



## Roseville Economic Development Authority (REDA)

### Agenda

Monday, July 14, 2025

6:00 PM

City Council Chambers

*(Any times listed are approximate – please note that items may be earlier or later than listed on the agenda)*

- 6:00 p.m.    **1. Roll Call**  
Voting and Seating Order: Schroeder, Groff, Bauer, Strahan, and Roe
- 6:02 p.m.    **2. Pledge of Allegiance**
- 6:03 p.m.    **3. Approve Agenda**
- 6:04 p.m.    **4. Public Comment**
- 5. Business Items**
- 6:05 p.m.    a. Consider a resolution of support for Oyate Ota Center's Livable Communities Account grant applications to the Metropolitan Council for acquisition and reuse of the church located at 965 Larpenteur Avenue.
- 6:15 p.m.    b. Consider resolutions supporting Hyde Development's request for public finance assistance and support of environmental grant applications for redevelopment of four parcels located at 1495 Twin Lakes Parkway, known as the PIK Terminal site.
- c. Discussion regarding the budget and preliminary levy collectible in 2026
- 6:45 p.m.    **6. Adjourn to City Council**

  
**REQUEST FOR COUNCIL ACTION**

Date: 7/14/2025

Item No.: 5.a.

Department Approval

*Janice Gundlach*

City Manager Approval

*Samuel Truog*

**Item Description:** Consider a resolution of support for Oyate Ota Center's Livable Communities Account grant applications to the Metropolitan Council for acquisition and reuse of the church located at 965 Larpenteur Avenue.

**Background**

Oyate Ota Center is a collaboration between three American Indian non-profits: American Indian Family Center, Interfaith Action of Greater Saint Paul Department of Indian Work, and the Montessori American Indian Childcare Center. Between the three organizations, they provide a broad spectrum of services, from housing support, job/career training, and economic mobility assistance to health and family assistance for pre-natal through elder-focused support to the community. The services provided are available for anyone who needs them, including those who don't necessarily identify as American Indian. Montessori American Indian Childcare Center has been renting space from New Life Presbyterian Church at 965 Larpenteur Avenue West. New Life Presbyterian Church has indicated they will be consolidating with another church in St. Paul and will no longer need this location. In order to modify and rehabilitate the existing building, the organizations are seeking the support of the Roseville Economic Development Authority (REDA) to apply for Livable Communities Grants (LCA). The two grant programs the organizations intend to apply for are Pre-Development LCA and Livable Communities Demonstration Account (LCDA). These programs require resolutions of support from the local authority given grant funds are administered through the City.

Staff has reviewed the proposed use of the building and have determined that it complies with the underlying Institutional Zoning District standards.

Kate Lamers from Element Commercial Real Estate and Nathan Ratner of Interfaith Action of Greater Saint Paul Department of Indian Work will be available to answer questions about their project and/or need for grant funds.

**Policy Objectives**

The REDA's role is to coordinate and administer housing, economic development, and redevelopment efforts for the city.

**Equity Impact Summary**

Evaluation of equity impacts was not specifically evaluated for this request. However, Oyate Ota Center will provide services to anyone who needs them, so support of their applications for grant funds will not negatively impact equity.

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**Budget Implications**

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None. If grant funds are received, the developer will be responsible for paying all third-party fees incurred for the administration of funds.

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**Staff Recommendations**

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Adopt a resolution supporting the applications for LCA grant funds.

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**Requested Council Action**

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By motion, adopt a resolution supporting the applications for LCA grant funds.

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**Prepared by:** Jeanne Kelsey, Housing and Economic Development Program Manager

**Attachments:** 1. Resolution

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**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 14<sup>th</sup> day of July, 2025, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No. XX**

**RESOLUTION IDENTIFYING THE NEED FOR LIVABLE COMMUNITIES ACT and  
LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT FUNDING AND  
AUTHORIZING APPLICATION FOR GRANT FUNDS TO ASSIST OYATE OTA  
CENTER TO REDEVELOP 965 LARPEN TEUR AVENUE WEST**

WHEREAS the Roseville Economic Development Authority (the “Authority”) is eligible to apply for Livable Communities Act (LCA) and Livable Communities Demonstration Account funds (the “LCDA Funds”) on behalf of cities participating in the Livable Communities Act’s Housing Incentives Program for 2025 as determined by the Metropolitan Council; and

WHEREAS only a limited amount of LCDA grant funding is available during each funding cycle, and the Metropolitan Council has determined that it is appropriate to allocate such funds only to eligible projects where the funds assist innovative development criteria that meet LCDA priorities; and

WHEREAS the Authority has identified a proposed project consisting of the redevelopment of the New Life Presbyterian Church at 965 Larpenteur Avenue West for the Oyate Ota Center (a collaborative between three American Indian non-profits: American Indian Family Center, Interfaith Action of Greater Saint Paul Department of Indian Work, and the Montessori American Indian Childcare Center) to provide a broad spectrum of services from housing support, job/career training, and economic mobility assistance to health and family assistance for pre-natal through elder-focused support to the community (the “Project”) within the City of Roseville (the “City”) that meets the purposes and criteria of the LCDA Funds and is consistent with and promotes the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council’s adopted metropolitan development guide; and

WHEREAS the Authority has the institutional, managerial and financial capability to ensure adequate administration of the Project; and

WHEREAS the Authority will comply with all applicable laws and regulations as stated

48 in the grant agreement governing the LCDA Funds; and

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50 WHEREAS the Authority agrees to act as legal sponsor for the Project described in the  
51 LCDA Funds grant application; and

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53 WHEREAS the Authority acknowledges that grants funded through LCDA Funds are  
54 intended to fund projects or project components that can serve as models, examples or prototypes  
55 for development or redevelopment projects elsewhere in the region and therefore represents that  
56 the Project or key components of the Project can be replicated in other metropolitan-area  
57 communities.

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59 NOW THEREFORE BE IT RESOLVED THAT the Roseville Economic Development  
60 Authority authorizes and directs its Executive Director to submit an application for Metropolitan  
61 Council LCDA Funds for the components of the Project identified in said application, and to  
62 execute such agreements as may be necessary to implement the Project on behalf of the City,  
63 where the Project is located.

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65 Adopted by the Board of the Authority this 14<sup>th</sup> day of July, 2025.

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I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and specially held meeting thereof on July 14, 2025.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 14<sup>th</sup> day of July, 2025

\_\_\_\_\_  
Executive Director, Patrick Trudgeon  
Roseville Economic Development Authority

**ROSEVILLE**  
**REQUEST FOR COUNCIL ACTION**

Date: 7/14/2025  
Item No.: 5.b.

Department Approval

*Janice Gundlach*

City Manager Approval

*Sam J. Truog*

**Item Description:** Consider resolutions supporting Hyde Development's request for public finance assistance and support of environmental grant applications for redevelopment of four parcels located at 1495 Twin Lakes Parkway, known as the PIK Terminal site.

**Background**

The PIK Terminal site, located generally at the northeast corner of Mount Ridge Road and Twin Lakes Parkway, is the last remaining site in the Twin Lakes I redevelopment area that has yet to be redeveloped. While it's currently vacant, remnant foundations from the former truck terminal remain. The site has been a nuisance, attracting various dumpings, as well as being a location where the homeless have found refuge. The four parcels that encompass the entirety of the redevelopment area have been assigned an address of 1495 Twin Lakes Parkway. All four parcels are located in existing Hazardous Substance Subdistrict (HSS) Tax Increment Financing (TIF) district #17A and Redevelopment TIF district #17 (see map in Attachment 1), which were established in 2005. The HSS TIF #17A received special legislation in 2019 to be able to use 100% of the funds it generates to assist with environmental clean-up in the district. Special legislation was required because redevelopment did not commence within the statutorily-required four years once the district started generating increment. Only 25% of the increment generated from TIF #17 is eligible to be used for redevelopment activities, known as "pooling", due to the delay in redevelopment activities at this site.

Ryan Companies previously had the site under contract and was marketing it for build-to-suit with no success in finding a user. Prior to Ryan Companies, the trustee of the estate had several housing developers that had come forward, such as McGough, Shafer Richardson and Roers Companies, however none of those proposals advanced for a variety of reasons. The trustee hired a broker this spring to solicit proposals, which garnered four offers. Those proposals were shared with City staff to determine zoning compliance and whether financial assumptions with regard to future requests for public finance assistance were reasonable. Based on those proposals, which ranged from high-density housing to heavy industrial uses, City staff felt the proposal by Hyde Development could most easily comply with zoning and have the best likelihood of securing support from the REDA for public finance assistance. Hyde Development also has a reputation for successfully redeveloping heavily contaminated sites.

Hyde Development, LLC was chosen by the trustee and has entered into a purchase agreement for redeveloping the site. They are proposing to build an approximate 152,000 SF multi-tenant, high-tech industrial flex building (see concept plans in Attachment 2). At this time, total development costs (TDC) are estimated at approximately \$31.5 million. The project is expected to commence

34 construction in the spring of 2026. Based on other brownfield projects Hyde has completed, they are  
35 confident they can attract businesses that will lease the space and bring 200+ jobs to the area. Hyde  
36 Development, LLC has hired Braun Intertec to take numerous soil borings and dig test pits to further  
37 gain knowledge of the contamination on the site. In addition, they have an approved work plan from  
38 the Minnesota Pollution Control Agency (MPCA) and have entered into the Superfund and  
39 Volunteer Investigation and Clean-up (VIC) programs. In order to continue moving through their  
40 due-diligence process, they are seeking public finance assistance from the REDA for HSS TIF #17a  
41 and TIF #17 support. The request is being made at this time in order to meet certain due diligence  
42 deadlines outlined within their purchase agreement, as well as to meet deadlines for upcoming grant  
43 applications with the State's Department of Employment and Economic Development (DEED).

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45 Hyde Development, LLC has submitted the required application and escrow for public finance  
46 assistance. The estimate for environmental remediation of the site is \$7.7 million. The HSS TIF  
47 #17a could provide \$4.5 million. City staff and Hyde Development have identified additional  
48 sources of grant funds to assist with environmental costs. Grant applications will be made to  
49 DEED, the Metropolitan Council, and Ramsey County to assist with nearly \$3 million in  
50 environmental costs. The REDA's public finance assistance advisor, Stacie Kvilvang with Ehlers,  
51 has reviewed the application and finds the request for \$4.5 million of HSS TIF reasonable (see  
52 memo in Attachment 4). Ms. Kvilvang does note that as the developer works through the costs  
53 estimated for redeveloping the site, and the success (or failure) to secure grants, the amount of  
54 assistance may increase or decrease based on a pro forma that is updated with more reliable  
55 financials.

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57 The REDA's Public Financing Criteria and Business Subsidy Policy (Attachment 3), adopted in  
58 October of 2016, identifies objectives for the use of public finance assistance, which all requests are  
59 evaluated against. Hyde's request meets five of the seven City objectives, outlined below:

- 60 1. Remove blight and/or encourage redevelopment in designated redevelopment/development  
61 area(s) per the goals and visions established by the City Council and EDA.
- 62 2. Expand and diversify the local economy and tax base.
- 63 3. Offset increased costs for redevelopment over and above the costs that a developer would  
64 incur in normal urban and suburban development (determined as part of the But-For  
65 analysis).
- 66 4. Facilitate the development process and promote development on sites that could not be  
67 developed without this assistance.
- 68 5. Retain local jobs and/or increase the number and diversity of quality jobs.

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70 The REDA's Public Financing Criteria and Business Subsidy Policy, in addition to providing  
71 objectives, outlines qualifications and requirements for the use of public finance assistance. Hyde's  
72 request meets four of 12 of the City's qualifications, outlined below:

- 73 1. Implements the City's vision and values for a City-identified redevelopment area.
- 74 2. Provides significant improvement to surrounding land uses, the neighborhood, and/or the  
75 City.
- 76 3. Provides opportunities for hi-tech, med-tech, R&D facilities/office or major manufacturer.
- 77 4. Redevelops a blighted, contaminated and/or challenged site.

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79 At this time, the REDA is being asked to provide public finance assistance support via adoption of a

80 resolution provided as Attachment 5. In an effort to provide as much information as possible to help  
81 aid in the REDA's decision, City staff and the developer have attempted to outline all costs based on  
82 the information that is currently available. However, once it is known if grant funds are secured and  
83 the developer has completed all of their environmental due diligence (and secured approval from the  
84 MPCA), final underwriting will take place and be reviewed by the City's public finance assistance  
85 advisor. Once that can be completed, a development agreement outlining final costs will be brought  
86 forward to the REDA for consideration, likely in the final quarter of this year. Ms. Kvilvang with  
87 Ehler's will be at the meeting to answer any questions the REDA may have in regard to the request  
88 for public finance assistance.

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90 City staff have been working closely with Hyde Development to seek out as many grant  
91 opportunities as possible. In order to prepare for upcoming grant application deadlines with DEED,  
92 the Metropolitan Council, and Ramsey County, the REDA is being asked to adopt resolutions  
93 supporting Hyde's redevelopment of the PIK Terminal site. Based on the requirements of various  
94 grant programs, numerous support resolutions are being requested for adoption, including:

- 95 • Attachment 6: Resolution approving submittal of Redevelopment Grant application to DEED
- 96 • Attachment 7: Resolution approving submittal of Contamination Cleanup Grant application  
97 to DEED
- 98 • Attachment 8: Resolution approving submittal of a Tax Base Revitalization Account grant  
99 application to the Metropolitan Council
- 100 • Attachment 9: Resolution approving submittal of an Environmental Response Fund grant  
101 applicaiton to Ramsey County

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103 The language within the resolutions listed above varies slightly based on the grant program  
104 requirements. The developer, Paul Hyde, will be at the meeting to address any questions the REDA  
105 may have regarding the proposal for redevelopment of the PIK Terminal site within the Twin Lakes  
106 redevelopment area.

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## 108 **Policy Objectives**

109 The REDA's role is to coordinate and administer housing, economic development and redevelopment  
110 efforts for the City of Roseville.

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## 113 **Equity Impact Summary**

114 Equity impacts have not been evaluated.

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## 116 **Budget Implications**

117 There are no budget implications as TIF payments are "pay as you go" and the developer will be  
118 responsible for paying all third-party fees incurred.

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## 120 **Staff Recommendations**

121 Staff recommends adopting five resolutions supporting Hyde Development's request for public  
122 finance assistance and support of environmental grant applications for the redevelopment of 1945  
123 Twin Lakes Parkway, based upon the following:

- 124 • The proposed project adds an approximately 152,000 SF multi-tenant, high-tech industrial  
125 flex building,

- The proposed project would provide opportunities for businesses to move or expand into Roseville and producing approximately 200 jobs.
- Review of the project's sources and uses reveals a gap in funding, passing the "but-for" test,
- The project meets five of the seven City objectives and four of 12 of the City's desired qualifications as outlined in the City's Public Financing Criteria and Business Subsidy Policy,
- The project would remediate the last environmentally-blighted property in Twin Lakes, and
- The project is located in Twin Lakes, which has been identified as a priority redevelopment area since 2005.

## Requested Council Action

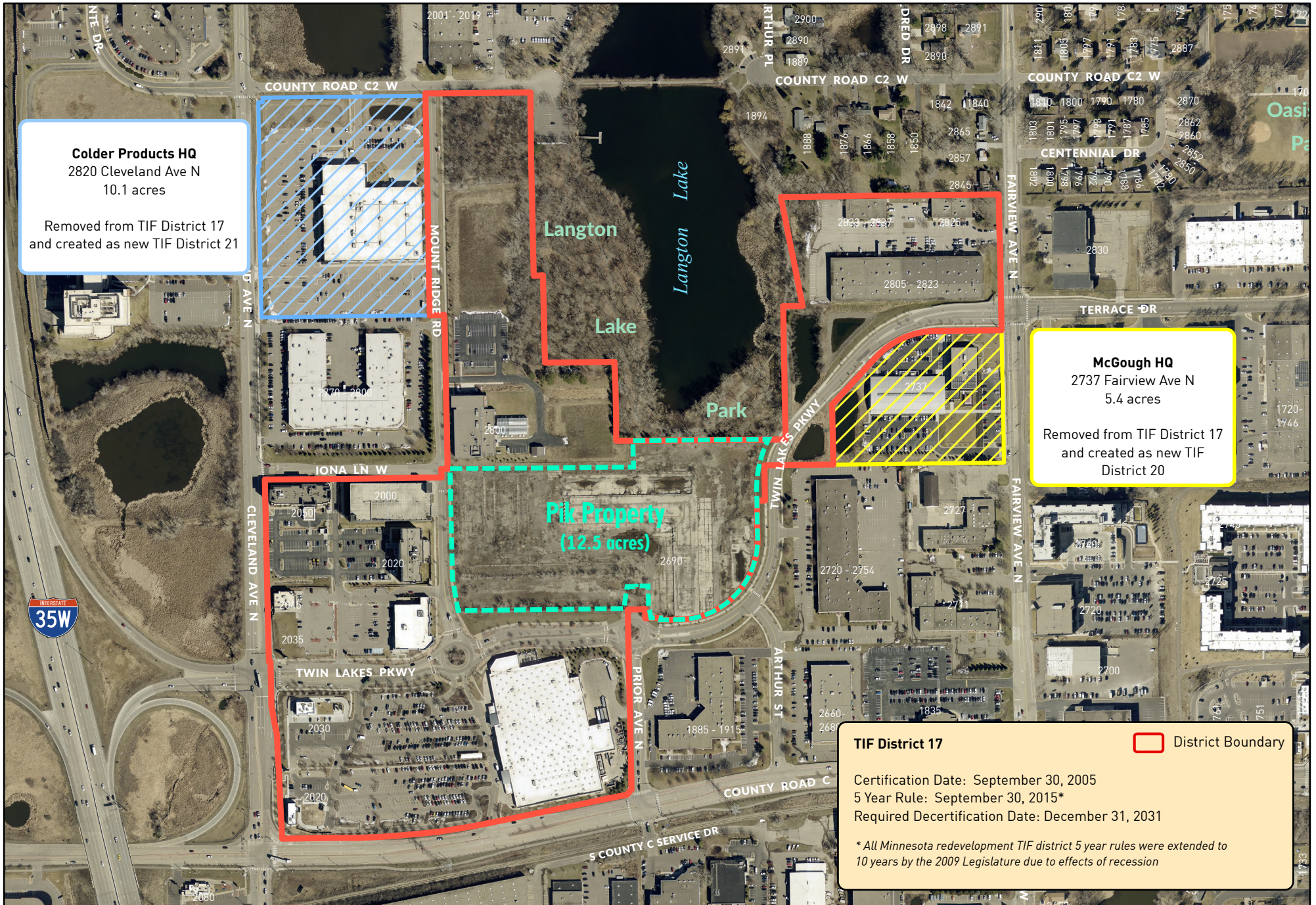
By motion, adopt the following resolutions in support of Hyde Development LLC's request to redevelop 1495 Twin Lakes Parkway, known as the PIK Terminal site:

- Attachment 5: Resolution expressing support for the use of public finance assistance in the form of tax increment.
- Attachment 6: Resolution supporting the submittal of a Redevelopment Grant application to DEED.
- Attachment 7: Resolution supporting submittal of a Contamination Cleanup Grant Program application to DEED.
- Attachment 8: Resolution supporting submittal of a Tax Base Revitalization Account grant application to the Metropolitan Council.
- Attachment 9: Resolution supporting application of an Environmental Response Fund grant application to Ramsey County.

**Prepared by:** Jeanne Kelsey, Housing and Economic Development Program Manager

**Attachments:**

1. Map
2. Concept Plans
3. Public Financing Criteria and Business Subsidy Policy
4. Ehler's Memo
5. Resolution Supporting Public Finance Assistance
6. Resolution of Support for DEED Contamination Clean Up Grant
7. Resolution of Support for DEED Redevelopment Grant
8. Resolution of Support for Metropolitan Council Grant
9. Resolution of Support for Ramsey County Grant



**Colder Products HQ**  
 2820 Cleveland Ave N  
 10.1 acres  
 Removed from TIF District 17  
 and created as new TIF District 21

**McGough HQ**  
 2737 Fairview Ave N  
 5.4 acres  
 Removed from TIF District 17  
 and created as new TIF District 20

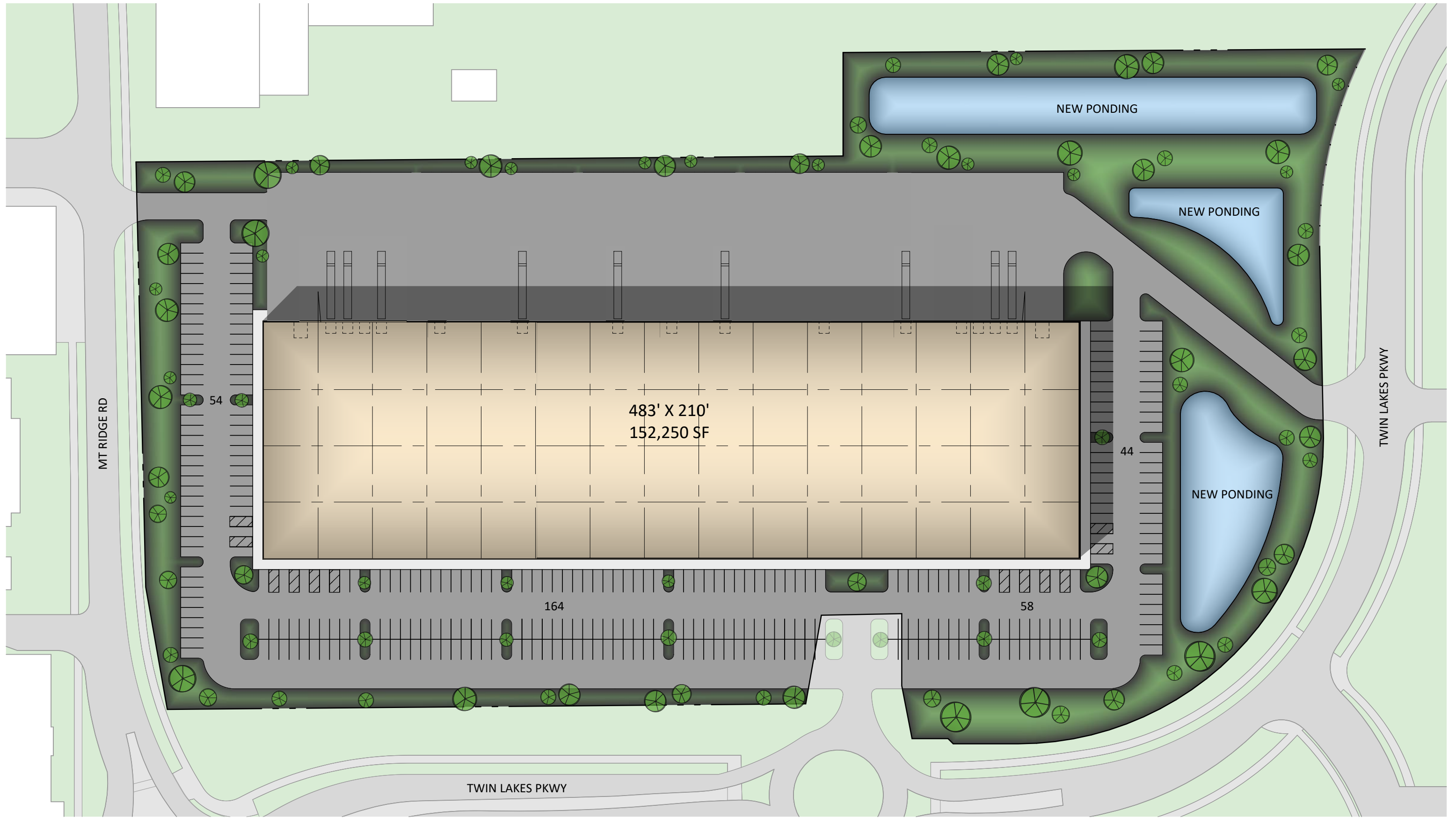
**Pik Property**  
 (12.5 acres)

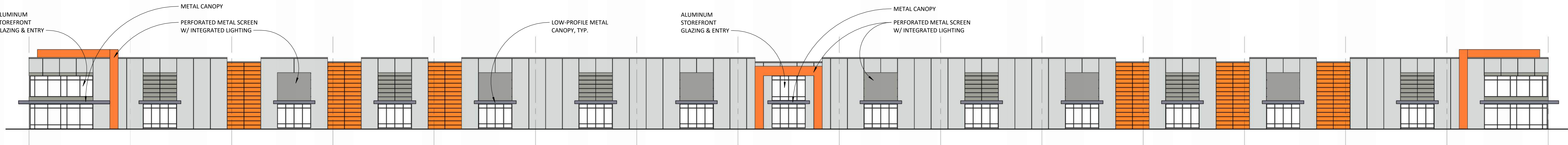
**TIF District 17**  District Boundary

Certification Date: September 30, 2005  
 5 Year Rule: September 30, 2015\*  
 Required Decertification Date: December 31, 2031

*\* All Minnesota redevelopment TIF district 5 year rules were extended to 10 years by the 2009 Legislature due to effects of recession*

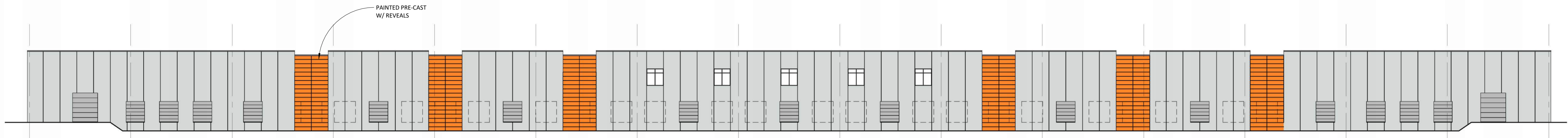






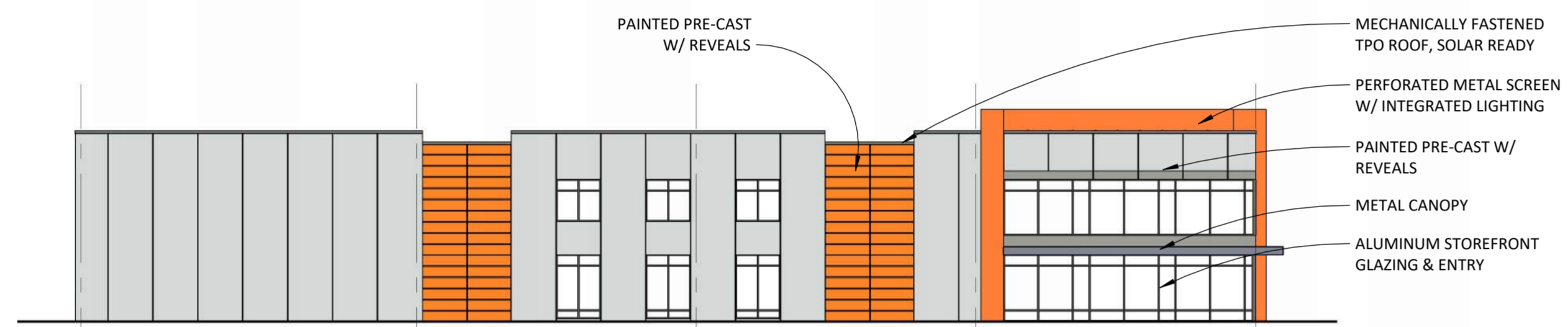
**SOUTH ELEVATION**

3/64" = 1'-0"



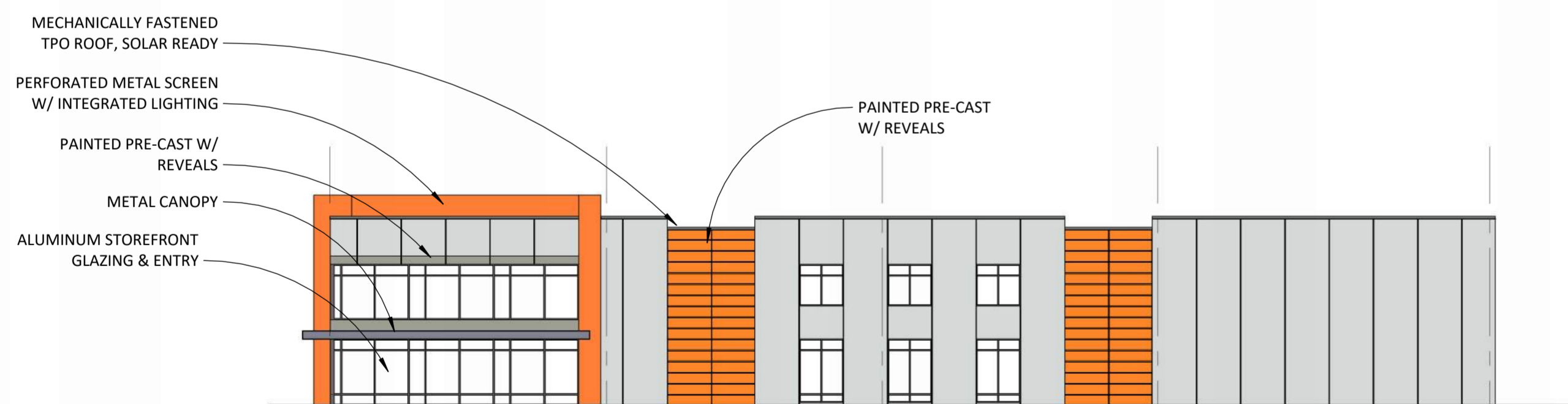
**NORTH ELEVATION**

3/64" = 1'-0"



**WEST ELEVATION**

3/64" = 1'-0"

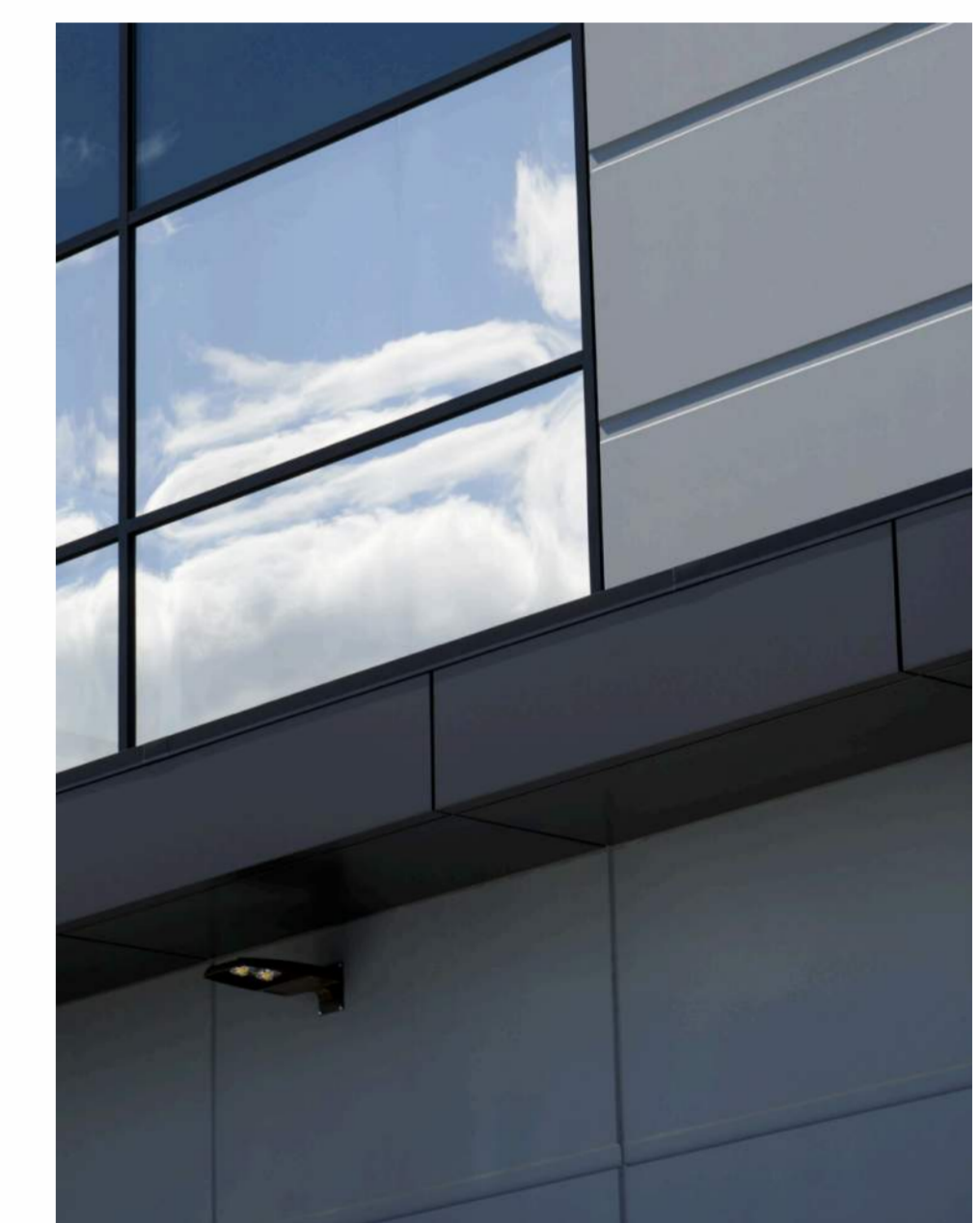


**EAST ELEVATION**

3/64" = 1'-0"



PERFORATED METAL W/  
INTEGRATED LIGHTING



PAINTED PRECAST  
WITH REVEALS



HYDE DEVELOPMENT - ROSEVILLE SITE | DAY RENDERING  
ROSEVILLE, MN | 06/24/25 | 38222-25061





**City of Roseville and  
Roseville Economic Development Authority  
Public Financing Criteria and Business Subsidy Policy  
Adopted October 17, 2016**

**INTRODUCTION:**

This Policy is adopted for purposes of the business subsidies act, which is Minnesota Statutes, Sections 116J.993 through 116J.995 (the “Statutes”). Terms used in this Policy are intended to have the same meanings as used in Statutes. Subdivision 3 of the Statutes specifies forms of financial assistance that are not considered a business subsidy. This list contains exceptions for several activities, including redevelopment, pollution clean-up, and housing, among others. By providing a business subsidy, the city commits to holding a public hearing, as applicable, and reporting annually to the Department of Employment and Economic Development on job and wage goal progress.

**1. PURPOSE AND AUTHORITY**

- A. The purpose of this document is to establish criteria for the City of Roseville and the Roseville Economic Development Authority (“EDA”) for granting of business subsidies and public financing for private development within the City. As used in this Policy, the term “City” shall be understood to include the EDA. These criteria shall be used as a guide in processing and reviewing applications requesting business subsidies and/or City public financing.
- B. The City's ability to grant business subsidies is governed by the limitations established in the Statutes. The City may choose to apply its Business Subsidy Criteria to other development activities not covered under this statute. City public financing may or may not be considered a business subsidy as defined by the Statutes.
- C. Unless specifically excluded by the Statutes, business subsidies include grants by state or local government agencies, contributions of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient of the subsidy, any reduction or deferral of any tax or any fee, tax increment financing (TIF), abatement of property taxes, loans made from City funds, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business.

- D. These criteria are to be used in conjunction with other relevant policies of the City. Compliance with the Business Subsidy Criteria and City Public Financing Guidelines shall not automatically mean compliance with such separate policies.
- E. The City may deviate from the job and wage goals criteria outlined in Section 5 D and E below by documenting in writing the reason(s) for the deviation. The documentation shall be submitted to the Department of Employment and Economic Development with the next annual report.
- F. The City may amend this document at any time. Amendments to these criteria are subject to public hearing requirements contained in the Statutes.

**2. CITY’S OBJECTIVE FOR THE USE OF PUBLIC FINANCING**

- A. As a matter of adopted policy, the City may consider using public financing which may include tax increment financing (TIF), tax abatement, bonds, and other forms of public financing as appropriate, to assist private development projects. Such assistance must comply with all applicable statutory requirements and accomplish one or more of the following objectives:
  - 1. Remove blight and/or encourage redevelopment in designated redevelopment/development area(s) per the goals and visions established by the City Council and EDA.
  - 2. Expand and diversify the local economy and tax base.
  - 3. Encourage additional unsubsidized private development in the area, either directly or through secondary “spin-off” development.
  - 4. Offset increased costs for redevelopment over and above the costs that a developer would incur in normal urban and suburban development (determined as part of the But-For analysis).
  - 5. Facilitate the development process and promote development on sites that could not be developed without this assistance.
  - 6. Retain local jobs and/or increase the number and diversity of quality jobs
  - 7. Meet other uses of public policy, as adopted by the City Council from time to time, including but not limited to promotion of quality urban design, quality architectural design, energy conservation, sustainable building practices, and decreasing the capital and operating costs of local government.

**3. PUBLIC FINANCING PRINCIPLES**

- A. The guidelines and principles set forth in this document pertain to all applications for City public financing regardless of whether they are considered a Business Subsidy as defined by the Statutes. The following general assumptions of development/redevelopment shall serve as a guide for City public financing:

1. All viable requests for City public financing assistance shall be reviewed by staff, and, if staff so designates, a third party financial advisor who will inform the City of its findings and recommendations. This process, known as the “But For” analysis is intended to establish the project would not be feasible but for the City assistance.
2. The City shall establish mechanisms within the development agreement to ensure that adequate checks and balances are incorporated in the distribution of financial assistance where feasible and appropriate, including but not limited to:
  - a. Third party “but for” analysis
  - b. Establishment of “look back provisions”
  - c. Establishment of minimum assessment agreements
3. TIF and abatement will be provided on a pay-as-you-go-basis. Any request for upfront assistance will be evaluated on its own merits and may require security to cover any risks assumed by the City.
4. The City will set up TIF districts in accordance with the maximum number of statutory years allowable. However, this does not mean that the developer will be granted assistance for the full term of the district.
5. The City will elect the fiscal disparities contribution to come from inside applicable TIF district(s) to eliminate any impact to the existing tax payers of the community.
6. Public financing will not be used to support speculative commercial, office or housing projects. In general the developer should be able to provide market data, tenant letters of commitment or finance statements which support the market potential/demand for the proposed project.
7. Public financing will generally not be used to support retail development. The City may consider projects that include a retail component provided they meet a Desired Qualification as identified in Section 4.2.C(8) of this policy.
8. Public financing will not be used in projects that would give a significant competitive financial advantage over similar projects in the area due to the use of public subsidies. Developers should provide information to support that assistance will not create such a competitive advantage. Priority consideration will be given to projects that fill an unmet market need.
9. Public financing will not be used in a project that involves a land and/or property acquisition price in excess of fair market value.
10. The developer will pay all applicable application fees and pay for the City and EDA’s fiscal and legal advisor time as stated in the City’s Public Assistance Application.

11. The City will not consider waiving fees including, but not limited to, building permit fees, park dedication fees, SAC charges, and planning and zoning application fees. The City may consider using SAC credits, to the extent they are available, to off-set a project’s SAC expenses.
12. The developer shall proactively attempt to minimize the amount of public assistance needed through the pursuit of grants, innovative solutions in structuring the deal, and other funding mechanisms.
13. All developments are subject to execution and recording of a Minimum Assessment Agreement.

**4. PROJECTS WHICH MAY QUALIFY FOR PUBLIC FINANCING ASSISTANCE**

- A. All new applications for assistance considered by the City must meet each of the following minimum qualifications. However, it should **not** be presumed that a project meeting these qualifications will automatically be approved for assistance. Meeting the qualifications does not imply or create contractual rights on the part of any potential developer to have its project approved for assistance.

**4.1 MINIMUM QUALIFICATIONS/REQUIREMENTS:**

- A. In addition to meeting the applicable requirements of State law, the project shall meet one or more of the public financing objectives outlined in Section 2.
- B. The developer must demonstrate to the satisfaction of the City that the project is not financially feasible “but for” the use of tax increment or other public financing.
- C. The project must be consistent with the City’s Comprehensive Plan and Zoning Ordinances, Design Guidelines or any other applicable land use documents.
- D. Prior to approval of a financing plan, the developer shall provide any requested market and financial feasibility studies, appraisals, soil boring, private lender commitment, and/or other information the City or its financial consultants may require in order to proceed with an independent evaluation of the proposal.
- E. The developer must provide adequate financial guarantees to ensure the repayment of any public financing and completion of the project. These may include, but are not limited to, assessment agreements, letters of credit, personal deficiency guarantees, guaranteed maximum cost contract, etc.
- F. Any developer requesting assistance must be able to demonstrate past successful general development capability as well as specific capability in the type and size of development proposed. Public financing will not be used when the developer’s credentials, in the sole judgment of the City, are inadequate due to past history relating to completion of projects, general reputation, and/or bankruptcy, or other problems or issues considered relevant to the City.

- G. The developer, or its contractual assigns, shall retain ownership of any portion of the project long enough to complete it, to stabilize its occupancy, to establish project management and/or needed mechanisms to ensure successful operation.

**4.2 DESIRED QUALIFICATIONS:**

- A. Projects providing a high ratio of private investment to City public investment will receive priority consideration. Private investment includes developer cash, government and bank loans, conduit bonds, tax credit equity, and land if already owned by the developer.
- B. Proposals that significantly increase the amount of property taxes paid after redevelopment will receive priority consideration.
- C. Proposals that encourage the following will receive priority consideration:
  - 1. Implements the City’s vision and values for a City-identified redevelopment area
  - 2. Provides significant improvement to surrounding land uses, the neighborhood, and/or the City
  - 3. Attracts or retains a significant employer within the City
  - 4. Promotes multi-family housing investment that meets the following City goals:
    - a. Extensive rehabilitation of existing multi-family housing stock
    - b. Demonstration of need for the type of multi-family housing proposed through a market study or other reliable market data.
    - c. Multi-family workforce housing proposals that include amenities similar to those found in market rate housing
    - d. Workforce housing proposals that consider innovative and alternative forms of development and do not include high-rise buildings
  - 5. Provides significant rehabilitation or expansion and/or replacement of existing office or commercial facility
  - 6. Provides opportunities for corporate campus or medical office development
  - 7. Provides opportunity for hi-tech, med-tech, R & D facilities/office or major manufacturer
  - 8. Provides opportunities for small businesses (under 50 employees) that are non, start-up companies
  - 9. Provides opportunities for small businesses that may enhance the quality of life within neighborhoods
  - 10. Redevelops a blighted, contaminated and/or challenged site

- 11. Adds needed road, access and multi-modal improvements
- 12. Addition of specific project enhancements including, but not limited to, architectural upgrades, pedestrian and transit connections, green building practices and enhanced site planning features.

**5. BUSINESS SUBSIDY PUBLIC PURPOSE, JOBS AND WAGE REQUIREMENT**

- A. All business subsidies must meet a public purpose with measurable benefit to the City as a whole.
- B. Job retention may only be used as a public purpose in cases where job loss is specific and demonstrable. The City shall document the information used to determine the nature of the job loss.
- C. The creation of tax base shall not be the sole public purpose of a subsidy.
- D. Unless the creation of jobs is removed from a particular project pursuant to the requirements of the Statutes, the creation of jobs is a public purpose for granting a subsidy. Creation of at least **3** Full Time, or Full Time Equivalent (FTE) jobs is a minimum requirement for consideration of assistance. For purposes of this Policy, FTE's must be permanent positions with set hours, and be eligible for benefits.
- E. The wage floor for wages to be paid for the jobs created shall be not less than 300% of the State of MN Minimum Wage. The City will seek to create jobs with higher wages as appropriate for the overall public purpose of the subsidy. Wage goals may also be set to enhance existing jobs through increased wages, which increase must result in wages higher than the minimum under this Section.
- F. After a public hearing, if the creation or retention of jobs is determined not to be a goal, the wage and job goals may be set at zero.

**6. SUBSIDY AGREEMENT**

- A. In granting a business subsidy, the City shall enter into a subsidy agreement with the recipient that provides the following information: wage and job goals (if applicable), commitments to provide necessary reporting data, and recourse for failure to meet goals required by the Statutes.
- B. The subsidy agreement may be incorporated into a broader development agreement for a project.
- C. The subsidy agreement will commit the recipient to providing the reporting information required by the Statutes.

**7. PUBLIC FINANCING PROJECT EVALUATION PROCESS**

- A. The following methods of analysis for all public financing proposals will be used:
1. Consideration of project meeting minimum qualifications
  2. Consideration of project meeting desired qualifications
  3. Project meets “but-for” analysis and/or statutory qualifications
  4. Project is deemed consistent with City’s Goals and Objectives

***Please note that the evaluation methodology is intended to provide a balanced review. Each area will be evaluated individually and collectively and in no case should one area outweigh another in terms of importance to determining the level of assistance.***



MEMORANDUM

TO: Jeanne Kelsey  
 FROM: Stacie Kvilvang - Ehlers  
 DATE: July 8, 2025  
 SUBJECT: Analysis of Request for Assistance – Hyde Development: PIK Terminal Property

The City received a proposal from Hyde Development to redevelop the above referenced property into approximately 152,000 sq/ft of med/tech multi-tenant space. Overall total development costs (TDC) are approximately \$31.5 million and the project is expected to commence in the spring of 2026.

This is an existing Superfund site with high levels of contamination that have to cleaned up in accordance with the MPCA’s approved VIC program. Total costs are estimated at \$7,620,000 and the developer is requesting \$4,500,000 in assistance from the City and seeking approximately \$2,270,000 in grants from other agencies.

Ehlers conducted a review of the developer’s budget and operating pro forma to ensure all development costs, anticipated revenues, and expenditures are represented appropriately. Overall, our conclusion is the development does require \$4.5 million in City public assistance. The table below depicts the proposed sources for the project.

SOURCES		
	Amount	Pct.
Developer Financing - Mortgage	17,027,320	54.05%
Developer Equity	7,706,249	24.46%
<b>Subtotal</b>	<b>24,733,569</b>	<b>78.51%</b>
Grants	2,270,000	7.21%
HSS TIF	4,500,000	14.28%
Subtotal	6,770,000	21.49%
<b>TOTAL SOURCES</b>	<b>31,503,569</b>	<b>100.00%</b>

As noted in the table, the developer is proposing approximately 79% in private financing comprised of permanent financing of 54% (\$17.027 million) and approximately 25% in equity (\$7.706 million). The remaining 21% is coming from grant sources, including \$4.5M (14.28%) in existing TIF funds. The public funding request from the City is higher than we typically see for most redevelopment projects (range of 5% to 10%), but in cases with high remediation costs similar to this site, the amount proposed is not atypical.

Total development costs (TDC) for the project are shown in the table on the following page:

USES		Amount	% of Cost	Per Sq/Ft
<b>ACQUISITION COSTS</b>	Land sq. ft.	<b>2,987,563</b>	<b>9.48%</b>	<b>5.51</b>
Land/Buildings	542,322	2,987,563	9.48%	5.51
<b>CONSTRUCTION COSTS</b>		<b>16,720,936</b>	<b>53.08%</b>	<b>109.98</b>
Building/Commercial		12,923,400	41.02%	85.00
Site Improvements (Utilities)		900,000	2.86%	5.92
Tenant Improvements		2,797,536	8.88%	18.40
Contingency		100,000	0.60%	0.66
<b>PROFESSIONAL SERVICES</b>		<b>10,705,538</b>	<b>33.98%</b>	<b>70.41</b>
Demo/Soil Correction/Pond Lining/Clean Soil Import		1,850,000	5.87%	12.17
Soil Vapor System		420,000	1.33%	2.76
MPCA Oversight & Reporting		550,000	1.75%	3.62
CVOC Impacts		4,800,000	15.24%	31.57
Leasing & Other Fees		3,035,538	9.64%	19.97
Legal - Development		50,000	0.16%	0.33
<b>FINANCING COSTS</b>		<b>384,425</b>	<b>1.22%</b>	<b>2.53</b>
Construction Period Interest		158,339	0.50%	1.04
Financing Fee		76,387	0.24%	0.50
Real Estate Taxes		149,699	<b>0.48%</b>	<b>0.98</b>
<b>PROJECT MANAGEMENT</b>		<b>705,107</b>	<b>2.24%</b>	<b>4.64</b>
Developer Fee		705,107	2.24%	4.64
<b>TOTAL USES</b>		<b>31,503,569</b>		<b>207.21</b>

As noted in the table above, land costs of approximately \$3 million equates to \$5.51 sq. ft. which is in line with typical costs for this type of project within the market. The cost of the construction is slightly higher than typical for the market of \$150 to \$180 sq/ft. but is due to the added expense related to remediation required for the site.

The developer fee of approximately \$705,000 is 2.24% percent of total development costs. For a project of this nature, we would expect to see a developer fee between 3% and 5%, so the fee is slightly lower than typical industry standards.

To determine if a project is “financially feasible”, there are typically two (2) measures of return on investment for this type of use. The first is a cash-on-cash (net cash divided by equity) and the second is a yield-on-cost (NOI divided by TDC). They have requested a YOC of 7.5% in order to attract the required equity for the project, which they achieve in year three (7.49%). They are working on validating and updating costs so the amount of assistance may increase or decrease based upon final pricing.

## Recommendations

We reviewed the request in light of your public assistance policy. Based upon that, the proposed development meets the following five (5) of the seven (7) City objectives:

1. Remove blight and/or encourage redevelopment in designated redevelopment/development area(s) per the goals and visions established by the City Council and EDA.
2. Expand and diversify the local economy and tax base.
3. Offset increased costs for redevelopment over and above the costs that a developer would incur in normal urban and suburban development (determined as part of the But-For analysis).
4. Facilitate the development process and promote development on sites that could not be developed without this assistance.
5. Retain local jobs and/or increase the number and diversity of quality jobs

The two (2) City objectives not met are to (1) encourage other unsubsidized spin-off development (hard to state factually this will happen) and (2) meet other uses of public policy, including but not limited to promotion of quality urban design (meets), quality architectural design (meets), energy conservation (unsure), sustainable building practices (unsure), and decreasing the capital and operating costs of local government (not applicable).

In addition to meeting five (5) of the City's objectives, it meets the following four (4) of the twelve (12) City's desired qualifications:

1. Implements the City's vision and values for a City-identified redevelopment area
2. Provides significant improvement to surrounding land uses, the neighborhood, and/or the City
3. Provides opportunities for hi-tech, med-tech, R & D facilities/office or major manufacturer
4. Redevelops a blighted, contaminated and/or challenged site

The eight (8) goals it does not meet include:

1. Attracts or retains a significant employer within the City
2. Promote multi-family housing development that meets City goals
3. Provides significant rehabilitation or expansion and/or replacement of existing office or commercial facility
4. Provides opportunities for corporate campus or medical office development
5. Provides opportunity for small business
6. Provides opportunities for small businesses that may enhance the quality of life within neighborhoods
7. Adds needed road improvements (none required) or multi-modal transportation; and
8. Addition of specific project enhancements (at this time)

Overall, any developer of the site is going to require public assistance to pay for the extensive remediation costs of the site. Based on review of the developer's pro forma and current market conditions, the proposed development is not reasonably expected to occur solely through private investment within the reasonably near



future. Due to the costs associated with remediating the property, a market return on investment cannot be obtained without assistance, in part, from City contributions.

Please contact me at 651-697-8506 with any questions.

**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “EDA”) was duly held on the 14<sup>h</sup> day of July, 2025, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No. XX**

**RESOLUTION EXPRESSING SUPPORT FOR THE USE OF POOLED TAX INCREMENT  
AND EXPLORATION OF OTHER FINANCIAL ASSISTANCE REQUESTED IN  
CONNECTION WITH BUILDING AN INDUSTRIAL FLEX SPACE AT 1945 TWIN LAKES  
PARKWAY**

WHEREAS pursuant to Minnesota Statutes, Sections 469.174 to 469.1794 (the “TIF Act”) and Sections 469.090 to 469.1081 (the “EDA Act”), the Roseville Economic Development Authority (“EDA”) is authorized to create and administer tax increment financing districts within the City of Roseville (the “City”) and to use tax increment financing to carry out the public purposes described herein; and

WHEREAS the EDA is further authorized to identify and utilize other funds for the purpose of assisting with the redevelopment; and

WHEREAS Hyde Development (the “Redeveloper”) has requested tax increment financing assistance in connection with Redeveloper’s proposed redevelopment of an existing facility located at 1945 Twin Lakes Parkway in the City (the “Property”), to construct an approximately 150,000 square-Industrial Flex Space on the Property (the “Facility”); and

WHEREAS the EDA supports the use of pooled tax increment derived from Redevelopment tax increment district No. 17 and fund balances derived from Hazardous Substance Subdistrict (HSS) tax increment from Hazardous Substance Subdistrict No. 17A at a level to be determined and subject to the agreement of the parties, and subject to a pro forma analysis by the EDA’s municipal financial consultant.

NOW THEREFORE BE IT RESOLVED THAT, the EDA supports the use of pooled tax increment and tax increment fund balance, as described herein and in an amount to be determined by the Parties, to assist in funding the Facility subject to (i) further verification of Redeveloper’s need for

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46 financial assistance and (ii) execution of a development agreement that provides for the negotiation of a  
47 definitive redevelopment contract addressing (among other things) the terms under which the  
48 Redeveloper will construct the Facility on the Property, the conditions under which the EDA will  
49 provide financial assistance, and the potential sources of such financial assistance,;

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Adopted by the Board of the Authority on this 14<sup>th</sup> day of July, 2025.

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Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called meeting thereof on July 14, 2025.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 14<sup>th</sup> day of July, 2025

\_\_\_\_\_  
Executive Director  
Roseville Economic Development Authority

**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 14th day of July, 2025, at 6:00 p.m.

The following members were present:

and the following were absent: .

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No.**

**RESOLUTION APPROVING SUBMITTAL OF CONTAMINATION CLEANUP  
GRANT PROGRAM TO THE DEPARTMENT OF EMPLOYMENT AND ECONOMIC  
DEVELOPMENT ALONG WITH COMMITMENT FOR LOCAL MATCH AND  
AUTHORIZING CONTRACT SIGNATURE FOR HYDE DEVELOPMENT, LLC TO  
REDEVELOP 1945 TWIN LAKES PARKWAY**

WHEREAS the Roseville Economic Development Authority (the “Authority”) is eligible to apply for Contamination Cleanup Grant Program funds (the “CCG Funds”) offered by the State of Minnesota (“State”) Department of Employment and Economic Development (“DEED”); and

WHEREAS only a limited amount of grant funding is available from CCG Funds during each funding cycle, and DEED has determined that it is appropriate to allocate such funds only to eligible projects where the funds assist with environmental investigation and cleanup that meet CCG Program priorities; and

WHEREAS the Authority acknowledges that grants funded through CCG Funds are intended to fund environmental investigation and cleanup of brownfield properties, resulting in increased tax base and jobs in the State of Minnesota; and

WHEREAS the Authority has identified a clean-up project (the “Project”) within the City of Roseville (the “City”) that meets the CCG Program's purposes and criteria; and

WHEREAS the Authority has the institutional, managerial and financial capability to ensure adequate administration of the Project; and

WHEREAS if the Authority receives CCG Funds, the Authority will comply with all applicable laws and regulations as stated in the grant agreement governing the CCG Funds in its

administration of the Project; and

WHEREAS the Authority must submit a CCG Funds Grant Application (the “Application”) by November 1, 2025, and must agree to act as legal sponsor for the Project.

NOW THEREFORE BE IT RESOLVED that the City of Roseville has approved the CCG Funds Grant application submitted to the Department of Employment and Economic Development (DEED) on November 1, 2025, by the approval of the Roseville Economic Development Authority for Hyde Development, LLC.

NOW THEREFORE BE IT RESOLVED that the Authority shall act as the legal sponsor for Project described in the Application to be submitted on November 1, 2025, and that the Executive Director is hereby authorized to apply to DEED for funding of the Project on behalf of the Authority.

BE IT FURTHER RESOLVED that the Authority has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the Application are committed to the project identified.

BE IT FURTHER RESOLVED that the Authority has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the State, the Authority may enter into an agreement with the State for the Project, and that the Authority certifies that it will comply with all applicable laws and regulations as stated in all contractual agreements.

NOW, THEREFORE BE IT FINALLY RESOLVED that the Executive Director is hereby authorized to execute such agreements as are necessary to implement the Project on behalf of the Authority.

Adopted by the Board of the Authority this 14<sup>th</sup> day of July 2025.

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and specially held meeting thereof on July 14, 2025.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same: \_\_\_\_\_ .

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 14<sup>th</sup> day of July, 2025.

\_\_\_\_\_  
Patrick Trudgeon, Executive Director  
Roseville Economic Development Authority

**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 14<sup>th</sup> day of July, 2025, at 6:00 p.m.

The following members were present:

and the following were absent: .

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No.**

**RESOLUTION APPROVING SUBMITTAL OF REDEVELOPMENT GRANT  
APPLICATION TO THE DEPARTMENT OF EMPLOYMENT AND ECONOMIC  
DEVELOPMENT ALONG WITH COMMITMENT FOR LOCAL MATCH AND  
AUTHORIZING CONTRACT SIGNATURE FOR HYDE DEVELOPMENT, LLC TO  
REDEVELOP 1945 TWIN LAKES PARKWAY**

WHEREAS the Roseville Economic Development Authority (the “Authority”) is eligible to apply for Redevelopment Grant application funds (the “Redevelopment Funds”) offered by the State of Minnesota (“State”) Department of Employment and Economic Development (“DEED”); and

WHEREAS only a limited amount of grant funding is available from Redevelopment Funds during each funding cycle, and DEED has determined that it is appropriate to allocate such funds only to eligible projects where significant barriers exist to redevelop that meet Redevelopment Funds Program priorities; and

WHEREAS the Authority acknowledges that grants funded through Redevelopment Funds are intended to fund challenging costs related to the site’s previous development use, resulting in increased tax base and jobs in the State of Minnesota; and

WHEREAS the Authority has identified a clean-up project (the “Project”) within the City of Roseville (the “City”) that meets the Redevelopment Funds purposes and criteria; and

WHEREAS the Authority has the institutional, managerial and financial capability to ensure adequate administration of the Project; and

WHEREAS if the Authority receives Redevelopment Funds, the Authority will comply with all applicable laws and regulations as stated in the grant agreement governing the Redevelopment Funds in its administration of the Project; and

WHEREAS the Authority must submit a Redevelopment Funds Grant Application (the “Application”) by August 1, 2025, and must agree to act as legal sponsor for the Project.

NOW THEREFORE BE IT RESOLVED that the City of Roseville has approved the Redevelopment Grant application submitted to the Department of Employment and Economic Development (DEED) on August 1, 2025, by the approval of the Roseville Economic Development Authority for Hyde Development, LLC.

BE IT FURTHER RESOLVED that the Authority acts as the legal sponsor for the project contained in the Redevelopment Grant Program application to be submitted on August 1, 2025 and that the Executive Director of the Authority, is hereby authorized to apply to DEED for funding of this project on behalf of Hyde Development, LLC.

BE IT FURTHER RESOLVED that the Authority has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the Application are committed to the project identified.

BE IT FURTHER RESOLVED that if the project identified in the application fails to substantially provide the public benefits listed in the application within five years from the date of the grant award, the Authority may be required to repay 100 percent of the awarded grant per Minn. Stat. 116J.575, Subd 4.

BE IT FURTHER RESOLVED that the Authority has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the State, the Authority may enter into an agreement with the State for the Project, and that the Authority certifies that it will comply with all applicable laws and regulations as stated in all contractual agreements.

NOW, THEREFORE BE IT FINALLY RESOLVED that the Executive Director is hereby authorized to execute such agreements as are necessary to implement the Project on behalf of the Authority.

Adopted by the Board of the Authority this 14th day of July 2025.

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and specially held meeting thereof on July 14, 2025.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same: .

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 14<sup>th</sup> day of July, 2025.

\_\_\_\_\_  
Patrick Trudgeon, Executive Director  
Roseville Economic Development Authority

EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 14th day of July 2025, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No. XX**

**RESOLUTION IDENTIFYING THE NEED FOR TAX BASE REVITALIZATION  
ACCOUNT GRANT FUNDING AND AUTHORIZING APPLICATION FOR GRANT  
FUNDS FOR HYDE DEVELOPMENT, LLC FOR 1945 TWIN LAKES PARKWAY**

WHEREAS the Roseville Economic Development Authority (the “Authority”) is eligible to apply for Tax Base Revitalization Account (“TBRA”) funds on behalf of cities participating in the Livable Communities Act’s Housing Incentives Program for 2025 as determined by the Metropolitan Council; and

WHEREAS only a limited amount of grant funding is available through the TBRA during each funding cycle, and the Metropolitan Council has determined that it is appropriate to allocate such funds only to eligible projects where the funds assist with environmental investigation and cleanup activities that meet TBRA priorities; and

WHEREAS the Authority acknowledges that grants funded through the TBRA are intended to fund environmental clean up to increase tax base and foster the creation of jobs in the Twin Cities metropolitan area; and

WHEREAS Hyde Development (the “Developer”) has requested TBRA grant assistance to assist with a portion of the environmental cleanup in connection with the construction of a industrial flex space (the “Project”) in the City of Roseville, and the Authority has determined that such Project meets the purposes and criteria of the TBRA; and

WHEREAS the Authority has the institutional, managerial and financial capability to ensure adequate administration of the Project; and

WHEREAS, the Authority finds that the required contamination cleanup will not occur through private or other public investment in the reasonably foreseeable future without TBRA grant funding; and

## ATTACHMENT 8

47 WHEREAS if TBRA grant funding is received, the Authority will comply with all  
48 applicable laws and regulations provided in the TBRA grant agreement for the Project in its  
49 administration of the TBRA grant; and  
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51 WHEREAS the Authority agrees to act as legal sponsor for the Project described in the  
52 TBRA grant application to be submitted on or before November 3, 2025; and  
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54 NOW THEREFORE BE IT RESOLVED THAT the Roseville Economic Development  
55 Authority authorizes and directs its Executive Director to submit an application for a TBRA  
56 grant from the Metropolitan Council for the components of the Project identified in the  
57 application, and, if the TBRA grant is awarded, to execute such agreements as may be necessary  
58 to implement the Project on behalf of the City of Roseville, where the Project is located.  
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60 Adopted by the Board of the Authority this 14<sup>th</sup> day of July, 2025.  
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I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regularly held meeting thereof on July 14, 2025.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 14<sup>th</sup> day of July, 2025

\_\_\_\_\_  
Executive Director, Patrick Trudgeon  
Roseville Economic Development Authority

**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

\* \* \* \* \*

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 14<sup>th</sup> day of July, 2025, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution No. XX**

**RESOLUTION IN SUPPORT OF APPLICATION FOR RAMSEY COUNTY  
ENVIRONMENTAL RESPONSE GRANT FUNDS FOR HYDE DEVELOPMENT, LLC  
FOR THE DEVELOPMENT OF 1945 TWIN LAKES PARKWAY**

WHEREAS the Roseville Economic Development Authority (the “Authority”) is eligible to apply for an Environmental Response Fund (“ERF”) grant from Ramsey County (the “County”) for eligible projects; and

WHEREAS only a limited amount of grant funding is available through the ERF during each funding cycle, and the County has determined that it is appropriate to allocate such funds only to eligible projects where the funds assist with environmental cleanup that meets ERF priorities; and

WHEREAS the Authority understands that grants funded through the ERF are intended to fund a portion of the costs of environmental cleanup of brownfield properties; and

WHEREAS Hyde Development, LLC (the “Developer”) has requested ERF grant assistance in connection with its construction of an industrial flex space facility (the “Project”) within the City of Roseville, and the Authority has determined that the Project meets the purposes and criteria of the ERF; and

WHEREAS the Authority has the institutional, managerial and financial capability to ensure adequate administration of the Project; and

WHEREAS the Authority agrees that if it receives ERF grant assistance for the Project, it will comply with all applicable laws and regulations as provided in the ERF grant agreement in its administration of the ERF grant; and

WHEREAS the Authority agrees to act as legal sponsor for the Project described in the ERF grant application to be submitted on or before November 1, 2025.

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NOW THEREFORE BE IT RESOLVED THAT the Roseville Economic Development Authority hereby supports the request by the Developer for an ERF grant through the County to finance a portion of the costs associated with environmental remediation of the proposed Project.

The Authority further authorizes Authority staff to submit an ERF grant application on the Developer’s behalf.

Adopted by the Board of the Authority this 14<sup>th</sup> day of July, 2025.

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Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached

98 and foregoing resolution with the original thereof on file in my office and further certify that the  
99 same is a full, true, and complete copy of a resolution which was duly adopted by the Board of  
100 Commissioners of said Authority at a duly called and regularly held meeting thereof on July 14,  
101 2025.

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103 I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its  
104 adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call  
105 vote being taken thereon, the following Commissioners voted in favor thereof:

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110 and the following voted against the same:

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112 whereupon said resolution was declared duly passed and adopted.

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114 Witness my hand as the Executive Director of the Authority this 14<sup>th</sup> day of July, 2025

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\_\_\_\_\_  
Executive Director, Patrick Trudgeon  
Roseville Economic Development Authority

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**ROSEVILLE**  
**REQUEST FOR COUNCIL ACTION**

Date: 7/14/2025  
Item No.: 5.c.

Department Approval

*Janice Gundlach*

City Manager Approval

*Sam Truog*

**Item Description:** Discussion regarding the budget and preliminary levy collectible in 2026

**Background**

Per the by-laws adopted by the Roseville Economic Development Authority (REDA), the REDA must review and recommend a preliminary budget to the City Council.

To request a preliminary EDA levy, the REDA must adopt a budget for consideration by the City Council via Resolution. Once the initial EDA levy request is approved, the levy may be lowered but cannot be raised above the preliminary level. The maximum amount the REDA can levy in 2026 is \$1,217,317.

*A preliminary levy of \$364,826 is being proposed for 2026, a decrease of 0.01% or \$30 from the EDA's 2025 levy. When factoring in a projected valuation increase on single family homes of 5.05% for taxes payable in 2026, the preliminary levy amount proposed would result in an estimated increase of \$0.50 in the annual EDA property tax for a median valued single-family home projected to be valued at \$378,600. These figures are estimates and the County will release final 2026 valuation figures at the end of August, at which point the annual EDA property tax impact may change.*

**Staffing**

The Community Development Director is proposing no changes to the staffing structure for 2026. Economic Development staff supported by the EDA levy include a full-time Housing and Economic Development Program Manager and a .5 time Economic Development Coordinator (who also holds the title of GIS Specialist). The most significant impact proposed for 2026 consists of inflationary costs related to salaries and benefits.

The total cost for EDA staff in 2025 is anticipated to be: **\$212,162**

<u>General REDA Expenditures and Personnel</u>	\$248,976
The REDA has operating costs associated with overhead, staff, attorney fees, recording secretary services, and continuing education/training of staff. This amount reflects total operating costs <i>and</i> personnel costs.	<i>(includes the \$212,162 of staff-only costs)</i>

Programming costs are provided below:

**Programming**

The tables below outline existing housing and economic development programs the City of Roseville's Economic Development Authority currently maintains. In addition to personnel costs, accompanying costs of these programs are included herein.

In 2026, the following programs will continue to operate but do not require, and/or staff are not recommending additional funds:

<p><u>Multi-Family Loan and Acquisition Funds</u> Offers rehabilitation loans to existing rental property owners (whose properties have 5 or more units) and also makes dollars available for energy improvements. This program is also available for general redevelopment activities and has a balance of \$1,032,715* (fund 724).</p>	\$0
<p><u>Roseville Rehab Revolving Loan Program, Last Resort – Emergency Deferred Program, Manufactured Home Improvement Program, Senior Deferred Loan Program, and First Generation Down Payment Assistance Program</u> This fund has a balance of \$556,322* (fund 723).</p>	\$0
<p><u>Abatement Assistance</u> Provides payment of abatement costs for code enforcement activities. This fund has a balance of \$124,467* (fund 722).</p>	\$0
<p><u>Housing Replacement/Single Family Construction Fund</u> This fund has a balance of \$239,189* (fund 720).</p>	\$0
<p><u>Open to Business/Small Business Assistance</u> Ramsey County executed a contract with the Metropolitan Consortium of Community Developers in the 1st quarter of 2020, bringing the Open to Business program to the City of Roseville. This program provides free business consulting services to Roseville businesses, as well as access to capital. There is no cost to the City for Open to Business. Beginning in 2020, the EDA began setting aside funds to administer a small business loan program in partnership with Open to Business. To date, two loans have originated: 1) Par365 for \$50,000 (in 2023) and 2) Safeway for \$20,500 (in 2024). Based on the balance of this fund, the REDA can fund at least four loans (assuming the maximum loan amount). As such, staff does not anticipate needing additional funding at this time. This fund has a balance of \$225,750* (fund 726).</p>	\$0

\*cash balances noted are as-of July 8, 2025.

In 2026, the following programs are proposed to be budgeted for as follows:

<p><u>Ownership Rehabilitation Programs</u> Provides residents with free, comprehensive consultation services about the construction/renovation process to maintain, improve, and/or enhance their existing home, with a specific focus on energy efficiency. The program also recognizes homeowners that have done green construction or improvements to their homes and yards. This program budgets for at least 200 energy efficiency audits to be completed each year. This budget has been held flat from 2025 levels.</p>	\$36,850
<p><u>Marketing</u> This budget is maintained for printing and mailing of marketing materials. This budget is also used to help fund housing/market studies as it's been the goal of the REDA to update the City-initiated Housing Needs Assessment every few years.</p>	\$5,000
<p><u>Economic Development</u> The Economic Development budget reflects resources to aid in outreach</p>	\$34,000

<p>to existing and prospective businesses. Current efforts include partnerships with the Minnesota State Chamber, St. Paul Area Chamber of Commerce, Twin Cities North Chamber, and others to assist with various economic development events and/or programs and partnerships. Recruitment, acquisition assistance, and marketing efforts are being programmed through the use of economic development consulting, which includes the City’s public finance consultant (Ehlers), annual contract obligations for Golden Shovel Agency economic development marketing services, and the St. Paul Chamber for BRE&amp;A visits. This budget has been held flat from 2025 levels.</p>	
<p><u>Southeast Roseville Initiatives</u>  The cities of Roseville, St. Paul and Maplewood hired the Saint Paul Area Chamber of Commerce in 2019 to begin implementation of the Rice &amp; Larpenteur Alliance, which stemmed from completion of the Rice/Larpenteur Gateway Visioning Plan. In March of 2025, SPACC’s contract was extended an additional 12 months, with the City of Roseville (and Maplewood and St. Paul) continuing to set aside funds in support of the alliance and any other initiatives that may occur as a result of the visioning plan. The Rice &amp; Larpenteur Alliance’s Strategic Fundraising Framework is scheduled for updating in the coming year, which accounts for municipal contributions. Staff is recommending this budget remain flat for 2026. Roseville’s costs are \$40,000. The Finance Director has accounted for these costs differently for the 2026 budget, with revenues (other municipal contributions) and expenditures (monthly professional services) reflected in Fund 727, with transfers in and out reflected in Fund 725.</p>	<p>\$40,000  (\$125,000 total Alliance municipal costs)</p>
<p><b>Total 2026 Levy Supported Program Expenses</b></p>	<p>\$115,850</p>

39 As of July 8, 2025, the REDA general fund cash balance is \$455,768.  
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42 **Non-Property Tax Revenue**

43 The EDA levy does not include any non-property tax revenues. Prior budgets reflected revenues that  
44 are no longer collected (Northwestern Charitable Pledge) or are accounted for differently (Rice &  
45 Larpenteur Alliance - moved to Fund 727).  
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<p><b>Total EDA Proposed Budget:</b>  (Program Expenses + REDA Expenditures &amp; Personnel)</p>	<p>\$364,826</p>
<p>Minus Non-Property Tax Revenue</p>	<p>-\$0</p>
<p>Proposed Preliminary 2026 Levy</p>	<p><b>\$364,826</b>  <i>(0.01% or \$30 decrease from 2025)</i></p>

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49 **Policy Objectives**

50 Per the by-laws adopted by the Roseville Economic Development Authority, the REDA must review and

51 recommend a preliminary budget to the City Council annually.

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53 **Equity Impact Summary**

54 Equity impacts are not specifically evaluated in regards to the overall preliminary budget and levy. Equity  
55 impacts are/have been considered with regard to individual programs funded by this budget.

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57 **Budget Implications**

58 Included herein.

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60 **Staff Recommendations**

61 Discuss the EDA’s proposed 2026 Budget and Preliminary Tax Levy in the amount of \$364,826.

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63 **Requested Council Action**

64 Advise staff of any requested changes to the 2026 Budget and Preliminary Tax Levy.

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67 If appropriate, make a motion to adopt a Resolution requesting a Preliminary Tax Levy in 2025,  
68 collectible in 2026, in the amount of \$364,826.

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**Prepared by:** Janice Gundlach, Community Development Director

- Attachments:**
- 1. Resolution
  - 2. Budget Comparison

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**EXTRACT OF MINUTES OF MEETING OF THE  
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

Pursuant to due call and notice thereof, a meeting of the Roseville Economic Development Authority, County of Ramsey, Minnesota, was duly called and held at the City Hall on Monday, the 14<sup>th</sup> day of July, 2025, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption

**Resolution No. XX**

**A Resolution Requesting A Tax Levy in 2025 Collectible in 2026**

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Roseville Economic Development Authority, Minnesota (the "Authority"), as follows:

Section 1. Recitals.

1.01. The Authority is authorized by Minnesota Statutes Section 469.107 to request that the City of Roseville, Minnesota (the "City") levy a tax on all taxable property within the City, subject to approval of such tax levy by the City Council of the City, for the benefit of the Authority (the "EDA Levy").

1.02. The Authority is authorized to use the amounts collected by the EDA Levy for the purposes provided in Minnesota Statutes, Section 469.090 to 469.1081 (the "EDA Act").

Section 2. Findings

2.01. The Authority hereby finds that it is necessary and in the best interest of the City and the Authority to request that the City Council of the City adopt the EDA Levy to provide funds necessary to accomplish the goals of the Authority.

Section 3. Adoption of EDA Levy.

3.01. The Authority hereby requests that the City levy the following amount, which is no greater than 0.01813 percent of the City's estimated market value, to be levied upon the taxable property of the City for the purposes of the EDA Levy described in Section 1.02 above and collected with taxes payable in 2025:

Amount: \$364,826

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Section 4. Report to City and Filing of Levies.

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4.01. The executive director of the Authority is hereby instructed to transmit a certified copy of this Resolution to the City Council with the Authority's request that the City include the EDA Levy in its certified levy for 2026.

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Adopted by the Board of the Authority this 14<sup>th</sup> day of July, 2025.

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Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regularly held meeting thereof on July 14, 2025.

I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 14<sup>th</sup> day of July, 2025.

\_\_\_\_\_  
Executive Director, Patrick Trudgeon  
Roseville Economic Development Authority

City of Roseville Economic Development Authority 2026 Proposed Budget Fund 725 as July 7, 2025						
Account Number	Description	2023 Actuals	2024 Actuals	2025 Adopted Budget	2025 Actuals (as of 7-7-2025)	2026 Proposed Budget
<b>Proposed Revenues:</b>						
	Northwestern Charitable Pledge	\$23,125.00	\$23,125.00	n/a	n/a	
	Southeast Roseville (St. Paul & Maplewood)	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	
	EDA Levy	\$398,298.27	\$353,790.00	\$364,856.00	\$129,253.77	<b>\$364,826.00</b>
	<b>Total Revenue</b>	<b>\$318,273.00</b>	<b>\$461,915.00</b>	<b>\$449,856.00</b>	<b>\$214,253.77</b>	<b>\$364,826.00</b>
<b>Proposed Expenses:</b>						
<b>73</b>	<b>Ownership Rehab Program</b>					
430000	Professional Services-CEE	\$25,100.00	\$32,600.00	\$25,000.00	\$15,250.00	<b>\$25,000.00</b>
490000	Green Award Program	\$850.00	\$850.00	\$850.00	\$850.00	<b>\$850.00</b>
	Energy Efficiency Program	\$5,450.00	\$5,250.00	\$11,000.00	\$1,700.00	<b>\$11,000.00</b>
<b>73</b>	<b>Ownership Rehab Program Total</b>	<b>\$31,400.00</b>	<b>\$38,700.00</b>	<b>\$36,850.00</b>	<b>\$17,800.00</b>	<b>\$36,850.00</b>
<b>82</b>	<b>Marketing Studies</b>					
434000	Printing Marketing Materials	\$0.00	\$24,093.50	\$5,000.00	\$33,367.25	<b>\$5,000.00</b>
<b>82</b>	<b>Total</b>	<b>\$0.00</b>	<b>\$24,093.50</b>	<b>\$5,000.00</b>	<b>\$33,367.25</b>	<b>\$5,000.00</b>
<b>56</b>	<b>Economic Development</b>					
430000	Golden Shovel (Including Intern as needed)	\$11,550.00	\$11,550.00	\$15,000.00	\$5,250.00	<b>\$15,000.00</b>
430000	Economic Development Consultant On-Call	\$5,000.00	\$10,542.50	\$10,500.00		<b>\$10,500.00</b>
433000	BR&E Newsletter page, other outreach	\$6,000.00	\$7,803.43	\$7,000.00		<b>\$7,000.00</b>
441000	Business Educational Series	\$0.00	n/a	\$0.00	n/a	<b>\$0.00</b>
448000	Salesforce & Misc.	\$975.00	\$2,540.00	\$1,500.00	\$1,490.97	<b>\$1,500.00</b>
<b>56</b>	<b>Economic Development Program Total</b>	<b>\$23,525.00</b>	<b>\$32,435.93</b>	<b>\$34,000.00</b>	<b>\$6,740.97</b>	<b>\$34,000.00</b>
<b>727</b>	<b>Southeast Roseville Initiatives</b>	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	<b>\$40,000.00</b>
<b>726</b>	<b>Open-to-Business/Small Business Loan Program</b>	\$50,000.00	\$20,500.00	\$0.00		<b>\$0.00</b>
<b>00</b>	<b>General EDA Expenditures</b>					
430000	City of Roseville Economic Development Sta	\$200,599.93	\$198,311.70	\$210,250.00	\$98,324.96	<b>\$212,162.00</b>
430000	Prof. Svs. (Secretary)	\$540.65	\$324.06	\$1,000.00	\$556.50	<b>\$1,000.00</b>
0006	Prof. Svs. (EDA Attorney)	\$14,940.00	\$3,990.50	\$14,500.00	\$881.79	<b>\$14,500.00</b>
460001	Admin Service Fee	\$15,000.00	\$15,000.00	\$15,000.00	\$7,500.00	<b>\$15,000.00</b>
441000	Education (Training/Conferences)	\$1,691.66	\$880.00	\$3,000.00	\$250.00	<b>\$3,000.00</b>
441000	Training for Board			\$0.00		<b>\$0.00</b>
	Office Supplies/postage	\$226.80	\$25.79	\$0.00	\$47.34	
442000	Mbrship/Subscriptions	\$1,984.00	\$2,540.00	\$2,000.00		<b>\$2,040.00</b>
448000	Miscellaneous	\$751.26	\$1,324.42	\$2,000.00		<b>\$0.00</b>
431000	Telephone	\$449.00	\$182.00	\$200.00	\$101.58	<b>\$200.00</b>
432000	Mileage Reimbursement	\$323.13	\$129.98	\$700.00		<b>\$700.00</b>
443500	Minor Equipment (computer)		\$1,224.44			
443600	Software		\$558.52	\$356.00	\$183.00	<b>\$374.00</b>
	Operating Reserves					
<b>00</b>	<b>General EDA Expenditures Total</b>	<b>\$236,506.43</b>	<b>\$224,491.41</b>	<b>\$249,006.00</b>	<b>\$107,845.17</b>	<b>\$248,976.00</b>
	<b>Subtotal Expenditures</b>	<b>\$466,431.43</b>	<b>\$465,220.84</b>	<b>\$449,856.00</b>	<b>\$290,753.39</b>	<b>\$364,826.00</b>
	<b>Total Budgeted Expenses</b>			<b>\$449,856.00</b>		<b>\$364,826.00</b>