

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING
MONDAY, JUNE 3, 2024 - 8150 BARBARA AVE**

The Economic Development Authority (EDA) of Inver Grove Heights met in Regular Session June 3, 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, and T’Kach, City Administrator Wilson, Deputy City Clerk Malott, and City Attorney Nason.

Absent was Economic Development Authority Member Murphy.

3. CONSENT AGENDA

- A.** Minutes of the May 6, 2024, Economic Development Authority Special Meeting
- B.** Approval of Claims

**Motion by Scales; Second by Dietrich; to approve consent agenda items.
Motion approved 4-0.**

4. REGULAR AGENDA

- A.** Next Steps for Publicly Owned Land Near Concord Blvd.

City Administrator Wilson presented this item.

There are three areas of land that were discussed. The first is made up of seven parcels. It is bordered by 68th Street to the south, Concord Boulevard to the east and almost reaches 66th Street to the north. Either the City or the EDA own all seven parcels. The seven parcels are either zoned Agricultural, Low-Density Residential or General Business. There are two private residences and Turitto’s Restaurant also on the block. The Comprehensive Plan has this area guided for Mixed-Use Residential which would be 12-units per acre or more. The EDA previously discussed selling this property and the question is what purpose the land should be used for. There could also be a possible partnership with the CDA and staff would like to know if the EDA would like them to contact the remaining property owners on the block and see if they are willing to sell their property.

The second area is kiddie-corner from the first area discussed. Heritage Village Park borders to the north, Concord Boulevard to the west and the Mississippi River to the east. The property is owned by Republic Services. The City currently has the first right of refusal to purchase the land. A challenge has been what they are willing to purchase it for based on what they could potentially sell it for to be developed. Parallel to the property are railroad tracks and there are aerial power lines over the block with an easement below restricting the height for new development. A portion of the east side falls within the flood plain. The area is currently zoned for Light Industrial. Republic Service had used the property as their hauling site and is currently being leased to another company adjacent to the solid waste industry. It is guided as Park in the Comprehensive Plan, but the Master Plan for Heritage Village Park has all the intended uses being north of the property.

Administrator Wilson introduced Executive Director of the Dakota County Community Development Agency Tony Schertler to provide an overview of their properties in the area and possible future plans.

Mr. Schertler stated that the Concord Boulevard area is a great opportunity for redevelopment. The CDA has port authority powers, EDA powers and financial capacity. They finance both private and non-profit affordable housing developments. They also acquire sites and clean them up. The Valley Ridge property in Burnsville is a recent project where the CDA purchased an old shopping center that had significant contamination and tore down the building and cleaned up the property. They built affordable senior housing in conjunction with Presbyterian Homes and sold the remainder of the property for commercial and market rate housing. The Concord Boulevard site has land-use issues, and the goal is to remove barriers for private investment. The CDA does pay property taxes of approximately \$45 per unit.

The County board does infrastructure and the CDA provides funding to purchase vacant and boarded up housing. They also purchase housing themselves for future development. The last time they were discussing their property in the Concord Boulevard area with the EDA, there were three parcels that were privately owned which have now been purchased by the CDA. Owning the entire property allows them to vacate the alley without having to negotiate with neighbors. The CDA could develop the property or they could sell it to another developer. They have multiple development options if the EDA would like the CDA to develop the land. They have workforce family housing, affordable senior housing and veteran's housing among other options.

The CDA is requesting guidance from the EDA for moving forward. The property they have in the area could be available for economic activity and would like to look at the Concord Boulevard area as a whole and what the City's vision is. There is not a rush but can move quickly once land use is decided.

Administrator Wilson stated that the land the CDA owns is currently zoned Low-Density Residential, but the Comprehensive Plan has a portion zoned Mixed-Use and another portion Single-Family Residential. The EDA could amend the Comprehensive Plan and decide on what type of development they would like in the area.

President Gliva questioned if it would be possible to get guidance from a developer since it is a large area that includes different parcels.

Administrator Wilson stated that they have a proposal from the City's financial advisor's Ehler's to do a develop ability assessment for a parcel. The proposal in the packet is for the parcels owned by Republic Services. Ehler's would charge an hourly rate and the project would be approximately \$5,000 - \$10,000. Ehler's would reach out to developers, analyze the land and zoning and provide their opinion on what could be supported in the community. Partnering with the CDA the report could be expanded to review other parcels in combination with the Republic Service property. There was a study of the area done a little over ten years ago but it is not clear if the intentions of the study were based on what they would like to see in the future or based on if they were to sell the land in the near future. The

EDA has professional services money in the budget that are not committed and would cover the funds.

Mr. Schertler stated that the CDA could contribute funds as well if it was decided to include CDA owned property in the study. The CDA is flexible in what the possibilities are with the land. The property can be made available for the City to sell or develop how the City would like for the area. A significant part of the problem could be possible contamination at the Republic Services property and the County has funds that could contribute to the clean-up.

Administrator Wilson stated that it had been discussed about forming a citizen's taskforce to examine the area, but staff recommends completing the study and then receive feedback from citizens. Completing the study would give the information of what is viable in the area before presenting it to residents.

Board member T'Kach inquired if there was any long-term guidance for the area on the east side of Concord Boulevard across from the CDA owned property.

Mr. Schertler stated that there are no current ideas of what the future is for that area but agrees that the study of the area is the first step to determining future land use.

Board member Scales stated that he would like the study to include the expanded areas to help them determine what the community needs in the area. Would prefer the study to be done prior to a citizen's taskforce being formed to provide citizens' options of what the city would want for the area.

Board member T'Kach questioned if the report would return multiple examples of potential development, what part housing part commercial would look like or all housing.

Administrator Wilson stated that the expectation is that Ehler's will advise what the market would naturally produce. It could be multiple types of development depending on what they hear from developers. The primary purpose is to find out what the market will lean towards as opposed to reporting what the city wants in the area.

Board member Scales stated that he wants the study to say what belongs there and they can adjust it as needed.

Board member Dietrich inquired if Ehler's would use the current Comprehensive Plan guiding of the properties in their study.

Administrator Wilson stated that they would follow the lead of the EDA. Staff would provide general City Council priorities. It is currently guided for Park and if that is the direction the EDA would like to proceed the study from Ehler's is unnecessary.

Board member Dietrich stated that she would like to see the study expanded to include the CDA property and a cost share with Dakota County.

President Gliva questioned if the study would look at the three areas in total or look at them individually. Would prefer it to be looked at as a whole.

Administrator Wilson stated that the current proposal is specific for the one parcel owned by Republic Services. Expanding the area to include three areas will expand the cost but the goal is to look at all three sites.

Mr. Schertler stated that the CDA would be willing to contribute to the cost of the Ehler's report if it's decided to include all three areas. Would like to work with the city to determine the best use for the land in the area.

Board member T'Kach stated that the community also needs something that creates family sustaining jobs and would like the report to include those opportunities as well.

Mr. Schertler stated that the CDA isn't just affordable housing. Some projects have included storage facilities and medical offices. The light industrial zoning is able to be adjacent with other zoning. Park could also be complimentary to private investment.

President Gliva inquired on what a timeline would look like.

Administrator Wilson stated that the report should be completed in three to four months. The funds are available in the budget and staff will proceed.

Board member T'Kach questioned if Lee Krueger, who has been working on the retail and commercial in the area had any input.

Administrator Wilson stated that staff had not consulted with him about the area because the contract with him is specifically for retail, restaurant and consumer services. He has provided advice for other areas of the city.

President Gliva stated that there is room for improvement in the Concord Boulevard area and looks forward to the partnership.

5. NEXT MEETING

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

6. ADJOURN

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

The meeting was adjourned by unanimous vote at 5:44 p.m.

Minutes prepared by Recording Secretary Sara Lyons.