



City of Blaine Anoka County, Minnesota

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

Legislation Text

File #: EDA RES 17-01, Version: 1

ECONOMIC DEVELOPMENT AUTHORITY - *Bryan Schafer, Community Development Director*

TILLER CORPORATION SITE EXPANSION

Note: Most of this background was shared with the City Council in a workshop memo of October 8, 2015.

Tiller Corporation began operations of their hot mix asphalt (HMA) plant at 10280 Naples Street in 2000. Their aggregate storage needs have grown over the past 15 years based not only on the general growth of the business (asphalt sales) but also the need to store and recycle more reclaimed asphalt and concrete which now comprises more than 15% of the aggregate used in their business. In short they are running out of room and have identified (and purchased) the 11.2 acre Determan parcel just to the west of their site. The 11.2 acre site is undeveloped and contains scattered wetland areas throughout the parcel.

Their proposal consists of adding approximately 4.5 acres of aggregate storage on the eastern edge of the former Determan site and adjacent to their existing aggregate storage areas. This expansion is deemed to be critical by Tiller in order to remain efficient and competitive in serving the development and road maintenance needs of Blaine as well as the surrounding north metro area.

Currently this site generates almost 400 million tons of HMA serving Blaine and good portion of the north metro. Typically 15 employees are on site and necessary for the operations of the facility. The current site has a 2016 tax value at just over \$1.2 million with just over \$47,000 paid in property taxes for 2015.

Issues to be resolved:

- The Tiller site is zoned I-2A (Heavy Industrial) while the Determan property is zoned I-2 and I-1 (Light Industrial). The Determan site would need to be rezoned and re-guided by the City in order to allow the expansion. Formal applications are being prepared for submittal in the next couple weeks.
- The Determan site has scattered wetlands that would make the proposal very difficult or impossible without the filling of some of the wetlands to provide the needed 4.25 acres of upland for the storage as well as the required wetland buffer areas. It is also proposed by

Tiller that the wetland impacts be mitigated by purchasing up to 5.1 acres of wetland credits that are held by the Blaine EDA. Using an updated \$1.85 per sq foot (\$1.80 was shared with the City Council in 2015) the 5.1 acres of credits would have a value of \$410,988. Currently the EDA wetland bank, including this pending sale, would have approximately 40 acres available.

Tiller Corporation Narrative and Site Plan

It is recommended that the EDA approve the sale of up to 5.1 acres of EDA wetland credits at the price of \$1.85 per square foot.

BE IT RESOLVED by the Board of Commissions (the “Board”) of the Blaine Economic Development Authority (the “EDA”), as follows:

WHEREAS, it is one of the goals and purposes of the Blaine EDA to improve the community, strengthen the tax base and enhance employment opportunities; and

WHEREAS, Tiller Corporation (the “Developer”) owns the property at 10280 Naples Street (the “Development Property”); and

WHEREAS, the Developer desires to expand their site to add capacity for their ongoing and growing asphalt business to meet both market and environmental goals for the Development Property; and

WHEREAS, the Developer has requested to purchase up to 5.1 acres of wetland credits from the Blaine EDA Wetland Bank to assist in their site expansion.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Blaine Economic Development Authority, City of Blaine, Minnesota, that the President and Executive Director of the Blaine Economic Development Authority are here authorized to execute any and all agreements and documents required to accomplish the sale of up to 5.1 acres of Blaine EDA Wetland Credits at the price of \$1.85 per square foot, plus the EDA’s out of pocket cost for withdrawing the funds.

PASSED by the Blaine Economic Development Authority this 16th day of February, 2017.