



AGENDA

Oakdale Economic Development Authority

Regular Meeting July 8, 2025 Council Chambers

(Following regular City Council meeting)

CALL TO ORDER

ROLL CALL

APPROVAL OF THE AGENDA

APPROVAL OF THE MINUTES: June 10, 2025

BUSINESS MATTERS

- a) Approval of Resolution Supplementing and Restating EDA Resolution 2024-02 Approving Use of Tax Increment Financing District (Redevelopment) District No. 2-6 (Bergen Plaza) for Costs of Tanners Lake Redevelopment Project (Recommendation: **Waive reading and adopt EDA Resolution 2025-01, Supplementing and Restating EDA Resolution 2024-02 Approving Use of Tax Increment Financing District (Redevelopment) District No. 2-6 (Bergen Plaza) for Costs of Tanners Lake Redevelopment Project.**)

ADJOURNMENT

**REGULAR MEETING MINUTES
OAKDALE ECONOMIC DEVELOPMENT AUTHORITY
June 10, 2025**

CALL TO ORDER

A regular meeting of the Economic Development Authority of the City of Oakdale was held on Tuesday, June 10, 2025, at Oakdale City Hall, 1584 Hadley Avenue, Oakdale, Minnesota. The meeting was called to order by President Kevin Zabel at 7:32 PM.

CALL OF ROLL

On a call of roll, the following were present:

President Kevin Zabel

Commissioners: Kari Moore
 Andy Morcomb
 Gary Severson

Also Present: Christina Volkers, City Administrator
 Sara Ludwig, City Clerk
 Jim Thomson, City Attorney
 Jake Foster, Assistant City Administrator
 Andy Gitzlaff, Community Development Director
 Kristina Handt, Interim Finance Director
 Nick Newton, Police Chief
 Lori Pulkrabek, Communications Manager
 Cory Tietz, Public Works Director

APPROVAL OF THE AGENDA

A MOTION WAS MADE BY COMMISSIONER MOORE, SECONDED BY COMMISSIONER MORCOMB, TO APPROVE THE AGENDA, AS PRESENTED.

4 AYES

APPROVAL OF THE MINUTES: December 10, 2024

A MOTION WAS MADE BY COMMISSIONER MORCOMB, SECONDED BY COMMISSIONER MOORE, TO APPROVE THE MINUTES OF DECEMBER 10, 2024, AS PRESENTED.

3 AYES

1 ABSTENTION – SEVERSON

BUSINESS MATTERS

a) Annual Election of Officers

The Board agreed to fill the seats of Vice-President, Treasurer, and Secretary based on seniority of the Oakdale City Council members.

A MOTION WAS MADE BY PRESIDENT ZABEL, SECONDED BY COMMISSIONER MOORE, TO APPROVE OAKDALE ECONOMIC DEVELOPMENT OFFICERS AS FOLLOWS: KEVIN ZABEL AS PRESIDENT, ANDY MORCOMB AS VICE-PRESIDENT, KARI MOORE AS TREASURER, AND GARY SEVERSON AS SECRETARY.

4 AYES

b) Approval of the Second Amendment to Temporary Property Use Agreement with Ames Construction, Inc. relating to EDA-owned Property at Tanners Lake

Community Development Director Andy Gitzlaff explained that the temporary property use agreement with Ames was originally signed on November 16, 2022, and was amended on April 15, 2024 to extend the terms to November 23, 2024. A condition required Ames to complete sewer relocation work at their expense, but due to design changes in the Tanners Lake redevelopment project, the work was deemed unnecessary. Because of this, Mr. Gitzlaff noted that Ames agreed to pay the cost of materials only (\$27,500), a figure verified by the Consulting City Engineer, to be deposited into the Municipal Building Fund.

In response to President Zabel's question about why the funds will go into the Municipal Building Fund, City Administrator Chris Volkers stated that the City Council will have the most flexibility to transfer the funds later if they are in the Municipal Building Fund.

A MOTION WAS MADE BY COMMISSIONER SEVERSON, SECONDED BY COMMISSIONER MOORE, TO AUTHORIZE THE EDA PRESIDENT AND EXECUTIVE DIRECTOR TO SIGN THE SECOND AMENDMENT TO TEMPORARY PROPERTY USE AGREEMENT WITH AMES CONSTRUCTION, INC. ON BEHALF OF THE EDA.

4 AYES

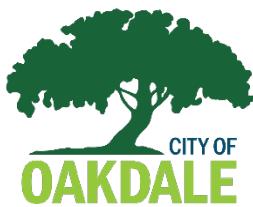
ADJOURNMENT

A MOTION WAS MADE BY COMMISSIONER MORCOMB, SECONDED BY COMMISSIONER MOORE, TO ADJOURN THE EDA MEETING OF JUNE 10, 2025, AT 7:37 PM.

4 AYES

Respectfully submitted,

Sara Ludwig, City Clerk



REQUEST FOR EDA ACTION

Meeting Date: July 8, 2025

Requester: AG
ED Approval: CV

Agenda Section: Business Matters

a

Title: Approval of Resolution Supplementing and Restating EDA Resolution 2024-02 Approving Use of Tax Increment Financing District (Redevelopment) District No. 2-6 (Bergen Plaza) for Costs of Tanners Lake Redevelopment Project

BACKGROUND

The City and Economic Development Authority (EDA) have been working with potential developers to redevelop the EDA-owned property adjacent to Tanners Lake for over seventeen years. The City and EDA established Tax Increment Financing (Redevelopment) District No. 2-12 (the “Tanners TIF District”) within Redevelopment District No. 2 (the “Project Area”) and adopted a Tax Increment Financing Plan (TIF Plan) all pursuant to Minnesota Statutes.

On February 12, 2008, the City Council authorized an Interfund Loan to the EDA for the Blackie’s Eatery and Saloon site and certain predevelopment investigation expenses which the City incurred in the amount of \$1,510,604.71 plus interest at the rate of 8.00% per annum. The current balance of the Interfund Loan is \$5,380,100 as of the end of June 2025.

The Blackie’s site was acquired by the EDA because it was deemed to be “substandard” and “blighted” as defined in Minnesota Statutes as related to Redevelopment Areas. The City and the EDA have established within a portion of the Project Area, Tax Increment Financing (Redevelopment) District No. 2-6 (Bergen Plaza), qualified as a redevelopment tax increment financing district (the “Bergen TIF District”), and pursuant to the TIF Act and Minnesota Law, the City and EDA are authorized to use the tax increments for eligible costs of redeveloping the property in the Tanners TIF District.

Tanners Lake L.L.C. proposes to redevelop an approximately 2.84-acre site located on Tanners Lake in the City and construct thereon approximately 178,200 square feet of buildings consisting of approximately 138 residential rental units with related amenities and surface, and has requested that the City and the EDA use tax increment financing to assist the Developer with certain costs thereof in order to fill the gap between the development costs and the funds available to pay such costs.

On November 12, 2024, the EDA approved a certain Purchase and Development Assistance Agreement (TIF Assistance Agreement) between the EDA, the City, and the Developer, which states the Developer’s responsibilities and the terms and conditions of the EDA’s assistance with the financing of certain costs of the Development. The costs of redeveloping the property in the Tanners TIF District are higher than for new development and the Developer proposing the Development has represented that it could not proceed with the Development without tax increment assistance.

On December 10, 2024, the EDA Board of Commissioners adopted Resolution 2024-02, which included, among other things, the use of \$1,300,000 of tax increments on hand in the Bergen TIF District account to prepay the City of Oakdale a portion of the Interfund Loan current balance. After the December 10, 2024 meeting, it was determined that there will be additional land sale proceeds from the Developer at closing available to pay down the Interfund Loan balance to an amount that can be paid off with the projected tax increments from the Tanners TIF District and therefore, the Bergen Available Increments will not be needed on the Closing Date and no purchase price promissory note is needed from the Developer.

In order to provide clear documentation of the Interfund Loan repayment schedule, City legal counsel recommends supplementing and restating Resolution 2024-02 to update the current Interfund Loan balance amount, rescind Section 1.02 and 1.05 related to the use of Bergen Available Increments and the purchase promissory note. No other provisions related to the use of tax increment from Bergen TIF District have changed.

FINANCIAL CONSIDERATIONS

The supplemented and restated Resolution will allow for the EDA to repay the principal and interest of the Interfund Loan from the City in the full amount including interest in conjunction with the Tanners Lake Redevelopment Project.

EDA ACTION REQUESTED

It is requested that the EDA waive reading and adopt EDA Resolution 2025-01, Supplementing and Restating EDA Resolution 2024-02 Approving Use of Tax Increment Financing District (Redevelopment) District No. 2-6 (Bergen Plaza) for Costs of Tanners Lake Redevelopment Project.

Attachments

EDA Resolution 2025-01

EDA Resolution 2024-02 (Approved on 12/10/2024), for Reference

**ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF OAKDALE
RESOLUTION 2025-01**

**SUPPLEMENTING AND RESTATING A RESOLUTION APPROVING USE OF TAX
INCREMENTS FROM TAX INCREMENT FINANCING (REDEVELOPMENT)
DISTRICT NO. 2-6 (BERGEN PLAZA) FOR COSTS OF TANNERS LAKE
REDEVELOPMENT PROJECT**

At a meeting of the Board of Commissioners of the Economic Development Authority of the City of Oakdale held on Tuesday, July 8, 2025, at Oakdale City Hall, 1584 Hadley Avenue North, Oakdale, Minnesota, with the following Commissioners present: President Kevin Zabel; Commissioners Kari Moore, Andy Morcomb, and Gary Severson, and the following Commissioners absent: None, the Board of Commissioners resolved:

WHEREAS, on December 10, 2024, the Board of Commissioners (the “Board”) of the Economic Development Authority of the City of Oakdale (and as successor to the Housing and Redevelopment Authority for the City of Oakdale, the “EDA”) previously adopted Resolution 2024-02, whereby it was determined that the EDA should, among other things, use \$1,300,000 of tax increments on hand in account of the Bergen TIF District (as defined below) (“Bergen Available Increments”) to prepay to the City of Oakdale, Minnesota (the “City”) a portion of the Interfund Loan (as defined below); and

WHEREAS, after the December 10, 2024 meeting, it was determined that there will be additional land sale proceeds available to pay down the Interfund Loan balance to an amount that can be paid off with the projected tax increments from the Tanners TIF District (as defined below) and therefore, the Bergen Available Increments will not be needed on the Closing Date (as defined in the TIF Assistance Agreement defined below) and no purchase price promissory note is needed from the Developer (as defined below); and

WHEREAS, the Board desires to supplement and restate Resolution 2024-02, to rescind Sections 1.02 and 1.05 thereof; and

WHEREAS, the EDA and the City have established Tax Increment Financing (Redevelopment) District No. 2-12 (the “Tanners TIF District”) within Redevelopment District No. 2 (the “Project Area”) and adopted a Tax Increment Financing Plan relating thereto (as amended, the “TIF Plan”), all pursuant to Minnesota Statutes, Sections 469.001 through 469.047, 469.090 through 469.1082, 469.124 through 469.134, and 469.174 through 469.1794 (collectively, the “TIF Act”) and 2008 Laws of Minnesota, chapter 366, article 5, section 34, as amended by 2009 Laws of Minnesota, chapter 88, article 5, section 11, as further amended by 2013 Laws of Minnesota, article 9, chapter 143, sections 12 (collectively, the “Special Law”), all as reflected in that certain document, entitled “Amendment to Tax Increment Financing Plan for Tax Increment Financing (Redevelopment) District No. 2-12 within Redevelopment District No. 2 (Tanners Lake Redevelopment Project)” dated November 12, 2024 (the “Amended TIF Plan”); and

WHEREAS, the City Council adopted Resolution No. 2008-25 on February 12, 2008 which authorized an interfund loan for the Blackie’s site and certain predevelopment investigation

expenses which the City incurred in the amount of \$1,510,604.71 plus interest at the rate of 8.00% per annum, the current balance of which is \$5,380,100 (the “Interfund Loan”); and

WHEREAS, the City and the EDA have established within a portion of the Project Area, Tax Increment Financing (Redevelopment) District No. 2-6 (Bergen Plaza), qualified as a redevelopment tax increment financing district (the “Bergen TIF District”), and pursuant to the TIF Act and the Minnesota Laws 2010, chapter 216, article 5, section 55, as amended by Minnesota Laws 2013, chapter 143, article 9, section 13 (the “Bergen TIF Special Law”) the EDA is authorized to use the tax increments therefrom for eligible costs of redeveloping the property in the Tanners TIF District; and

WHEREAS, Tanners Lake L.L.C. (the “Developer”) proposes to redevelop an approximately 2.84 acre site located on Tanners Lake in the City and construct thereon approximately 178,200 square feet of buildings consisting of approximately 138 residential rental units with related amenities and surface parking (the “Development”) and has requested that the City and the EDA use tax increment financing to assist the Developer with certain costs thereof in order to fill the gap between the development costs and the funds available to pay such costs, and on November 12, 2024, the Board approved a certain Purchase and Development Assistance Agreement between the EDA, the City, and the Developer, which states the Developer’s responsibilities and the terms and conditions of the EDA’s assistance with the financing of certain costs of the Development (the “TIF Assistance Agreement”); and

WHEREAS, the costs of redeveloping the property in the Tanners TIF District are higher than for new development and the Developer proposing the Development has represented that it could not proceed with the Development without tax increment assistance and the Bergen TIF District account has a current available balance of \$3,533,428.76.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (the “Board”) of the Economic Development Authority of the City of Oakdale (and as successor to the Housing and Redevelopment Authority for the City of Oakdale, the “EDA”) as follows:

Section 1. Use of Tax Increments from Bergen TIF District.

1.01 The Board hereby finds that the need for assistance for the redevelopment of the property in the Tanners TIF District is greater than the tax increments projected to be generated by the Tanners TIF District.

1.02 The Board hereby rescinds and intentionally omits Section 1.02 of Resolution 2024-02.

1.03 The Board authorizes Pledged Tax Increments (as defined in the TIF Assistance Agreement) to be paid to the City on a pay as you go basis, in partial payment of the Interfund Loan, in the same amounts and on the same Payment Dates (as defined in the TIF Assistance Agreement) as payments are to be made to the Developer in accordance with the TIF Note (as defined in the TIF Assistance Agreement).

1.04 The Board hereby authorizes Bergen Available Increments to be paid to the Developer on a pay as you go basis, in amounts equal to the Pledged Tax Increments (as

defined in the TIF Assistance Agreement) on the Payment Dates (as defined in the TIF Assistance Agreement) in accordance with the TIF Note (as defined in the TIF Assistance Agreement).

1.05 The Board hereby rescinds and intentionally omits Section 1.05 of Resolution 2024-02.

1.06 The Board hereby authorizes Bergen Available Increments to be paid to the City after the payment in full of the amounts described in Section 1.03 hereof, in the amount of any remaining outstanding balance of the Interfund Loan after application of the amounts described in Section 1.03 hereof.

1.07 If the amounts paid in accordance with Section 1.04 hereof through the Final Payment Date (as defined in the TIF Assistance Agreement) are less than the amount necessary to pay the principal of and interest on the TIF Note in full, the Board hereby authorizes Bergen Available Increments to be paid to the Developer on the Final Payment Date, an amount equal to the lesser of \$200,000 or the outstanding balance of the TIF Note on such date.

1.08 The Board hereby directs staff to present for consideration by the Board the option to decertify the Bergen TIF District when the City Finance Director has determined that the accumulated balance in the Bergen TIF District account is sufficient to pay the Interfund Loan and the TIF Note in the amounts and at the times set forth in this Resolution.

1.09 Resolution 2024-02 is supplemented and restated but not rescinded by this Resolution.

Voting in Favor: President Kevin Zabel; Commissioners Kari Moore, Andy Morcomb, and Gary Severson;

Voting Against: None.

Resolution duly seconded and passed this 8th day of July, 2025.

Kevin Zabel, President

Attest:

Christina M. Volkers, Executive Director

**ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF OAKDALE
RESOLUTION 2024-02**

**APPROVING USE OF TAX INCREMENTS FROM TAX INCREMENT FINANCING
(REDEVELOPMENT) DISTRICT NO. 2-6 (BERGEN PLAZA) FOR COSTS OF
TANNERS LAKE REDEVELOPMENT PROJECT**

At a meeting of the Board of Commissioners of the Economic Development Authority of the City of Oakdale held on Tuesday, December 10, 2024, at Oakdale City Hall, 1584 Hadley Avenue North, Oakdale, Minnesota, with the following Commissioners present: President Kevin Zabel; Commissioners Jake Ingebritson, Kari Moore, Andy Morcomb, and Susan Willenbring and the following Commissioners absent: None, the Board of Commissioners resolved:

WHEREAS, the Economic Development Authority of the City of Oakdale (and as successor to the Housing and Redevelopment Authority for the City of Oakdale, the "EDA") and the City of Oakdale, Minnesota (the "City") have established Tax Increment Financing (Redevelopment) District No. 2-12 (the "Tanners TIF District") within Redevelopment District No. 2 (the "Project Area") and adopted a Tax Increment Financing Plan relating thereto (as amended, the "TIF Plan"), all pursuant to Minnesota Statutes, Sections 469.001 through 469.047, 469.090 through 469.1082, 469.124 through 469.134, and 469.174 through 469.1794 (collectively, the "TIF Act") and 2008 Laws of Minnesota, chapter 366, article 5, section 34, as amended by 2009 Laws of Minnesota, chapter 88, article 5, section 11, as further amended by 2013 Laws of Minnesota, article 9, chapter 143, sections 12 (collectively, the "Special Law"), all as reflected in that certain document, entitled "Amendment to Tax Increment Financing Plan for Tax Increment Financing (Redevelopment) District No. 2-12 within Redevelopment District No. 2 (Tanners Lake Redevelopment Project)" dated November 12, 2024 (the "Amended TIF Plan"); and

WHEREAS, the City Council adopted Resolution No. 2008-25 on February 12, 2008 which authorized an interfund loan for the Blackie's Restaurant site and certain predevelopment investigation expenses which the City incurred in the amount of \$1,510,604.71 plus interest at the rate of 8.00% per annum, the current balance of which is \$5,173,173.39 (the "Interfund Loan"); and

WHEREAS, the City and the EDA have established within a portion of the Project Area, Tax Increment Financing (Redevelopment) District No. 2-6 (Bergen Plaza), qualified as a redevelopment tax increment financing district (the "Bergen TIF District"), and pursuant to the TIF Act and the Minnesota Laws 2010, chapter 216, article 5, section 55, as amended by Minnesota Laws 2013, chapter 143, article 9, section 13 (the "Bergen TIF Special Law") the EDA is authorized to use the tax increments therefrom for eligible costs of redeveloping the property in the Tanners TIF District; and

WHEREAS, Tanners Lake L.L.C. (the "Developer") proposes to redevelop an approximately 2.84 acre site located on Tanners Lake in the City and construct thereon approximately 178,200 square feet of buildings consisting of approximately 138 residential rental units with related amenities and surface parking (the "Development") and has requested that the City

and the EDA use tax increment financing to assist the Developer with certain costs thereof in order to fill the gap between the development costs and the funds available to pay such costs, and on November 12, 2024 the Board approved a certain Purchase and Development Assistance Agreement (the "TIF Assistance Agreement") between the EDA, the City and the Developer, which states the Developer's responsibilities and the terms and conditions of the EDA's assistance with the financing of certain costs of the Development; and

WHEREAS, the costs of redeveloping the property in the Tanners TIF District are higher than for new development and the Developer proposing the Development has represented that it could not proceed with the Development without tax increment assistance and the Bergen TIF District account has a current available balance of \$3,533,428.76.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (the "Board") of the Economic Development Authority of the City of Oakdale (and as successor to the Housing and Redevelopment Authority for the City of Oakdale, the "EDA") as follows:

Section 1. Use of Tax Increments from Bergen TIF District.

1.01 The Board hereby finds that the need for assistance for the redevelopment of the property in the Tanners TIF District is greater than the tax increments projected to be generated by the Tanners TIF District.

1.02 The Board authorizes \$1,300,000 of tax increments on hand in the Bergen TIF District account ("Bergen Available Increments") to be paid to the City on the Closing Date (as defined in the TIF Assistance Agreement) in partial payment of the Interfund Loan.

1.03 The Board authorizes Pledged Tax Increments (as defined in the TIF Assistance Agreement) to be paid to the City on a pay as you go basis, in partial payment of the Interfund Loan, in the same amounts and on the same Payment Dates (as defined in the TIF Assistance Agreement) as payments are to be made to the Developer in accordance with the TIF Note (as defined in the TIF Assistance Agreement).

1.04 The Board hereby authorizes Bergen Available Increments to be paid to the Developer on a pay as you go basis, in amounts equal to the Pledged Tax Increments (as defined in the TIF Assistance Agreement) on the Payment Dates (as defined in the TIF Assistance Agreement) in accordance with the TIF Note (as defined in the TIF Assistance Agreement).

1.05 The Board hereby authorizes Purchase Price Pledged Increments (as defined in the TIF Assistance Agreement) to be paid to the City on a pay as you go basis, in partial payment of the Interfund Loan, in the amounts of the Payment Installments and on the same Payment Dates all as defined in and in accordance with the Purchase Price Note (as defined in the TIF Assistance Agreement).

1.06 The Board hereby authorizes Bergen Available Increments to be paid to the City after the payment in full of the amounts described in Sections 1.03 and 1.05 hereof, in the amount of any remaining outstanding balance of the Interfund Loan after application of the amounts described in Sections 1.03 and 1.05 hereof.

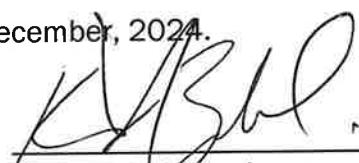
1.07 If the amounts paid in accordance with Section 1.04 hereof through the Final Payment Date (as defined in the TIF Assistance Agreement) are less than the amount necessary to pay the principal of and interest on the TIF Note in full, the Board hereby authorizes Bergen Available Increments to be paid to the Developer on the Final Payment Date, an amount equal to the lesser of \$200,000 or the outstanding balance of the TIF Note on such date.

1.08 The Board hereby directs staff to present for consideration by the Board the option to decertify the Bergen TIF District when the City Finance Director has determined that the accumulated balance in the Bergen TIF District account is sufficient to pay the Interfund Loan and the TIF Note in the amounts and at the times set forth in this Resolution.

Voting in Favor: President Zabel, Commissioners Ingebritson, Moore, Morcomb, and Willenbring;

Voting Against: None.

Resolution duly seconded and passed this 10th day of December, 2024.



Kevin Zabel, President

Attest:



Christina M. Volkers, Executive Director