



City of Blaine Anoka County, Minnesota

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

Legislation Details (With Text)

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| File #: | WS 19-84 | Version: | 1 | Name: | Proposal for EDA-owned land on Nassau St |
| Type: | Workshop Item | Status: | | Status: | Filed |
| File created: | 12/2/2019 | In control: | | In control: | City Council Workshop |
| On agenda: | 12/2/2019 | Final action: | | Final action: | 12/2/2019 |
| Title: | PROPOSAL FOR EDA-OWNED LAND AT 10610 NASSAU ST | | | | |
| Sponsors: | Erik Thorvig | | | | |
| Indexes: | | | | | |
| Code sections: | | | | | |
| Attachments: | 1. Location Map, 2. Concept Drawings | | | | |

| Date | Ver. | Action By | Action | Result |
|-----------|------|-----------------------|-----------|--------|
| 12/2/2019 | 1 | City Council Workshop | Discussed | |

WORKSHOP ITEM - Erik Thorvig, Community Development Director

PROPOSAL FOR EDA-OWNED LAND AT 10610 NASSAU ST

A portion of the industrial park, generally located at 105th Ave and Nassau St, has been identified as a redevelopment area in both the 2030 and 2040 Comprehensive Plans. The area includes older industrial buildings that do not necessarily meet the needs of new industrial users and certain existing users have extensive outside storage which is not consistent with the vision.

The Blaine EDA has been active in purchasing property in the area. In 2016 the EDA purchased the 2.43 acre property at 10610 Nassau St. In 2017 the EDA purchased 2111 105th Ave and 10525 Nassau St. All of these properties contained older buildings that have been demolished and the sites are currently vacant.

The EDA has identified two other properties for acquisition - 10549 and 10601 Nassau St. The EDA has a purchase agreement for 10549 Nassau St and have been in discussions with the owner of 10601 Nassau St. The owner has indicated their desire to eventually sell to the EDA.

The property at 10601 Nassau St is occupied by Sure Cast. Sure Cast is an aluminum foundry that has been in Blaine since 1980. The business was recently sold and the new ownership group would like to construct a new, modern building. Sure Cast leases their existing building and the lease expires in September 2021.

Staff met with the owners of Sure Cast to review potential sites in Blaine for a new building. The company likes the EDA owned site at 10610 Nassau St. Attached are conceptual drawings for a new 21,400 sf. building with expansion capabilities. The use is permitted in the current

zoning districts and is consistent with the future plan for the area which is to allow lighter industrial uses interior to the industrial park. There is no outside storage proposed and the building is similar to other newer buildings in the immediate area.

The company is requesting the EDA to enter into a letter of intent (LOI). The LOI outlines a purchase price and timeline for a transaction to purchase the EDA lot and also when the EDA can purchase 10601 Nassau St. The company is offering to pay \$344,665. The EDA paid \$325,000 for the land. Staff has not negotiated a purchase price for 10601 Nassau St. Staff and the company are proposing the following schedule:

12/19-3/20: EDA and property owner of 10601 Nassau St agree to EDA purchase in principal.

April 2020: Approve sale of EDA owned land to company and approve purchase agreement for existing Sure Cast property. Company has a 365 day due-diligence period

April 2021: Sure Cast closes on EDA Site

Sept 2021: EDA purchases Sure Cast property and leases back to company

April 2022: Sure Cast begins construction

The proposal meets several goals and objectives including retention and expansion of an existing Blaine business, sale of EDA owned property, and purchase of property within an identified redevelopment area.

Discuss the proposal and determine whether this is a use and transaction the EDA/city council would like to pursue. If the response is favorable, a formal action item to execute the Letter of Intent would be brought to the EDA at the December 16, 2019 meeting.