

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING

MONDAY, MAY 6, 2024 - 8150 BARBARA AVE

The Economic Development Authority (EDA) of Inver Grove Heights met in Special Session May 6, 2024, in the Council Chambers at City Hall. President Gliva called the meeting to order at 5:00 p.m. The Pledge of Allegiance was said.

Present were Economic Development Authority Members Gliva, Scales, Dietrich, Murphy, and T'Kach, City Administrator Wilson, Deputy City Clerk Malott, and City Attorney Nason.

3. CONSENT AGENDA

A. Approval of Minutes of the April 1, 2024, Economic Development Authority Meeting.

Motion by Scales; Second by Murphy; to approve consent agenda item.

Motion approved 5-0.

4. REGULAR AGENDA

A. Review & Discussion of City & EDA Owned Land (*continued from April 1, 2024 meeting*)

Administrator Wilson presented this item.

Factors to consider:

- How did the City/EDA acquire the land? Does it carry restrictions on future use? Payback requirements if sold?
- Is the land guided and zoned as EDA/Council would like to see it used?
- Is the necessary infrastructure in place to serve the land? (water, sewer, streets, ect.)
- Are there any pending or future developments of surrounding land that would factor into when would be the optimal time to sell?
- Is "the juice worth the squeeze?"

Recommendation: Hold for Future Sale

- 8195 Babcock Trail
 - 4.27 acres / zoned Industrial Office Park (IOP)
- SE Quadrant of Highway 494 & Highway 52 - 2 lots totaling 0.79 acres
 - 0.79 acres in two lots / zoned Regional Commercial

Recommendation: ??

- "Pinkville"
 - Approximately 170 lots on 80 acres, but no street frontage, water or sewer service
 - City owns approximately 1/3 of the lots
- Carleda Way
 - 3 residential lots in established neighborhood
 - Neighboring residents strongly object to any sale

Recommendation: Resolve Issues & Prepare for Sale

- Land adjacent to Inver Wood Golf Course
 - Officially “sold” to the EDA several years ago - not recorded
 - Land in the Northwest quadrant of 70th Street & Babcock Trail (4.19 acres)
 - Parcel west of golf course parking lot, and south of 70th Street (4.93 acres)
 - Consider reversing “sale” of parcel west of parking lot (and forgiving EDA’s outstanding debt to the Host Community Fund)
 - Finalize split of land north of 70th Street, determine guiding and zoning.
 - Prepare for infrastructure extension - possibly with the upcoming Dakota County road project on 70th Street.

EDA/Council Direction Needed

- Land east of Highway 52 and west of Blaine Avenue; south of Upper 55th Street and north of 65th Street.
 - Approximately 20 acres
 - Guided and zoned “Office”
 - Would need to be split from McGroarty Park land on west side of Highway 52
 - Protect public access to trail / tunnel under Highway 52 easement?
- Land along Dickman Trail
- Land west of Concord Boulevard, between 66th Street & 68th Street
- Land on west side of Doffing Avenue

Administrator Wilson stated that there have been inquiries about the land between Highway 52 and Blaine Avenue but none of the inquiries have been for office or commercial uses.

Commissioner Dietrich questioned if any of the properties on the list were purchased with DEED funds. Administrator Wilson stated that some of the land on Dickman Trail may have been, but it is unknown how many of these parcels were purchased with DEED funds. Staff can research deeper but would like direction on which parcels to research.

Commissioner Dietrich inquired as to what the public is advised when calling and asking for information about these parcels. Administrator Wilson stated the response to inquiries would be that there has not yet been a decision regarding their intended use.

President Gliva questioned if there were any restrictions for sale of parcels purchased with DEED funds. Administrator Wilson stated that it would depend on the way the City acquired a specific parcel. There are some grants from the State that would not permit a sale.

Commissioner T’Kach questioned if the inquiries for the parcel east of Highway 52 were for the use of offices. Administrator Wilson stated that the recent inquiries into these parcels was for housing development.

Commissioner Scales questioned if it’s been considered to bundle the properties in “Pinkville” and sell them to one of the other major property owners in that area. The City has had the lots for decades and no one can develop anything due to the separation of the properties and if the other property owners aren’t interested in purchasing, they could be

willing to sell their lots to the City. Scales liked the idea of selling the Carleda Way parcels for potential development of single-family homes. The Blaine Avenue area is difficult because there is a MnDOT property tying up a lot of land but it's possible they would work with the City on the right type of development such as high-density residential. The neighbors in the area would prefer an office use as opposed to a high-density development.

Administrator Wilson said the City has two parcels and MnDOT owns the most southern parcel. In the past, MnDOT has said they would sell their parcel to the City for a public purpose but the City hasn't pursued it because there is no need at this time. There have been different messages from different staff at MnDOT regarding what they would want to see developed there. If Council has an interest in that land being sold for private ownership, the first step would be to complete legal processes such as platting or an administrative subdivision to separate the portion of the parcels on the east side of Highway 52 from those on the west side, before there is a parcel that could be marketed for sale.

Commissioner Scales stated that is the last prime real estate along the freeway that is undeveloped and would be interested in working with the State and determining their plan and the best use for this area.

Commissioner Murphy stated that he agreed with all of staff's recommendations for what parcels to sell and what to hold on to in the last meeting and it would be good to sell some of the parcels and recoup taxpayers' money.

Commissioner T'Kach inquired about the value of the "Pinkville" parcels. She also noted that there have been comments about the visual impact when driving into Inver Grove Heights and inquired if there was anything that would enhance the view when entering the city. Administrator Wilson stated that they do not have the value of the parcels in "Pinkville. The visual aspect is subjective and staff would look to Council to guide and zone the area before putting it up for sale. The City has previously been approached by a majority property owner in "Pinkville" that was interested in purchasing the City's parcels. At that time the property owner was advised to continue to purchase land in the area from other owners and then come back to the City.

Commissioner Scales stated that it's time for the City to sell the parcels in "Pinkville" and allow another property owner in that area the chance to consolidate the parcels for possible development.

Commissioner T'Kach agreed with selling Carleda Way since there are utilities in the area the three lots would have the ability to connect to them. T'Kach inquired if there was a way to allow the current neighbors in the area to purchase the lots as opposed to putting them on the open market. Administrator Wilson stated that there are many ways to sell the land and referred to Attorney Nason.

Attorney Nason stated that the Council could offer to sell to a certain subset of people first. As the property owners, the EDA is not constrained on how to structure the sale.

Commissioner Scales stated that the land will eventually be developed and that there is no way to guarantee it would remain open space.

Commissioner T'Kach stated that she does see it being developed as well but it may give neighbors the chance to purchase the land abutting their property and possibly have it attached to their current property or develop at a later date.

President Gliva stated that by providing the neighbors the option to purchase the property first would allow them the opportunity to have a say in what is developed in their neighborhood.

Administrator Wilson stated that there is a requirement that the Planning Commission review any parcels that will be placed for sale. Attorney Nason stated that the Planning Commission would review and determine whether the sale is consistent with the Comprehensive Plan unless the Council waives that requirement. There has to be a public hearing held when parcels owned by the EDA are placed for sale but it could still be offered to a certain group of people.

Commissioner T'Kach questioned if the Dakota County CDA was considering acquiring more land and if they would consider purchasing the land between Concord Boulevard between 66th Street and 68th Street. Administrator Wilson stated that the Executive Director of the Dakota County CDA is aware of the property and there may be interest in that parcel. There are two homesteads on the block that are privately owned but the CDA commonly works with private property owners when they are ready to sell. A single-family development would be difficult with driveway placements on Concord. The topography of the land could be difficult in areas.

President Gliva questioned what the parcel was currently zoned. Commissioner T'Kach stated that it was zoned mixed-use and light industrial.

Commissioner Dietrich stated that some of the areas have already been graded and excavated at the City's expense and they should consider a plan with a citizen's task force prior to selling the parcels. Administrator Wilson stated that the CDA has requested time with Council and will attend the June work session and Council could provide feedback for CDA owned parcels in the area.

President Gliva stated that with the location it would be ideal to work with the CDA in this area and if it could be discussed in the June meeting with the CDA. Administrator Wilson said it is something that could be discussed.

Commissioner T'Kach questioned if there were any additional parcels around Dickman Trail that either the City or CDA owns. Administrator Wilson said the CDA does not own any land between Concord Boulevard and the river and there has been no communication from the private owners that they are interested in selling. The ten acres along Dickman Trail is guided and zoned for light industrial use and could be sold for light industrial use quickly. There is a challenge however because there is not water services throughout the property and the value can be impacted by that. There is metropolitan sewer in the area but it needs to be verified if they will allow a sewer connection directly into their pipe. The question for the EDA is if they would consider selling this parcel separate from the other parcels to the north.

The Commissioners agreed with moving towards putting the ten acre parcel along Dickman Trail for sale.

Commissioner T'Kach questioned how many acres were in the light industrial area off Courthouse Boulevard. Administrator Wilson estimated 33 acres.

Administrator Wilson inquired about guidance for the parcel north of the golf course. Commissioner T'Kach questioned if the parcel could be rezoned. Administrator Wilson stated that that parcel would need to be rezoned, as it is currently zoned for a park. The Commission agreed to take the first steps towards preparing the parcel to sell.

Administrator Wilson inquired about guidance for the two parcels in the MnDOT area. Staff can start working on separating the parcels and get more specific directions from MnDOT.

Commissioner T'Kach questioned if there was any interest in a corporate campus. Administrator Wilson stated that there have been no recent inquiries for an office development.

Commissioner Scales stated that knowing their options and what the State wants to do with the area will give them an idea of what should be done with the area.

President Gliva suggested that dividing the parcels is what should be done.

Commissioner T'Kach stated that they should start by separating the parcels and possibly looking at doing a small area plan including the ten acres zoned light industrial. Administrator Wilson stated that the ten acre area on Dickman is a relatively hidden area and development there should have minimal feedback from the public. Staff would recommend public outreach and input for the areas where the parcels are to be divided and the area where the CDA owns property.

Administrator Wilson stated that staff will proceed to separate the land from the golf course and separate the land on the east side of Highway 52 from McGroarty Park on the west side. They will move ahead with preparing the land off of Dickman Trail for sale. For the land in the area of the CDA owned property they will look to assemble a citizen's taskforce to examine the area.

Commissioner Murphy stated that a citizen's taskforce can wait until they are further in the process. Administrator Wilson said the CDA will be at the next meeting and more discussion can be had then.

5. NEXT MEETING

The next regularly scheduled meeting is Monday, June 3, 2024, at 5:00 p.m.

6. ADJOURN

Motion by Dietrich; Second by T'Kach; all in favor to adjourn.

The meeting was adjourned by unanimous vote at 5:55 p.m.

Minutes prepared by Recording Secretary Sara Lyons.

