

**MINUTES  
OF THE  
EDINA HOUSING AND REDEVELOPMENT AUTHORITY  
HELD AT CITY HALL  
AUGUST 2, 2005  
7:00 P.M.**

**ROLLCALL** Answering rollcall were Commissioners Housh, Hulbert, Masica, Swenson and Chair Hovland.

**CONSENT AGENDA APPROVED** Motion made by Commissioner Housh and seconded by Commissioner Swenson approving the Consent Agenda for the Edina Housing and Redevelopment Authority as presented.

Rollcall:

Ayes: Housh, Hulbert, Masica, Swenson, Hovland

Motion carried.

**\*MINUTES OF THE REGULAR MEETING OF THE EDINA HOUSING AND REDEVELOPMENT AUTHORITY FOR JULY 19, 2005, APPROVED** Motion made by Commissioner Housh and seconded by Commissioner Swenson approving the Minutes of the regular meeting of the Edina Housing and Redevelopment Authority for July 19, 2005.

Motion carried on rollcall vote – five ayes.

**RESOLUTION NO. HRA 2005-1 APPROVED – CALL for SALE OF PUBLIC PROJECT REVENUE BONDS – SERIES 2005** Director Hughes presented a pre-sale report for the sale of \$5,425,000 in H.R.A. Public Project Revenue bonds. Proceeds of the bonds (at \$5,200,000) will pay for the construction of the two gymnasiums to be located on the Community Center and Southview campuses. The term of the bonds will be 20 years.

The bonds will be annual appropriation bonds requiring the Council establish a tax levy to pay the debt service on an annual basis. The Council will establish this levy with its annual budget levy at the first meeting in September. The projected levy will assume a net interest cost of 4.45% and will require an amount estimated to be around \$410,000 on an annual basis. Because these will be annual appropriation bonds, the investment grade of the bonds drop one grade. Instead of being rated Aaa, the bonds will be rated Aa due to the risk to the bondholders of an annual appropriation. This type of bond was the identical type that was used for the construction the City Hall/Police facility.

**Commissioner Housh introduced the following resolution and moved its adoption:**

**HRA RESOLUTION NO. 2005-1**

**Resolution Providing for the Sale of**

**\$5,425,000 HRA Public Project Revenue Bonds, Series 2005**

- A. WHEREAS, the Housing and Redevelopment Authority for the City of Edina, Minnesota (the "HRA"), has heretofore determined that it is necessary and expedient to issue the HRA's \$5,425,000 Public Project Revenue Bonds, Series 2005 (the "Bonds"), to finance public improvements in the City; and

**B. WHEREAS, the HRA has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor for the Bonds and is therefore authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);**

**NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority of the City of Edina, Minnesota, as follows:**

- 1. Authorization; Findings. The HRA hereby authorizes Ehlers to solicit proposals for the sale of the Bonds.**
- 2. Meeting; Proposal Opening. The HRA shall meet at 7:00 p.m. on August 16, 2005, for the purpose of considering sealed proposals for and awarding the sale of the Bonds.**
- 3. Official Statement. In connection with said sale, the officers or employees of the HRA are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the HRA upon its completion.**

**ADOPTED this 2<sup>nd</sup> day of August, 2005.** Commissioner Hulbert seconded the motion.

Ayes: Housh, Hulbert, Masica, Swenson, Hovland

Motion carried.

**TEMPORARY CONSTRUCTION LICENSE AGREEMENT FOR HAUGLAND DEVELOPMENT APPROVED; SET HEARING DATE OF SEPTEMBER 6, 2005 FOR TRANSFER OF H.R.A. PROPERTY FOR HAUGLAND DEVELOPMENT**

Director Hughes indicated on May 3, 2005, the Council approved a Conditional Use Permit (CUP) for the redevelopment proposal of the Haugland Companies at 50<sup>th</sup> & France. The approval was granted conditioned upon "platting the property to incorporate all easements, vacations and dedications."

Mr. Hughes said in order for this project to proceed in a logical fashion and allow the Haugland Company to secure construction financing, the HRA and the City need to take a number of actions prior to the approval of the final plat which will likely occur following the substantial completion of the project. This would be due largely to the fact that the plat will be "three dimensional" in nature in order to legally separate the condominium floors and garage from the retail level. Mr. Hughes said that accurate legal descriptions cannot be prepared until the building is in place.

Upon review by the City attorneys, staff recommended the HRA and the City grant Haugland a license for construction activities on the alleyway that occupies the northerly part of the Arby's site. Mr. Hughes added the HRA should set a hearing date for September 6, 2005, for the purpose of conveying this alleyway to Haugland conditioned upon Haugland rededicating an alley easement back to the City upon completion. Mr. Hughes added that State law required a hearing prior to disposition of property by the HRA.

The alley was acquired approximately 25 years ago. The HRA's ownership was three dimensional in nature in that the underlying property owner retained ownership of air rights above the alley. The conveyance of the alley to Haugland and Haugland's subsequent rededication of an alley easement back to the City will result in the City owning the same (although slightly reconfigured) alleyway as the HRA now owns. Staff recommends the City set

a hearing date as well for September 6, 2005 to vacate various easements on the property. New easements will be rededicated to the City when the final plat is completed.

Mr. Hughes displayed a graphic depicting the area and requested HRA action in granting Haugland Development a Temporary Construction License for construction and set a hearing date for transfer of HRA property and vacation of easements.

Commissioner Housh inquired what would be the scenario if the transfer did not happen because of the project not being completed. Attorney Gilligan stated that the easement over the area would not be designated until the plat was approved which would include rights protecting the City. He added that during the licensing period there were limits in place limiting the type of activities that can take place.

**Commissioner Swenson made a motion approving issuance of a Temporary Construction License Agreement to Haugland Development, setting September 6, 2005, as hearing date for the Transfer of HRA Property.** Commissioner Housh seconded the motion.

Ayes: Housh, Hulbert, Masica, Swenson, Hovland

Motion carried.

There being no further business on the Edina Housing and Redevelopment Authority Agenda, Chair Hovland declared the meeting adjourned.

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Executive Director