



City of Blaine Anoka County, Minnesota

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

Legislation Details (With Text)

File #:	RES 17-078	Version:	2	Name:	Letter of Intent - Sale of property 108th Ln/Town Sq Dr
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Title:	APPROVING A LETTER OF INTENT FOR THE SALE OF 1.58 ACRES OF PROPERTY GENERALLY LOCATED AT THE CORNER OF 108TH LANE AND TOWN SQUARE DRIVE				
Sponsors:	Erik Thorvig				
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Date	Ver.	Action By	Action	Result
7/13/2017	2	City Council	Adopted	Pass
6/15/2017	1	City Council	Postponed	

ADMINISTRATION - *Erik Thorvig, Economic Development Coordinator*

APPROVING A LETTER OF INTENT FOR THE SALE OF 1.58 ACRES OF PROPERTY GENERALLY LOCATED AT THE CORNER OF 108TH LANE AND TOWN SQUARE DRIVE

Staff has been working with a dentist currently located in the office building at corner of Radisson Road and Town Square Drive about expanding his business to a new location. Ideally he'd like to construct and own a new building in Blaine. Several sites were reviewed however he has strong interest in the City owned land next to his current building.

The 7.39 acre site was identified as the preferred community center site however the referendum did not pass last fall. At the May 11th workshop, direction was given to staff to continue to work towards a sale of the 1.58 acres for the proposed development.

A development proposal is included that would create a 1.58 acre parcel next to the existing office building. Site development would include 16,500 sf. of office space with 89 parking stalls. The building is designed to have mezzanine space over main level offices giving the building a more vertical appearance. The exterior material would match that of other buildings in the area. The dentist would take a portion of the building and lease the remaining to other local businesses.

The first step in the process is for the City Council to approve a letter of intent to sell property.

The property is owned by the City of Blaine, not the Blaine EDA (the property was transferred from the EDA to the City in 2014). Approval of the letter of intent provides the developer assurance that there is interest by the city to move forward and allows him to prepare plans for Planning Commission and City Council approval sometime this fall/winter with construction beginning in the spring of 2018.

The general terms of the real estate transaction are as follows:

- Purchase Price: \$6.50/sf. based on final property survey (approximately \$447,361).
- Closing Date: On or before May 31, 2018.
- Developer will construct a 16,500 sf. office building consistent with approved plans.
- The city will subdivide the property to create a lot to sell. Park dedication has already been addressed though the EDA's participation in developing Town Square Park.
- If approvals and an executed purchase agreement are not completed by December 31, 2017 the Letter of Intent is no longer valid.

Staff would propose proceeds from the sale go to the Blaine EDA general fund and be used for future redevelopment projects.

Adopt the attached resolution approving a letter of intent for the sale of 1.58 acres of property generally located at the corner of 108th Lane and Town Square Drive.

WHEREAS, the City of Blaine owns 7.39 acres of land generally located at the corner of 108th Lane and Town Square Drive; and

WHEREAS, a developer is interested in purchasing and developing 1.58 acres for a 16,500 sf. office building; and

WHEREAS, a letter of intent has been prepared outlining specific terms of a real estate transaction where the City of Blaine would sell 1.58 acres of land to the developer; and

NOW, THEREFORE, BE IT RESOLVED, that the Blaine City Council approves a letter of intent for the sale of 1.58 acres of property generally located at the corner of 108th Lane and Town Square Drive.

PASSED by the City Council of the City of Blaine this 13th day of July, 2017.