if he is interested in the lot that the HRA could possibly assist with demolishing the site.

Board consensus for 2015 goals:

1. Formulate and implement strategic plan for South Central Business District (SCBD)
  - a. Find buyer/end user for Riverway Clinic site
  - b. Acquire additional properties for potential redevelopment
  - c. Continue to work with the SCBD Strategic Plan Committee to carry out their vision in accordance with the Housing and Redevelopment Authority's vision
2. Continue to acquire properties through Scattered Site Replacement Program as they come available
3. Promote the maintenance and renovation of commercial buildings and facilities for the expansion of the tax base and quality jobs
4. Establish TIF district in the South Central Business District
5. Work with the Planning Commission to redevelop sites in the South Central Business District planning area and rezone properties consistent with the study

Mr. Berger suggested adding more to Goal #3 with regard to housing.

Commissioner Bonthuis inquired about the 2<sup>nd</sup> to 5<sup>th</sup> Street commercial buildings with apartments above. Mr. Berger said we say 60% vacancy above which includes those areas that do not have units. He said part of the intention was to capture TIF but while that never caught on we were able to get almost the entire downtown getting sprinkled.

Commissioner Manzoline said the other delay for above apartments was the elevator. Mr. Berger said he will be talking with Steve Jensen about his plan, including the elevator and will once again offer the HRA's help with that project.

Chair Youngquist suggested adding "including consideration of second-story residential units" to Goal #3.

Mr. Berger noted these goals will be presented to the Council for discussion and adoption at their meeting on February 9.

Mr. Berger said Goal #4, Establish TIF District in the SCBD is moving forward, adding we will have a schedule soon from Ehlers on how to establish the TIF District, which includes a public comment period. He suggested selling Riverway before establishment of the district as it will make it a much cleaner process. Mr. Berger said he will have more updates at the February meeting.

Chair Youngquist suggested adding “coordinate monitoring of South Ferry Street corridor” as Goal #5.

Mr. Berger said there will be a future worksession on rental licensing. He said staff has been working with the Council on code compliance and programs such as possibly assisting financially or assessment agreement. He referred to other recognition/incentive programs as well, similar to Arden Hills’ “Shine Program” that has been effective.

**Adjournment:** MOTION BY COMMISSIONER BONTHUIS, SECONDED BY COMMISSIONER HOPKINS, TO ADJOURN. The motion carried, the meeting was adjourned at 6:58 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

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# Memo

**To:** HRA Board Members  
**From:** Darin Berger, Housing Manager  
**Date:** February 9<sup>th</sup>, 2015  
**Re:** Review of Fourth Quarter Financials

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Attached for the Board's review is the 2014 Fourth Quarter Financials. The City's Finance Director, Lori Yager, will be in attendance to present the report and answer any questions you might have.

**Action Requested: Review and comment on 2014 Fourth Quarter Financials.**

## Memorandum

**Date:** 2/9/15  
**To:** Darin Berger  
**Cc:** HRA Board Members  
**From:** Lori Yager, Finance Director  
**RE:** 2014, 4<sup>th</sup> Quarter Financial Reports

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Attached is the 4<sup>th</sup> quarter financial report for the HRA.

This report reflects cash and some estimated accrued activities for the HRA on a quarterly basis. This report is unaudited. A final audited yearend report will be available in June.

**2014 FINANCIAL REPORT - DECEMBER**

**HRA FUND**

Year To Date 12 Months 100% of Year

	<u>2014 Budget</u>	<u>Year to Date</u>	Percentage Received/ Expended
<u>Revenues</u>			
Property Taxes	\$ 193,670	\$ 193,006	99.66%
Interest Earnings	2,500	9,822	392.88%
Other Miscellaneous	300,000	4,404	1.47%
	<hr/>	<hr/>	
Total	\$ 496,170	\$ 207,232	41.77%
<u>Expenditures</u>			
Personnel Services	\$ 74,465	\$ 78,259	105.10%
Supplies	4,000	222	5.55%
Professional	23,765	14,332	60.31%
Contractual Services	1,620	1,620	100.00%
Discount/Rebates	5,000	0	0.00%
Improvement Projects	70,000	0	
Mechanical Improvements		700	
210 Monroe		23,690	
Contingency	7,500		
	<hr/>	<hr/>	
Total	\$ 186,350	\$ 118,823	63.76%
<b>Sources (Uses) of Fund</b>			
<b>Balance</b>	<b>\$309,820</b>	<b>\$88,409</b>	28.54%

**HRA Central Business TIF District**

Year To Date 12 Months 100% of Year

	<u>2014 Budget</u>	<u>Year to Date</u>	Percentage Received/ Expended
<u>Revenues</u>			
Property Taxes	\$ 295,000	\$ 277,672	94.13%
Interest Earnings	1,000	21,184	2118.40%
Other Miscellaneous	450,000		
	<hr/>	<hr/>	
Total	\$ 746,000	\$ 298,856	40.06%
<u>Expenditures</u>			
Personnel Services	\$ 2,835	\$ 2,837	100.07%
Professional	11,420	17,939	157.08%
Contractual	2,000	22,356	1117.80%
Redevelopment	600,000	0	0.00%
Blighted/Scattered Site Housing	150,000	194,507	129.67%
	<hr/>	<hr/>	
Total	\$ 766,255	\$ 237,639	31.01%
<b>Sources (Uses) of Fund</b>			
<b>Balance</b>	<b>(\$20,255)</b>	<b>\$61,217</b>	-302.23%

**2014 FINANCIAL REPORT - DECEMBER**

**HRA Business Core TIF District**  
 Year To Date 12 Months 100% of Year

	<u>2014 Budget</u>	<u>Year to Date</u>	Percentage Received/ Expended
<u>Revenues</u>			
Property Taxes	\$ 6,000	\$ 0	
Interest Earnings	10	152	1520.00%
	<hr/>	<hr/>	
Total	\$ 6,010	\$ 152	2.53%
 <u>Expenditures</u>			
Personnel Services	\$ 15	\$ 16	106.67%
Professional	1,510	10	0.66%
Interest expense	4,830		
	<hr/>	<hr/>	
Total	\$ 6,355	\$ 26	0.41%
 <b>Sources (Uses) of Fund</b>			
<b>Balance</b>	<b>(\$345)</b>	<b>\$126</b>	

CITY OF ANOKA  
SCHEDULE OF HOUSING AND REDEVELOPMENT AUTHORITY  
December 31, 2014

	BALANCE SHEET						2013 TOTAL
	830 HRA	834 Commercial	835 Housing	840 TAX INCR.	845 TAX INCR.	2014 TOTAL	
CASH	523,052	53,566	182,093	40,265	3,543	802,519	1,109,935
TAXES RECEIVABLE:	5,458			5,021	10	10,489	14,207
ACCOUNTS RECEIVABLE						0	1,324
INTEREST RECEIVABLE						0	3,913
LOANS RECEIVABLE	130,854	12,920	125,761			269,535	242,749
DUE FROM OTHER FUNDS				138,000		138,000	336,600
LAND	400,531			1,124,636		1,525,167	1,110,295
<b>TOTAL ASSETS</b>	<b>1,059,895</b>	<b>66,486</b>	<b>307,854</b>	<b>1,307,922</b>	<b>3,553</b>	<b>2,745,710</b>	<b>2,819,023</b>
ACCOUNTS PAYABLE	29,232	15,195	276	25,500		70,203	29,772
ACCRUED WAGES PAYABLE	495					495	1,482
DUE TO OTHER FUNDS					138,000	138,000	336,600
DUE TO OTHER GOVERNMENTS						0	50,045
DEFERRED REVENUE	104,944		125,382	5,021	10	235,357	233,151
<b>TOTAL LIABILITIES</b>	<b>134,671</b>	<b>15,195</b>	<b>125,658</b>	<b>30,521</b>	<b>138,010</b>	<b>444,055</b>	<b>651,050</b>
FUND BALANCE:							
DECEMBER 31, 200X	836,815	49,434	200,123	1,216,184	(134,583)	2,167,973	2,062,319
NET CHANGE IN FUND BALANCE	88,409	1,857	(17,927)	61,217	126	133,682	105,654
<b>TOTAL FUND BALANCE</b>	<b>925,224</b>	<b>51,291</b>	<b>182,196</b>	<b>1,277,401</b>	<b>(134,457)</b>	<b>2,301,655</b>	<b>2,167,973</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>1,059,895</b>	<b>66,486</b>	<b>307,854</b>	<b>1,307,922</b>	<b>3,553</b>	<b>2,745,710</b>	<b>2,819,023</b>

CITY OF ANOKA  
SCHEDULE OF HOUSING AND REDEVELOPMENT AUTHORITY  
December 31, 2014

	REVENUES AND EXPENDITURES						
	830	834	835	840	845	2014	2013
	HRA	Commercial	Housing	TAX INCR.	TAX INCR.	TOTAL	TOTAL
REVENUES:							
TAXES	193,006			277,672		470,678	498,041
INTEREST INCOME	2,716	454	1,179	6,761	40	11,150	12,789
GAIN (LOSS) FROM INVESTMENTS	7,106	1,144	3,353	14,423	112	26,138	-34,778
REVOLVING LOAN	4,404	259	10,869			15,532	34,491
OTHER							5,094
	<u>207,232</u>	<u>1,857</u>	<u>15,401</u>	<u>298,856</u>	<u>152</u>	<u>523,498</u>	<u>515,637</u>
EXPENDITURES:							
PERSONAL SERVICES	78,259			2,837	16	81,112	87,365
SUPPLIES	222					222	127
PROFESSIONAL SERVICES	14,332		2,468	17,939	10	34,749	31,518
CONTRACTUAL SERVICES	1,620			22,356		23,976	9,228
REVOLVING LOANS						0	55,123
MECHANICAL	700					700	4,839
PROJECTS	23,690		30,860	194,507		249,057	18,855
LOSS ON ASSET DISPOSAL						0	201,281
LAND						0	1,647
	<u>118,823</u>	<u>0</u>	<u>33,328</u>	<u>237,639</u>	<u>26</u>	<u>389,816</u>	<u>409,983</u>
NET CHANGE IN FUND BALANCE	<u>88,409</u>	<u>1,857</u>	<u>-17,927</u>	<u>61,217</u>	<u>126</u>	<u>133,682</u>	<u>105,654</u>

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# Memo

**To:** HRA Board Members  
**From:** Darin Berger, Housing Manager  
**Date:** February 9<sup>th</sup>, 2015  
**Re:** Update Regarding Walker Plaza II Project

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HRA Staff met with Walker Methodist's Executive Director of Development, Kaas Wilson Architects, our City Planner and our Engineering Technician last week. Staff met their team, discussed a general timeline, site review, parking, Council and Planning Commission submission schedule and other various construction related items.

According to the Letter of Intent signed last month, the closing shall take place on or before June 1<sup>st</sup>, 2015. At this time, we are still on schedule to do so. Staff will continue updating the Board as things progress.

**Action Requested: None at this time. Informational only.**



2015 1st Avenue North  
Anoka, MN 55303  
(763) 576-2743

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# Memo

**To:** HRA Board Members

**From:** Darin Berger, Housing Manager

**Date:** February 9<sup>th</sup>, 2015

**Re:** North Suburban Home Improvement Show Update

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The North Suburban Home Improvement Show Committee has been meeting regularly and everything is going great thus far! We currently have sold 54 booths, plus 11 resource booths, which totals 65 booths. We anticipate many more to register as the date draws near. In addition to our regular marketing efforts, we have secured a billboard on Highway 10 and we are working with WCCO again this year. I encourage everyone to come to the Andover Community Center on Saturday, March 21<sup>st</sup> from 9am-3pm. Free admission includes 100+ exhibitors, limited door prizes, demonstrations and a kids workshop sponsored by Lowe's. I would also like to remind the Board of their role as greeters. We can coordinate a schedule closer to the day of the event.

**Action Requested: No action necessary at this time, informational only.**

# **AGENDA ITEM VII. A.**

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# Memo

**To:** HRA Board Members

**From:** Darin Berger, Housing Manager

**Date:** February 9<sup>th</sup>, 2015

**Re:** Resolution Requesting that the City Council Call for a Public Hearing to Modify Redevelopment Project Plan for Redevelopment Project No. 1 and the Tax Increment Financing Plan for Tax Increment Financing District No. 2 AND the Establishment of the South Central Business TIF District Plan

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As you know, Staff has been working towards establishing a Tax Increment Financing Redevelopment District ("TIF District") in the South Central Business District. To assist in doing so, two consultants were hired. The first was LHB, who were hired by the City of Anoka HRA to inspect and evaluate properties within the proposed TIF District. The purpose of LHB's work is to determine whether the proposed TIF District meets the statutory requirements for coverage, and whether 6 building on 15 parcels, and 10 right-of-way parcels located within the proposed TIF District, meet the qualifications required for a Redevelopment District.

The second consultant hired was Ehlers. Ehlers assists with the creation and/or modification of TIF Districts. They will provide assistance with TIF by guiding us through the entire process, including assessing the legal and financial feasibility of the TIF, drafting of TIF plans and cash flow analysis, and guiding us through the required steps in the adoption and implementation process. They have helped the City of Anoka with all of their TIF Districts and have proved very valuable in the past.

## **Project Description**

The South Central Business District Project extends one and a half blocks from the First Avenue and Monroe Street intersection, easterly to the edge of the property line at 222 Monroe Street. It then extends southerly to the border of the two Madison Street lots and back to the West to 2<sup>nd</sup> Avenue before going North a half block and West a block back to First Avenue. It consists of a mix of uses including surface parking lots, vacant lots, an aging multi-family structure, light commercial and public uses.

The goals of the TIF District are as follows:

- 1.) Address potential parking needs of the School District and other users in the area.
- 2.) Upgrade infrastructure where needed.
- 3.) Facilitate rehabilitation or redevelopment of HRA and privately owned properties.

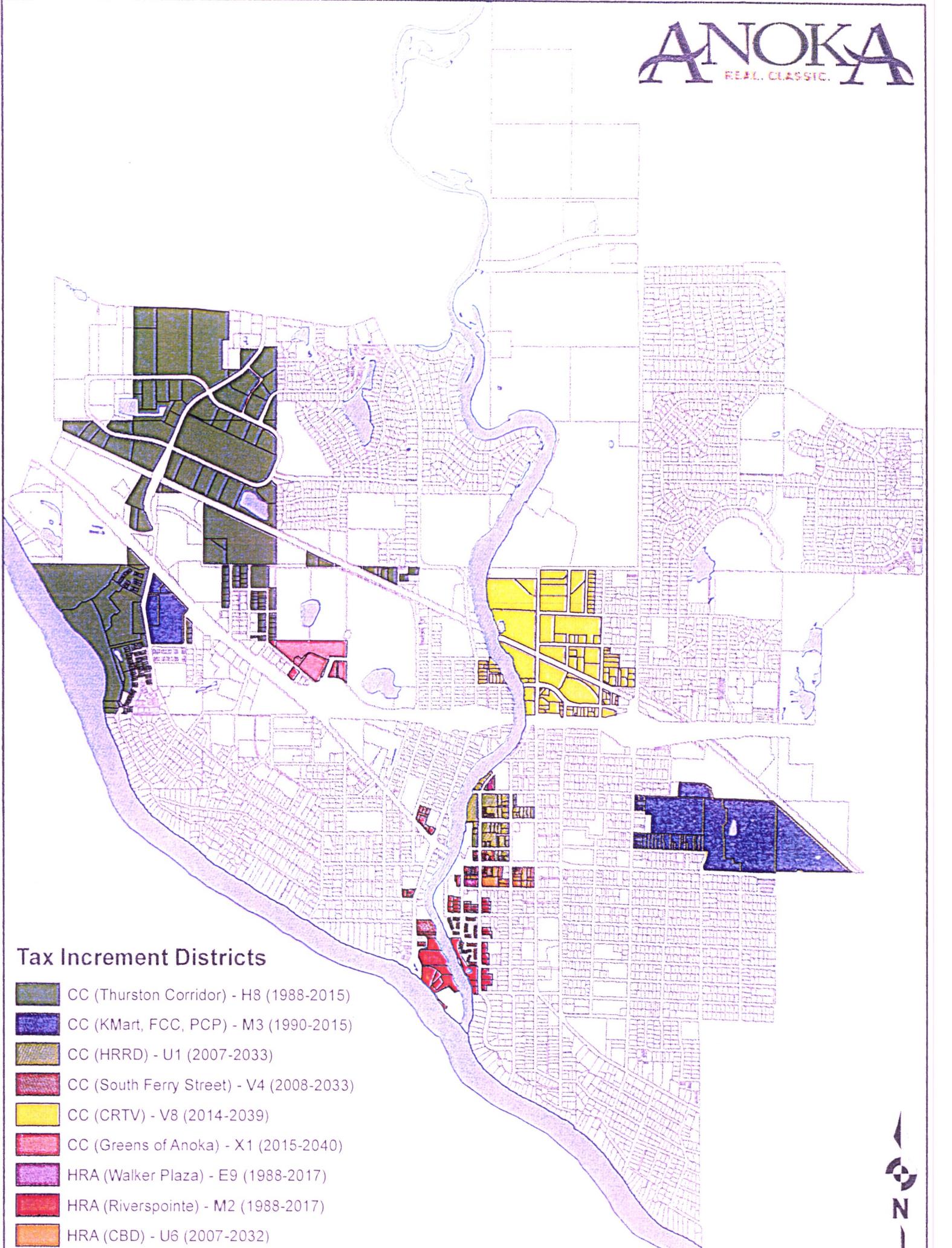
Activities may include property acquisition, building demolition, environmental assessment and cleanup, site preparation and construction of public improvements.

In order to include all the necessary parcels in the South Central Business TIF District, five (5) parcels (see attached map) from the Riverspointe TIF District had to be decertified and included in the new SCB TIF District.

Because this is the HRA's TIF District and Project Area, the HRA needs to initiate these actions but the Council is required to hold a public hearing on the matter. The attached HRA Resolution requests that the City Council call for a public hearing on the matter which is proposed for March 16<sup>th</sup>, 2015.

Staff has included additional information that may be beneficial for the Board.

**Action Requested: Approve Resolution Requesting that the City Council Call for a Public Hearing to Modify Redevelopment Project Plan for Redevelopment Project No. 1 and the Tax Increment Financing Plan for Tax Increment Financing District No. 2 AND the Establishment of the South Central Business TIF District Plan by motion, second and vote.**



**Tax Increment Districts**

-  CC (Thurston Corridor) - H8 (1988-2015)
-  CC (KMart, FCC, PCP) - M3 (1990-2015)
-  CC (HRRD) - U1 (2007-2033)
-  CC (South Ferry Street) - V4 (2008-2033)
-  CC (CRTV) - V8 (2014-2039)
-  CC (Greens of Anoka) - X1 (2015-2040)
-  HRA (Walker Plaza) - E9 (1988-2017)
-  HRA (Riverspointe) - M2 (1988-2017)
-  HRA (CBD) U6 (2007-2032)



# Parcels to be Decertified from Riverspointe TIF District





# Memo

**To:** Darin Berger – City of Anoka  
**From:** Jake DeBower – Ehlers  
**CC:** Shelly Eldridge – Ehlers  
**Date:** January 15, 2015  
**Subject:** TIF District Establishment

Thank you for the opportunity to assist in the establishment of a new TIF District. The following is needed for preparing the TIF Plan and other related documents:

1. Basic information regarding the TIF District:

- Project Description – *please be as detailed as possible*  
See Attached Project Description

- TIF District Authority (please confirm): HRA
- TIF District Administrator (Name and Title): Housing Manager
- Have building permits been issued for any parcels within the district?  
*If a permit has been issued in the 18 months preceding March 2015, please forward a copy of it to our office.* x Yes  No
- School District Number (please confirm): ISD 11
- Copies of any studies or reports or analyses to support City Council Findings for the TIF District.  
*These may include market studies, planning documents, TIF applications, or staff reports.*  
**LHB Redevelopment Finding report**

2. Confirmation of several dates pertaining to the TIF approval process:

- Planning Commission meeting day/time: Mar. 3
- City Council meeting days/time: Feb. 17 and Mar. 16
- Development start, not including infrastructure or demolition? (month/year): April 2015
- Newspaper name: Anoka County Union
  - Hearing notice email address: publicnotice@ecm-inc.com
  - Submission Due Date: Feb. 23
  - Date of Publication: Feb. 27

3. Development information, such as:

- Estimated uses of TIF – See Project Description
- Estimated value of the development upon completion - \$3 Million+
- But/For Analysis from Developer (if applicable)







City of Anoka  
Fiscal Impact Analysis of Proposed TIF District  
Fire Protection

1. Does the fire department track calls by type of property?

**Yes.**

2. How many new calls would be generated by the new development?

**This should be minimal. We don't respond to medical calls unless we are requested by the Police. The new building should have new detection and suppression systems installed when completed.**

3. Will the new development necessitate new capital investments in vehicles or facilities?

**No, however it will be important for us to ensure we keep the proper numbers of ladder companies and engine companies in our fleet.**

4. What is the fire departments total operating budget for 2015?

**\$1.237.808**

5. In your opinion, what will be the financial and non-financial impact of the new development?

**Positive tax revenue to the City. Updated buildings with today's fire code standards installed.**

6. Is it important to differentiate impacts by property types?

**Yes., for future planning the date could prove valuable.**

7. Are there public safety concerns from the existing development, which will be eliminated by the new development (non-sprinkled buildings, etc?)

**Not really. The majority of the area is mostly vacant lots with some single-family structures involved.**

City of Anoka  
Fiscal Impact Analysis of Proposed TIF District  
Infrastructure/Public Works

1. What are the estimated SAC/WAC fees from the new development?

**It is not possible to determine the commercial SAC/WAC fees until a determination is made. The development is anticipated to have approximately 70 new housing units. Current SAC/WAC fees per unit are \$5,585. This equates to approximately \$390,950 in SAC/WAC fees.**

2. Are there any sanitary sewer capital costs not paid by TIF associated with the new development? Are there any water capital costs not paid by TIF associated with the new development?

**Yes. Generally these will either be paid by the developer or out of the CIP.**

3. Are there new road improvements not paid by TIF necessitated by the new development?

**No, roads would be improved under the City's established road improvement plan.**

4. What are the estimated increased operating costs with the new development, including plowing, street maintenance, street sweeping, lighting, sidewalks, etc.?

**Generally there won't be a large increase in road linear footage. As such, there will not be increased costs for street maintenance.**

5. Are there any storm sewer capital costs not paid by TIF associated with the new development?

**No. The storm sewer is designed based on current development. Any new development would have to meet storm water requirements for runoff rate which means no introduction of new storm water to the system.**

6. Are there other infrastructure costs which should be considered in the analysis?

**There are currently two vacant lots located on Madison Street that do not have City Sewer & Water. In order to make those connections, the City or developer would need to put approximately \$200,000 into the adjacent infrastructure**

City of Anoka  
Fiscal Impact Analysis of Proposed TIF District  
Police Department

1. Does the police department track calls by type of property?

**No, APD tracks calls by the type of crime and location (property address) but not by type of property.**

2. How many new calls would be generated by the new development?

**Approximately 50 new calls for service after the entire proposed development gets completed.**

3. Will the new development necessitate new capital investment in vehicles or facilities?

**The Police Department has a newer facility (built in 2003) so no new investment would be needed in the area of buildings. The police department would not have to purchase anymore vehicles as a result of this development. I don't anticipate any new capital investment needed by the APD.**

4. What is the police department's total operating budget for 2015?

**Approximately \$4.1 million.**

5. In your opinion, what will be the financial and non-financial impact of the new development?

**The positive financial impact is that this development brings additional tax revenue to the City of Anoka by expanding our city's tax base (good news). The positive non-financial impact is that this is a wonderful new development that will bring new citizens and business to Anoka**

6. Is it important to differentiate impacts by property type?

**Yes, for planning and community development it is important. The Police Department's current records management system does not allow us to track police calls by property type.**

**Example: rental vs. owner occupied property.**

7. Are there public safety concerns from the existing development which will be eliminated by the new development?

**Yes, some improvements. The current development is old and has some crime issues. New development plans would likely push that problematic behavior out of that area of new development.**



**BY FAX AND BY REGULAR MAIL**

January 28, 2015

Commissioner Scott Schulte  
Anoka County Board of Commissioners  
Anoka County Government Center  
2100 3<sup>rd</sup> Ave  
Anoka, MN 55303

**Re: The Anoka Housing and Redevelopment Authority and the City of Anoka's proposed Modification to the Redevelopment Plan for Anoka Redevelopment Project Area No. 1 and the proposed establishment of the South Central Business Tax Increment Financing District.**

Dear Commissioner Schulte:

The Anoka Housing and Redevelopment Authority (the "HRA") and the City of Anoka (the "City") are considering a proposal to modify the Redevelopment Plan for Anoka Redevelopment Project Area No. 1 and to establish the South Central Business Tax Increment Financing District (the "TIF District"). The TIF District will be a redevelopment tax increment financing district. Tax increments collected from the TIF District will enable the HRA and City to facilitate redevelopment in the South Central Business District. The proposed location of the TIF District is within Anoka Redevelopment Redevelopment Project Area No. 1 and is indicated on the attached map.

The City Council has scheduled a public hearing on this matter pursuant to the Minnesota Tax Increment Financing Act ("Act"), Section 469.175, Subd. 2a, on March 16, 2015, at approximately 7:00 P.M. The Act requires that prior to the adoption of a tax increment financing plan for a housing or a redevelopment tax increment district, the HRA must notify the County Board member representing the affected area at least 30 days prior to publishing the notice of public hearing. Please note that a draft of the tax increment financing plan will be sent to the County Board and School Board by February 13, 2015.

We would like to solicit your comments and offer to meet with you at your convenience, if you so desire. In addition, we invite you to attend the public hearing on the establishment of the TIF District. Please direct any comments or questions that you may have to Darin Berger (City of Anoka) at 763-576-2724, or to me at 651-697-8504.

Sincerely,  
EHLERS & ASSOCIATES, INC.

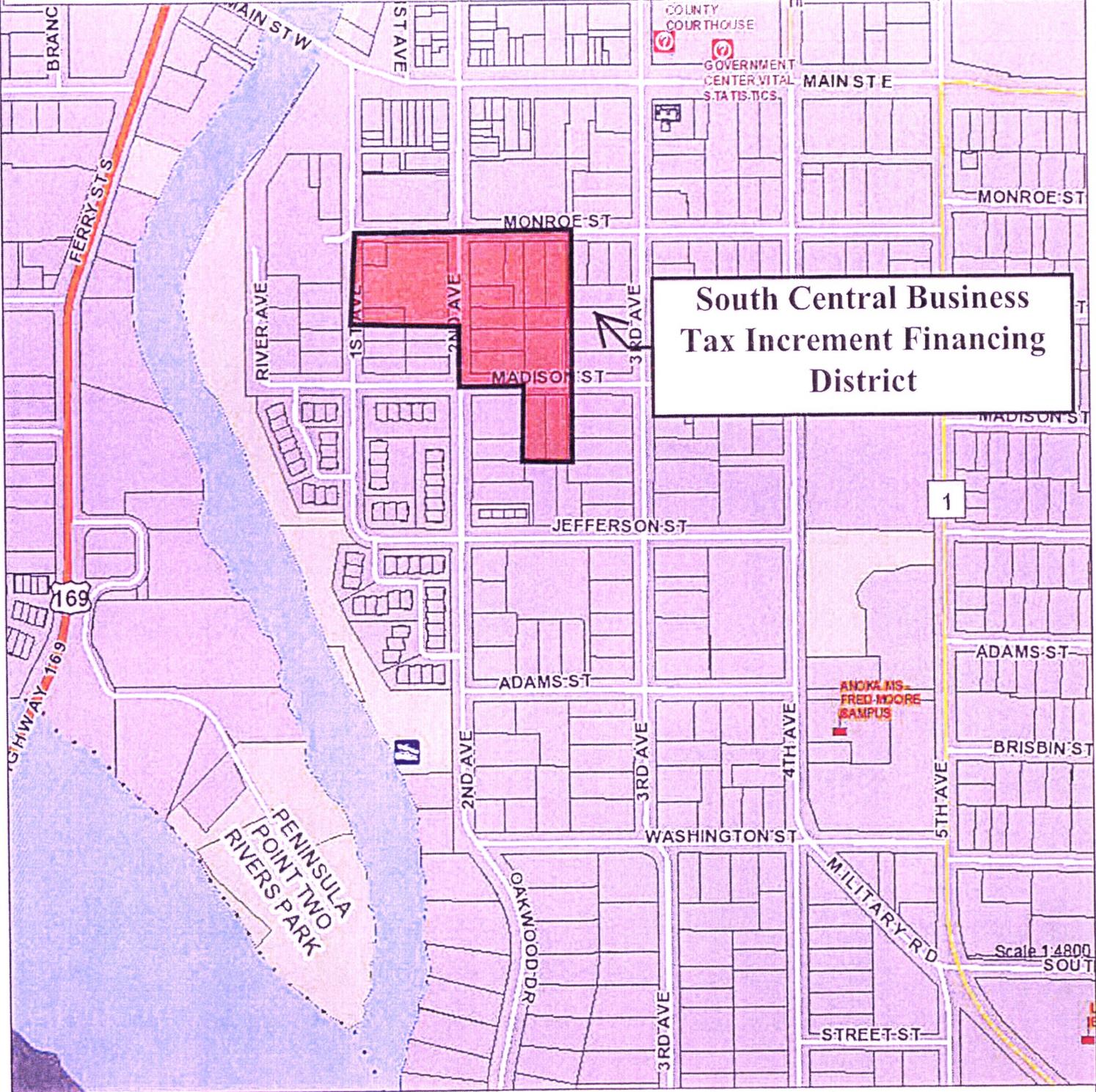
Shelly Eldridge  
Senior Financial Advisor

Acting for and on behalf of the City of Anoka, Minnesota  
Enc.

cc: Darin Berger, City of Anoka



South Central Business Tax Increment Financing District  
Anoka Redevelopment Project Area No. 1  
City of Anoka  
Anoka County, Minnesota



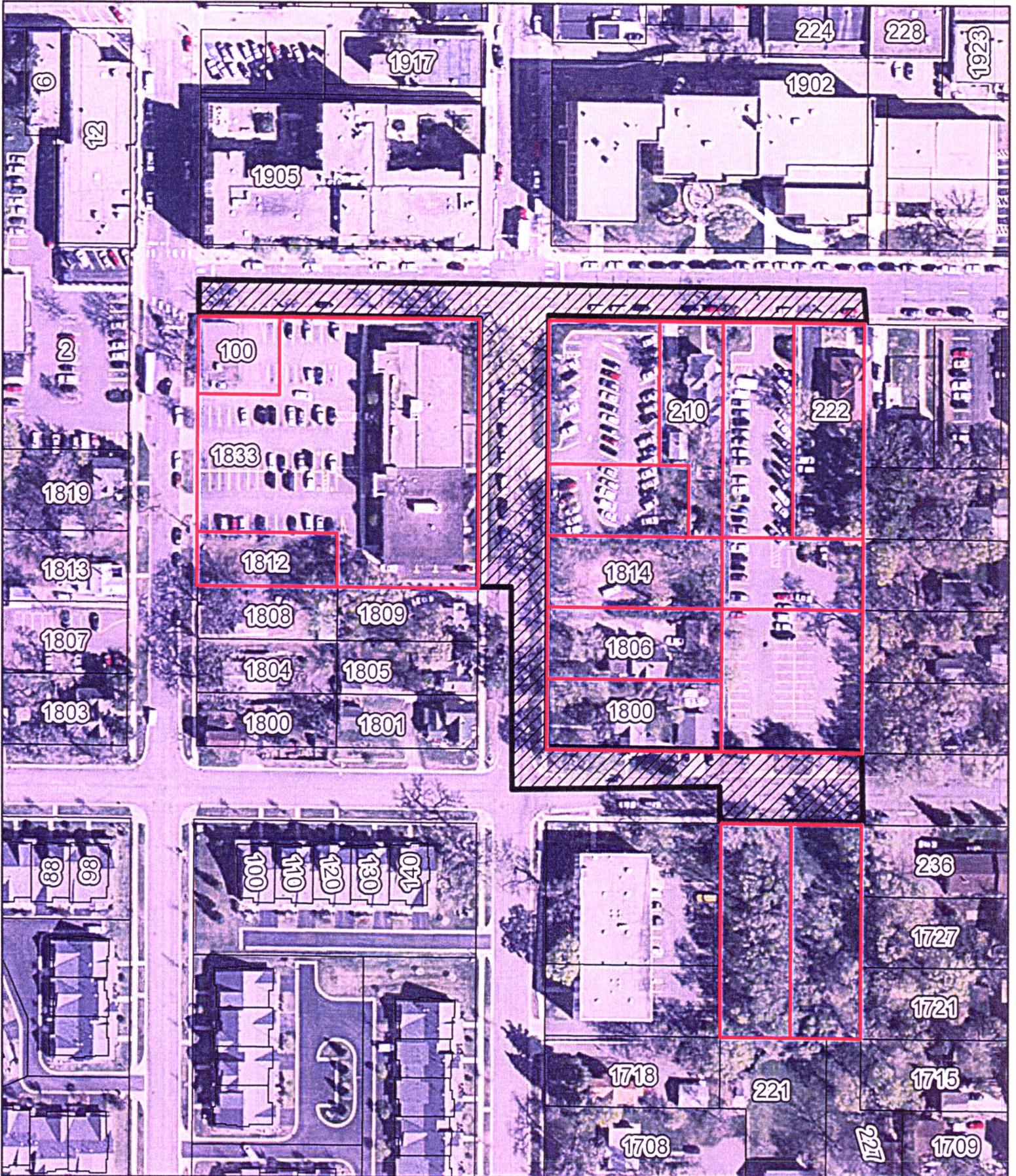
South Central Business  
Tax Increment Financing  
District

1

Scale 1:4800  
SOUTH



# Proposed SCBD TIF District



**ANOKA HOUSING AND REDEVELOPMENT AUTHORITY  
CITY OF ANOKA  
COUNTY OF ANOKA  
STATE OF MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION REQUESTING THAT THE CITY COUNCIL OF THE CITY OF ANOKA CALL FOR A PUBLIC HEARING ON A MODIFICATION TO THE REDEVELOPMENT PROJECT PLAN FOR ANOKA REDEVELOPMENT PROJECT NO. 1, A MODIFICATION TO THE TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 2 (COUNTY DISTRICT E9 & M2) THEREIN, AND THE ESTABLISHMENT OF THE SOUTH CENTRAL BUSINESS TAX INCREMENT FINANCING DISTRICT (A REDEVELOPMENT DISTRICT) THEREIN AND THE ADOPTION OF A TAX INCRMENT FINANACING PLAN THEREFOR.**

WHEREAS, the City Council (the "Council") of the City of Anoka, Minnesota (the "City") established Anoka Redevelopment Project No. 1 pursuant to Minnesota Statutes, Sections 469.174 through 469.1794, inclusive, as amended, in an effort to encourage the development and redevelopment of certain designated areas within the City; and

WHEREAS, the Anoka Housing and Redevelopment Authority (the "HRA") is proposing a Modification to the Redevelopment Project Plan for Anoka Redevelopment Project No. 1, a Modification to the Tax Increment Financing Plan for Tax Increment Financing District no. 2 (County District E9 and M2) therein, and the establishment of the South Central Business Tax Increment Financing District therein and the adoption of a Tax Increment Financing Plan therefor, all pursuant to, and in accordance with, Minnesota Statutes, Sections 469.174 through 469.1794 and Sections 469.001 to 469.047, inclusive, as amended;

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners (the "Board") of the HRA as follows:

1. The HRA hereby requests that the Council call for a public hearing on March 16, 2015, to consider the proposed adoption of a Modification to the Redevelopment Project Plan for Anoka Redevelopment Project No. 1 (the "Project Plan Modification"), the proposed adoption of a Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 2 (County District E9 & M2) (the "TIF Plan Modification") for the purpose of removing five parcels, and the proposed adoption of the Tax Increment Financing Plan (the "TIF Plan") for the South Central Business Tax Increment Financing District, a redevelopment district, (the Project Plan Modification, the TIF Plan Modification and the TIF Plan are referred to collectively herein as the "Plans") and cause notice of said public hearing to be given as required by law.
2. The HRA directs the Housing Manager to transmit copies of the Plans to the Planning Commission of the City and requests the Planning Commission's written opinion indicating whether the proposed Plans are in accordance with the Comprehensive Plan of the City, prior to the date of the public hearing.
3. The Housing Manager of the HRA is hereby directed to submit a copy of the Plans to the Council for its approval.

4. The HRA directs the Housing Manager to transmit the Plans to the county and the school district in which the South Central Business Tax Increment Financing District is located not later than February 27, 2015.
5. Staff and consultants are authorized and directed to take all steps necessary to prepare the Plans and related documents and to undertake other actions necessary to bring the Plans before the Council.

Approved by the Board on February 9, 2015.

ATTEST:

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Chair

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Secretary

# **AGENDA ITEM VII. B.**

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# Memo

**To:** HRA Board Members  
**From:** Darin Berger, Housing Manager  
**Date:** February 9<sup>th</sup>, 2015  
**Re:** Approval of 2014 Accomplishments

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Attached are the HRA's 2014 Accomplishments, as discussed at our January 12<sup>th</sup>, 2015 work session. Staff would like to Board to adopt the final version of the accomplishments for the City Council to include in their prioritization process for 2015-2016.

**Action Requested: Staff recommends the Board adopt the 2014 Accomplishments by motion, second and vote.**

## City of Anoka Housing and Redevelopment Authority

### 2014 Accomplishments

- Demolished and prepared site for redevelopment at 1833 2<sup>nd</sup> Avenue and 100 Monroe Street
- Successfully found a buyer to relocate the historic home at 210 Monroe Street, making way for potential redevelopment
- Adopted criteria for expending HRA funds over the next five years.
- Made \$100,000 commercial loan commitment to It's About Sleep for renovation of 633 Main Street East
- Acquired property at 1800 2<sup>nd</sup> Avenue and 117 Benton Street to allow for potential future redevelopment in the South Central Business District and on the corner of Benton and Ferry Street.



2015 1st Avenue North  
Anoka, MN 55303  
(763) 576-2743

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# Memo

**To:** HRA Board Members  
**From:** Darin Berger, Housing Manager  
**Date:** February 9<sup>th</sup>, 2015  
**Re:** Approval of 2015 Goals

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Attached are the HRA's 2015 Goals, as discussed at our January 12<sup>th</sup>, 2015 work session. Staff would like to Board to adopt the final version of the goals for the City Council to include in their prioritization process for 2015-2016.

**Action Requested: Staff recommends the Board adopt the 2015 Goals by motion, second and vote.**

# City of Anoka Housing and Redevelopment Authority

## 2015 Goals

- Formulate and implement strategic plan for South Central Business District.
  - Find buyer/end user for Riverway Clinic Site
  - Acquire additional properties for potential redevelopment
  - Continue to work with the Planning Commission to redevelop sites and carry out the vision of the SCBD Strategic Plan Committee in accordance with the Housing and Redevelopment Authority's vision.
- Continue to acquire properties citywide through the Scattered Site Replacement Program as they become available.
- Promote the maintenance and renovation of commercial buildings, including 2<sup>nd</sup> story dwellings in the downtown, for the expansion of the tax base and quality jobs
- Establish TIF District in the South Central Business District
- Continue ongoing efforts to monitor development opportunities in the South Ferry Corridor