



# City of Blaine Anoka County, Minnesota

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

## Legislation Text

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**File #:** EDA RES 19-08, **Version:** 1

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**ECONOMIC DEVELOPMENT AUTHORITY**- *Erik J. Thorvig, Community Development Director*

### **APPROVAL OF DEMOLITION ASSISTANCE FOR ROYAL LAKES RETAIL CENTER/LEEZERS EXPRESS**

The property at 12475 Lexington Ave has been used a gas/convenience store since the building was built in 1988. The business/property owner has had the property for sale off and on for several years however did not found a buyer.

With the new Kwik Trip opening to the south, the owner is looking at redevelopment options for the site and changing the use to retail/restaurant. The site is 1.39 acres and the owner wants to purchase the vacant lot to the east which would create a 2.31 acre site. The existing building is approximately 3,500 sf. and redevelopment of the site would allow for a building to be better oriented and positioned on the site to maximize parking, exposure, building square footage and site access.

The developer has submitted plans that show a 12,000 sf. building with a sit-down restaurant, coffee shop and general retail (see attached). These plans will be presented before the planning commission in August and city council in September.

The developer would like to start construction this fall, therefore getting the building removed in a timely manner is important to the project schedule. This is the reason for the financial request coming ahead of the formal project approvals.

The owner is currently in negotiations with several potential tenants and the financial pro-forma for the project and finish of the building dictates potential rent and the quality of tenant the owner can attract.

The owner is requesting EDA financial assistance for the building demolition and tank removal. The owner has indicated a desire to have a higher finish building and financial assistance will help the owner use dollars that otherwise would have been spent on demolition towards the

quality of the building.

This request was brought to the city council at the March 14, 2019 workshop and there was a consensus to assist in the project. In this particular instance staff would be comfortable providing \$75,000 towards demolition. Funds would come from the EDA general redevelopment fund. If approved, staff would prepare a development agreement that outlines the payment would occur once demolition and site cleanup is complete. The EDA would not be responsible for any contamination found with the tank removal.

Funds are available from the MPCA that reimburses up to 90% of any contamination remediation costs associated with tank removal.

Approve the attached Resolution.

**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**, the owner of 12475 Lexington Ave. is wanting to redevelop the site; and

**WHEREAS**, the owner/developer has requested financial assistance for demolition of the existing building in order to construct a 12,000 sf. retail center; and

**WHEREAS**, \$75,000 from the EDA general fund has been determined to be a reasonable amount of assistance for the project.

**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 to provide \$75,000 in assistance for the redevelopment at 12475 Lexington Avenue.

**PASSED** by the Blaine Economic Development Authority this 5<sup>th</sup> day of August, 2019.